



**IN THE GRAND COURT OF THE CAYMAN ISLANDS
CIVIL DIVISION**

CAUSE NO: of 2024

BETWEEN:

FS INC.

Plaintiff

-AND-

CNVS DIGITAL LABS

First Defendant

GREGORY OWEN WALLIS

Second Defendant

KEVIN PETER BREEL

Third Defendant

WRIT OF SUMMONS

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 495, Grand Cayman KY1-1106, Cayman Islands the accompanying Acknowledgement of Service stating therein whether you intend to contest these proceedings.

If you fail to satisfy the claim or to return the Acknowledgement of Service within the time stated, or if you return the Acknowledgment of Service without stating therein your 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 23 day of August 2024

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.

See overleaf for particulars of the Plaintiff's claim.

STATEMENT OF CLAIM

1. The Plaintiff is a company incorporated in the Cayman Islands with its registered office at P.O. Box 30369, Grand Cayman, Cayman Islands. The Plaintiff is the owner of the property known as Registration Section George Town Commercial Block OPY, Parcel 68 (the “**Property**”). The Property contains three office buildings known as Towers I through III of Monaco Towers.
2. The First Defendant is a company incorporated in the Cayman Islands with its registered office at P.O. Box 31726, Grand Cayman, Cayman Islands.
3. The Second Defendant is an individual residing in the Cayman Islands and a director of the First Defendant.
4. The Third Defendant an individual residing in the Cayman Islands and a director of the First Defendant.

Lease

5. On or about 29 March 2022, the Plaintiff and the First Defendant entered into a lease agreement (the “**Lease**”) wherein the First Defendant agreed to lease the commercial space known as Unit 2 within Tower III of Monaco Towers (Registration Section George Town Commercial Block OPY, Parcel 68) (the “**Premises**”).
6. The following were express terms of the Lease:
 - a) Under clause 1.10 of the Lease, the Lease Commencement Date was stated to be 15 March 2022.
 - b) Under clause 1.16 of the Lease; the Rent Commencement Date was stated to be 1 July 2022.

c) Under clause 1.30 of the Lease, the Term of the Lease was stated to be 4 years from the Rent Commencement Date.

d) Under clause 1.11 of the Lease, the Maintenance Fees were defined as follows:

“1.11 “Maintenance Fees” are the Tenants [sic] proportion of the annual expenses incurred by the Landlord in respect of the Premises in complying with its maintenance obligations set out in clauses 5.2 to 5.8 which shall be equal to US\$13.00 per square foot of the Total Lettable Area of the Premises.”

e) Under clause 1.15 of the Lease, the Rent was defined as follows:

“1.15 “the Rent” means:

(a) the sum of US\$42.00 per square feet or US\$103,404.00 per annum for the first year of the Term;

(b) the sum of US\$43.26 per square feet or US\$106,506.00 per annum for the second year of the Term;

(c) the sum of US\$44.56 per square feet or US\$109,707.00 per annum for the third year of the Term; and

(d) the sum of US\$45.89 per square feet or US\$112,998.0 per annum for the fourth and final year of the Term.”

f) Clause 3 of the Lease required the Rent to be paid without deduction in advance on the 1st day of each month.

g) Under clause 4.5 of the Lease, the First Defendant covenanted: *“To pay to the suppliers and indemnify the Landlord against all charges for the supply of electricity, telephone equipment and any other utilities consumed and used at or in relation to the Premises.”*

h) Under clause 4.19 of the Lease, the First Defendant covenanted: *“To be responsible for and keep the Landlord fully indemnified against all damage, loss, costs, expenses, actions, demands, proceedings, claims and liabilities made against or suffered or incurred by the Landlord arising directly or indirectly out of any act,*

omission or negligence of the Tenant or any person at the Premises expressly or impliedly with the Tenant's authority or any breach of non-observance by the Tenant of the covenants, conditions or other provisions of this Lease or any of the matters to which demise is subject."

