

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE No. ⁵³⁶ of 1998

BETWEEN: CHARLES LOWERY PLAINTIFF
AND: FALCON ATLANTIC LTD. DEFENDANT

WRIT OF SUMMONS

TO: Falcon Atlantic Ltd.
c/o Huntlaw Corporate Services Ltd.
Huntlaw Building, Fort Street
P.O. Box 1350 GT
George Town
Grand Cayman
Cayman Islands



THIS WRIT OF SUMMONS has been issued against you by the above-named Plaintiff in respect of the claim set out on the next page.

Within 14 days after the service of this Writ on you, counting the day of service, you must either satisfy the claim or return to the Court Office, P.O. Box 495G, George Town, Grand Cayman, the accompanying Acknowledgment of Service stating therein whether you intend to contest these proceedings.

If you fail to satisfy the claim or to return the Acknowledgment within the time stated, or if you return the Acknowledgment without stating therein an intention to contest the proceedings, the Plaintiff may proceed with the action and judgment may be entered against you forthwith without further notice.

Issued this 31st day of August, 1998.

NOTE - This Writ may not be served later than 4 calendar months (or, if leave is required to effect service out of the jurisdiction, 6 months) beginning with the date of issue, unless renewed by order of the Court.

IMPORTANT

Directions for Acknowledgment of Service are given with the accompanying form.

STATEMENT OF CLAIM

Introduction

1. The Defendant is a company incorporated in the Cayman Islands having its registered office address at Huntlaw Corporate Services Ltd., Huntlaw Building, Fort Street, P.O. Box 1350GT, George Town, Grand Cayman, Cayman Islands.
2. At all material times the Defendant was engaged in the oil-drilling business.
3. The Plaintiff was, at all material times, employed as a Materialsman on an oil drilling rig as pleaded further below.
4. The Plaintiff's claim is for the sum of US\$25,370.60 due and owing to him and arising out of a breach of a contract of employment with the Defendant as pleaded further below.

The Contract

5. By an agreement in writing ("the Agreement") made between the Plaintiff and the Defendant on the 4th January 1996 the Plaintiff, at all material times, worked as a Materialsman for the Defendant until the 20th August 1997.
6. The Agreement contained, inter alia, the following express terms:-
 - i. Clause IV. Position
 - A. Employee (Plaintiff) agrees to accept employment and perform the duties of the Position hereinabove described at the Company's (Defendant) drilling locations in the Area of Operations, and any other duties within his capabilities that may be assigned to him from time to time by representatives of the Company. Company may change the Area of Operations, and shall have the right to assign Employee to different areas, or Rigs, or affiliated companies at any time.
 - ii. Clause V. Compensation
 - A. The Monthly Wage is the wage that will be paid for each calendar month during the term of this Agreement, whether Employee is on a Rig for all, none, or part of such calendar month. Employee's service shall commence on the Commencement Date. The Monthly Wage includes full payment for services rendered, and is the fully grossed-up wage for a standard tour of duty, including all redundancy payments, overtime payments, extended duty payments, payments in lieu of time off, and any other statutory or other payments. All compensation set forth in this Agreement shall be understood to be expressed in

United States dollars. Notwithstanding any of the foregoing, the Monthly Wage shall be prorated for any partial calendar month in the term of this Agreement.

iii. Clause VI. Work Schedule

A. The standard tour of duty under this Agreement is 28 days of work on the Rig, followed by 28 days off work. Employee, however, agrees to work whatever work schedule is assigned to him by Company representatives. The work schedule will be adjusted for each particular area's requirements at the sole discretion of the Company and may be changed at any time.

B. In the event that Employee works more or fewer days than the standard tour of duty, Company will pay an additional amount or deduct an amount based upon Employee's Monthly Wage prorated for the number of extra days worked or missed; provided, in the case of extra days worked, Company may elect, in lieu of additional payment, at its sole option to give Employee extra time off at rate of one extra day off for each extra day worked.

iv. XVII. Governing Law

A. The interpretation and enforcement of this Agreement shall be governed exclusively by the laws of the Cayman Islands. The parties irrevocably agree and submit to the exclusive jurisdiction of the Courts of the Cayman Islands in relation to any dispute or difference arising under the terms of this Agreement.

B. The parties irrevocably waive any objection which they may have now or in the future to the Courts of the Cayman Islands on the grounds of venue or otherwise and agree not to claim that such court is not a convenient or appropriate forum.

7. From the 4th January 1996 to the 31st July 1996 the Plaintiff's work schedule was the standard tour as defined in Clause VI A. On the 1st August 1996 the Defendant changed the Plaintiff's work schedule pursuant to Clause VI. A. of the Agreement. The Plaintiff subsequently worked every day from the 1st August 1996 until the 20th August 1997.

8. On the 1st August 1996 the Plaintiff's monthly wage was increased to US\$3,800.00 and on the 1st February 1997 the Plaintiff's monthly wage was increased to US\$4,200.00.

The Breach

9. In breach of the Agreement, the Defendant has refused to pay the Plaintiff for the extra days worked pursuant to Clause VI. B of the Agreement for the entire period from the 1st August 1996 to the 20th August 1997.