- i) Clause 4.22 of the Lease addressed interest for failure to pay the Rent in the following terms: *"If the Tenant shall fail to pay the Rent or any other sum due under this Lease within 7 days of the due date, whether formally demanded or not, the Tenant shall pay Interest at the Interest Rate, calculated on a daily basis, on the Rent or other sums due from the date when it was due to the date upon which it is paid and such Interest shall be deemed to be Rent due to the Landlord."*
- j) Clause 4.27 of the Lease addressed the landlord's costs and expenses in the following terms:

"The Tenant and/or Guarantor shall pay the proper and reasonable costs and expenses of the Landlord including any reasonable attorneys' or other professionals costs and expenses (incurred both during and after the end of the Term) in connection with or in contemplation of any of the following:

- (a) the enforcement of the Tenant's covenants of this Lease; or*
- (b) ...; or*
- (c) the forfeiture of this Lease;*

...

Where the Tenant is obliged to pay or indemnify the Landlord against any attorneys' or other professionals costs and expenses (whether under this or any other clause of this Lease) that obligation extends to those costs and expenses assessed on a full indemnity basis."

- k) Clause 8 of the Lease addressed forfeiture and stated:

Forfeiture

8.1 If at any time during the Term:

- (a) the Rent and/or Maintenance Fees shall be in arrears and unpaid for 30 days after becoming payable (whether formally demanded or not);*
- (b) there shall be any breach, non-performance or non-observance by the Tenant of any of the covenants and conditions in this Lease which is not remedied within 30 days; or*
- (c) ...*
- (d) the Landlord may at any time thereafter re-enter the Premises or any part thereof in the name of the whole and thereupon the Term shall absolutely cease and determine but without prejudice to any rights or remedies which maythan [sic] have accrued to the Landlord against the Tenant in respect of any antecedent breach of any of the covenants and conditions contained in the Lease.”*

7. The Second and Third Defendants executed the Lease in their personal capacity as guarantors. The terms of the guarantee were contained at clause 13.1 of the Lease, which stated as follows:

“If at any time during the Term the Tenant shall make any default in payment of the Rent or the Maintenance Fees or in observing or performing any of the covenants, conditions or other terms of this Lease, the Guarantors shall pay the Rent and/or Maintenance Fees and/or observe or perform the covenant, conditions or terms in respect of which the Tenant shall be in default notwithstanding:-

- (a) any time or indulgence granted by the Landlord to the tenant or any neglect or forbearance on the Landlord in enforcing the payment of rent or maintenance fees or the observance or performance of the Tenant’s covenants;*
- (b) that the terms of this Lease may have been varied between the parties;*
- (c) that the Tenant is deemed to be holding over; or*
- (d) any other act or thing whereby but for this provision the Guarantors would have been released.”.*

8. On or about 29 March 2022, the Plaintiff and the First Defendant executed a side letter (“**Side Letter**”) which addressed the cost of the fit-out of the Premises in the following terms:

“Both parties agree that the Tenant requires fit-out to the Premises.

The balance of the Tenants Works pursuant to clause 4.31 of the Lease in the amount of US\$40,000.00 shall be funded by the Landlord and the Tenant hereby agrees to reimburse the Landlord for the costs of the Tenants Works by way of Additional Rent increase which is calculated at US\$10,000.00 per annum or US\$833.33 per month. Where the Tenant vacates, surrenders or otherwise terminates the Lease, the Tenant shall be responsible for all outstanding Tenants Works’ costs at the time of such termination.”

Non-payment of Rent and other fees

9. In accordance with the terms of the Lease the First Defendant took occupation of the Premises on 15 March 2022. In accordance with the terms of the Side Letter, the Plaintiff duly paid the US\$ 40,000 in fit out for the Premises.
10. In accordance with the terms of the Lease and the Side Letter the First Defendant duly paid all amounts falling due thereunder up until 1 November 2023. Those amounts included the Rent, the Additional Rent, the Maintenance Fees, and Utilities.
11. Since 1 November 2023, no payments of Rent, Additional Rent, Maintenance Fees or Utilities have been made to the Plaintiff by the First Defendant in breach of the Lease and Side Letter.
12. On 17 May 2024, the Plaintiff, through its Attorneys, Broadhurst LLC, wrote to the Defendants informing them of the breaches and demanding that the breaches be remedied. No response was received to that letter.
13. On 12 July 2024, Broadhurst LLC, wrote to the Defendants noting the ongoing breach of the Lease and that the Premises have not been accessed since approximately December 2023. Broadhurst asked for confirmation from the Second and Third

Defendants that the First Defendant had abandoned the Premises. No response was received to that letter.

14. As a result of the Defendants failing to pay the amount falling due under the Lease and Side letter, the Defendants are in breach of those agreements.

Particulars

The following amounts were invoiced to the First Defendant on the following dates and remain outstanding:

- (a) On 1 November 2023 Monthly Rent and Maintenance Fees in the amount of US\$ 11,542.67 and Fit-Out Reimbursement Fees of US\$ 851.06;
- (b) On 30 November 2023 Utilities in the amount of US\$ 938.18;
- (c) On 1 December 2023 Monthly Rent and Maintenance Fees in the amount of US\$ 11,542.67 and Fit-Out Reimbursement Fees of US\$ 851.06;
- (d) On 31 December 2023 Utilities in the amount of US\$ 844.79;
- (e) On 1 January 2024 Monthly Rent and Maintenance Fees in the amount of US\$ 11,542.67 and Fit-Out Reimbursement Fees of US\$ 851.06;
- (f) On 31 January 2024 Utilities in the amount of US\$ 742.78;
- (g) On 1 February 2024 Monthly Rent and Maintenance Fees in the amount of US\$ 11,542.67 and Fit-Out Reimbursement Fees of US\$ 851.06;
- (h) On 29 February 2024 Utilities in the amount of US\$ 592.49;
- (i) On 1 March 2024 Monthly Rent and Maintenance Fees in the amount of US\$ 11,542.67 and Fit-Out Reimbursement Fees of US\$ 851.06;
- (j) On 31 March 2024 Utilities in the amount of US\$ 673.89;
- (k) On 1 April 2024 Monthly Rent and Maintenance Fees in the amount of US\$ 11,542.67 and Fit-Out Reimbursement Fees of US\$ 851.06;
- (l) On 30 April 2024 Utilities in the amount of US\$ 535.56;
- (m) On 1 May 2024 Monthly Rent and Maintenance Fees in the amount of US\$ 11,542.67 and Fit-Out Reimbursement Fees of US\$ 851.06;
- (n) On 31 May 2024 Utilities in the amount of US\$ 603.33;
- (o) On 1 June 2024 Monthly Rent and Maintenance Fees in the amount of US\$ 11,542.67 and Fit-Out Reimbursement Fees of US\$ 851.06;

- (p) On 30 June 2024 Utilities in the amount of US\$ 591.38;
 - (q) On 1 July 2024 Monthly Rent and Maintenance Fees in the amount of US\$11,809.42 and Fit-Out Reimbursement Fees of US\$ 851.06;
 - (r) On 31 July 2024 Utilities in the amount of US\$ 754.88; and
 - (s) On 1 August 2024 Monthly Rent and Maintenance Fees in the amount of US\$ 11,809.42 and Fit-Out Reimbursement Fees of US\$ 851.06.
15. The total amount outstanding as of 1 August 2024 is US\$ 130,748.08. The First Defendant is liable for this amount as the tenant under the Lease and Side Letter and the Second and Third Defendants are liable for this amount in their personal capacity as guarantors.
16. The Plaintiff is entitled to the balance of the outstanding Fit-out fees, in the amount of US\$ 18,723.50, in accordance with the terms of the Side Letter. The First Defendant is liable for this amount as the tenant under the Lease and Side Letter and the Second and Third Defendants are liable for this amount in their personal capacity as guarantors.
17. In addition to those amounts, the Plaintiff is entitled to interest in accordance with clause 4.22 of the Lease at a rate of 3% above the US Dollar rate for Prime Lending until such time as the arrears are fully repaid. The total amount of interest as of 1 August 2024 is US\$ 1,121.35. Appended hereto as Schedule 1 is a table setting out the interest calculations. The First Defendant is liable for this amount as the tenant under the Lease and Side Letter and the Second and Third Defendants are liable for this amount in their personal capacity as guarantors.
18. The losses arising from the Defendants' breaches of the Lease and Side Letter are ongoing, as is the interest.
19. The Plaintiff is entitled to costs on a full indemnity basis pursuant to clause 4.27 of the Lease.