PARTICULARS OF LOSS

1st August 1996 to 31st January 1997 - 92 days @ US\$124.93 per day = US\$11,493.56

1st February 1997 to 20th August 1997 - 100.5 days @ US\$138.08 per day = US\$13,877.04

Total: US\$25,370.60

AND THE PLAINTIFF CLAIMS:-

1. AN ORDER for the payment by the Defendant of the sum of US\$25,370.60.
2. INTEREST pursuant to Section 34(1) of the Judicature Law (1995 Revision) accrued to date of issue herein at the rate of 7 3/8% per annum from the 20th August 1997 to the 31st January 1998 and thereafter at the rate of 7 7/8% per annum, equal to US\$2,004.44, and continuing.
3. FURTHER and/or other relief.
4. COSTS of the Prescribed Filing Fee of US\$253.70 and Fixed Costs CI\$500.00 (US\$609.75).

Total Amount as of 31st August 1998: US\$28,238.49

STATEMENT REGARDING INTEREST:

1. The rate of interest claimed is 7 3/8% per annum from 20 August 1997 to 31 January 1998 and at the rate of 7 7/8% per annum from the 1st February 1998 to the date of issue herein.

2. The date(s) from which interest is calculated is 20 August 1997 as to US\$25,370.60.
3. The total amount of interest claimed as at 31st August 1998 is US\$2,004 44.
4. The amount of interest accruing each day thereafter is US\$5.47.

If, within the time for returning the Acknowledgment of Service, the Defendant(s) pays the total amount claimed of US\$28,238.49 (including interest and costs) further proceedings will be stayed. The money must be paid to the Plaintiff's Attorney.

Orren Merren & Company
ORREN MERREN & COMPANY
Attorneys-at-Law for the Plaintiff

This Writ was issued by Messrs. Orren Merren & Company, the attorneys-at-law for the Plaintiff, whose address for service is Kirk House, Third Floor, Albert Panton Street, P.O. Box 481G, Grand Cayman, Cayman Islands, British West Indies.

DIRECTIONS FOR ACKNOWLEDGMENT OF SERVICE
OF WRIT OF SUMMONS

1. The accompanying form of Acknowledgment of Service should be completed by an Attorney acting on behalf of the Defendant or by the Defendant if acting in person.

After completion it must be delivered or sent by post to the Law Courts, P.O. Box 495G, George Town, Grand Cayman.

2. A Defendant who states in his Acknowledgment of Service that he intends to contest the proceedings must also serve a defence on the Attorney for the Plaintiff (or on the Plaintiff if acting in person).

If a Statement of Claim is indorsed on the Writ (i.e. the words "Statement of Claim" appear on the top of page 2), the Defence must be served within 14 days after the time for acknowledging service of the Writ, unless in the meantime a summons for judgment is served on the Defendant.

If the Statement of Claim is not indorsed on the Writ, the Defence need not be served until 14 days after a Statement of Claim has been served on the Defendant.

If the Defendant fails to serve his defence within the appropriate time, the Plaintiff may enter judgment against him without further notice.

3. A Stay of Execution against the Defendant's goods may be applied for where the Defendant is unable to pay the money for which any judgment is entered. If a Defendant to an action for a debt or liquidated demand (i.e. a fixed sum) who does not intend to contest the proceedings states, in answer to Question 3 in the Acknowledgment of Service, that he intends to apply for a stay, execution will be stayed for 14 days after his Acknowledgment, but he must, within that time, issue a Summons for a stay of execution, supported by an affidavit of his means. The affidavit should state any offer which the Defendant desires to make for payment of the money by instalments or otherwise.

See over for notes for guidance

Please complete overleaf

Notes for Guidance

1. Each Defendant (if there are more than one) is required to complete an Acknowledgment of Service and return it to the Courts Office.
2. For the purpose of calculating the period of 14 days for acknowledging service, a writ served on the Defendant personally is treated as having been served on the day it was delivered to him.
3. Where the Defendant is sued in a name different from his own, the form must be completed by him with the addition in paragraph 1 of the words "sued as (the name stated on the Writ of Summons)".
4. Where the Defendant is a FIRM and an attorney is not instructed, the form must be completed by a PARTNER by name, with the addition in paragraph 1 of the description "Partner in the firm of (.....)" after his name.
5. Where the Defendant is sued as an individual TRADING IN A NAME OTHER THAN HIS OWN, the form must be completed by him with the addition in paragraph 1 of the description "trading as (.....)" after his name.
6. Where the Defendant is a LIMITED COMPANY the form must be completed by an Attorney or by someone authorised to act on behalf of the Company, but the Company can take no further step in the proceedings without an Attorney acting on its behalf.
7. Where the Defendant is a MINOR or a MENTAL PATIENT, the form must be completed by an Attorney acting for a guardian ad litem.
8. A Defendant acting in person may obtain help in completing the form at the Courts Office.

Notes on address for service

Attorney: where the Defendant is represented by an attorney, state the attorney's place of business in the Cayman Islands. A Defendant may not act by a foreign attorney.

Defendant in person: where the Defendant is acting in person, he must give his post office box number and the physical address of his residence or, if he does not reside in the Cayman Islands, he must give an address in Grand Cayman where communications for him should be sent. In the case of a limited company, "residence" means its registered or principal office.

Indorsement by plaintiff's Attorney (or by plaintiff if suing in person) of his name, address and reference, if any, in the box below.

Orren Merren & Company
Attorneys-at-Law
P.O. Box 481G
Kirk House 3rd Floor
Albert Panton Street
Grand Cayman

Indorsement by defendant's Attorney (or by defendant if suing in person) of his name, address and reference, if any, in the box below.

[Empty box for defendant's attorney indorsement]