AND THE PLAINTIFF CLAIMS AGAINST THE DEFENDANTS:

- A. US\$ 130,748.08 for the arrears of Rent, Maintenance Fees, Utilities and Additional Rent owing under the terms of the Lease and Side Letter up until 1 August 2024;
- B. In accordance with the terms of the Side Letter the reimbursement of the balance of the outstanding Fit-out fees separate from the Additional Rent addressed above, in the amount of US\$ 18,723.50.
- C. Contractual Interest in the sum of US\$ 1,121.35 as of 1 August 2024 and per diem interest in the sum of US\$ 47.09. Alternatively, pre-judgment and post-judgment interest on the above amounts pursuant to the Judicature Act (2021 Revision);
- D. Damages for ongoing breach of the Lease;
- E. Contractual interest or alternatively interest pursuant to the Judicature Act (2021 Revision).
- F. A declaration that the First Defendant has abandoned the Premises. Alternatively, a declaration that the Lease has been forfeited and an order for possession.
- G. Costs on a full indemnity basis pursuant to clause 4.27 of the Lease.

Dated the 23 day of August 2024



Broadhurst LLC
Attorneys-at-Law for the Plaintiff

This Writ of Summons and Statement of Claim is filed by Broadhurst LLC, Attorneys-at-Law for the Plaintiff, whose address for service is 4th Floor Monaco Towers, 54 Edward Street, George Town, Grand Cayman, Cayman Islands

STATEMENT OF INTEREST

Simple interest is being calculated as follows:

- a. Pursuant to Schedule 1; or
- b. Alternatively, interest in accordance with the Judicature Act (2021 Revision).

SCHEDULE 1
(In US\$)

Date	Rent	Fit Out	Principle Balance	Days in interest period	Interest Rate	Interest Rate	Interest per period	Total Interest
01-Nov-23	\$ 11,542.67	\$ 851.06	\$ 12,393.73			11.5%	0.00	
01-Dec-23	\$ 11,542.67	\$ 851.06	\$ 24,787.46	30	11.5%	11.5%	\$ 117.15	\$ 117.15
01-Jan-24	\$ 11,542.67	\$ 851.06	\$ 37,181.19	31	11.5%	11.5%	\$ 121.05	\$ 238.20
01-Feb-24	\$ 11,542.67	\$ 851.06	\$ 49,574.92	31	11.5%	11.5%	\$ 121.05	\$ 359.25
01-Mar-24	\$ 11,542.67	\$ 851.06	\$ 61,968.65	29	11.5%	11.5%	\$ 113.24	\$ 472.49
01-Apr-24	\$ 11,542.67	\$ 851.06	\$ 74,362.38	31	11.5%	11.5%	\$ 121.05	\$ 593.54
01-May-24	\$ 11,542.67	\$ 851.06	\$ 86,756.11	30	11.5%	11.5%	\$ 117.15	\$ 710.69
01-Jun-24	\$ 11,542.67	\$ 851.06	\$ 99,149.84	31	11.5%	11.5%	\$ 121.05	\$ 831.74
01-Jul-24	\$ 11,809.42	\$ 851.06	\$ 111,810.32	30	11.5%	11.5%	\$ 117.15	\$ 948.88
01-Aug-24	\$ 11,809.42	\$ 851.06	\$ 124,470.80	31	11.5%	11.5%	\$ 121.05	\$ 1,069.94

Date	Utilities	Principle Balance	Days in interest period	Interest Rate	Interest per period	Total Interest
30-Nov-23	\$ 938.18	\$ 938.18		11.5%	0.00	-
31-Dec-23	\$ 844.79	\$ 1,782.97	31	11.5%	\$ 8.25	\$ 8.25
31-Jan-24	\$ 742.78	\$ 2,525.75	31	11.5%	\$ 7.25	\$ 15.51
29-Feb-24	\$ 592.49	\$ 3,118.24	29	11.5%	\$ 5.41	\$ 20.92
31-Mar-24	\$ 673.89	\$ 3,792.13	31	11.5%	\$ 6.58	\$ 27.50
30-Apr-24	\$ 535.56	\$ 4,327.69	30	11.5%	\$ 5.06	\$ 32.56
31-May-24	\$ 603.33	\$ 4,931.02	31	11.5%	\$ 5.89	\$ 38.46
30-Jun-24	\$ 591.38	\$ 5,522.40	30	11.5%	\$ 5.59	\$ 44.05
31-Jul-24	\$ 754.88	\$ 6,277.28	31	11.5%	\$ 7.37	\$ 51.42

Rent & Fitout \$ 124,470.00
 Utilities \$ 6,277.28
 Fitout Balance \$ 18,723.00
\$ 149,470.28

Interest \$ 1,069.94
 (as of 1 August) \$ 51.42
\$ 1,121.35

per diem **47.09**

**IN THE GRAND COURT OF THE CAYMAN ISLANDS
CIVIL DIVISION**

CAUSE NO: of 2024

BETWEEN:

FS INC.

Plaintiff

-AND-

CNVS DIGITAL LABS

First Defendant

GREGORY OWEN WALLIS

Second Defendant

KEVIN PETER BREEL

Third Defendant

**ACKNOWLEDGEMENT OF SERVICE
OF WRIT OF SUMMONS**

If you intend to instruct an Attorney to act for you, give him this form IMMEDIATELY.

Important

Read the accompanying directions and notes for guidance carefully before completing this form. If any information required is omitted or given wrongly, THIS FORM MAY HAVE TO BE RETURNED.

Delay may result in judgment being entered against a Defendant whereby he may have to pay the costs of applying to set it aside.

1. State the full name of the Defendant by whom or on whose behalf the service of the Writ is being acknowledged.

2. State whether the Defendant intends to contest the proceedings (*tick appropriate box*)
Yes [] No []

3. If the claim against the Defendant is for a debt or liquidated demand, AND he does not intend to contest the proceedings, state if the Defendant intends to apply for a stay of execution against any judgment entered by the Plaintiff (*tick box*)
Yes [] No []

Service of the Writ is acknowledged accordingly.

(Signed) _____

[Attorney] for

[Defendant in Person]

Address for service:

Please see overleaf...

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 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.

Endorsement by Plaintiff’s Attorney (or by Plaintiff if suing in person) of his name, address and reference, if any, in the box below.

BROADHURST LLC.
4th Floor, Monaco Towers
54 Edwards Street
George Town
Cayman Islands

Endorsement by Defendants’ Attorney (or by the Defendant if suing in person) of his name, address and reference, if any, in the box below.

[Empty box for defendant endorsement]

**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.
2. After completion it must be delivered or sent by post to the Law Courts, P.O. Box 495G, George Town, Grand Cayman.
3. 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).
4. 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.
5. 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.
6. If the Defendant fails to serve his Defence within the appropriate time, the Plaintiff may enter judgment against him without further notice.
7. 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 installments or otherwise.

See over for notes for guidance.

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, he must complete the form 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 authorized 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, an Attorney acting for a guardian ad litem must complete the form.
8. A Defendant acting in person may obtain help in completing the form at the Courts Office.