

STATEMENT OF CLAIM


1. The Plaintiff is a law firm in the Cayman Islands.
2. The Defendant is an exempt company incorporated pursuant to the laws of The Cayman Islands and having its registered office at Huntlaw Corporate Services, P.O. Box 1350 GT, George Town, Grand Cayman.
3. In or about May of 1998, the Defendant retained the Plaintiff to represent it in or relating to an action commenced in the Grand Court of the Cayman Islands in Cause No. 292 of 1996 ("the Retainer").
4. It was an express or, further and in the alternative, an implied term of the Retainer that:
 - a. The Plaintiff would provide the legal services required by the Defendant in Cause No. 292 of 1996 ("the Action");
 - b. The Defendant would pay the Plaintiff's fees calculated on the basis of the Plaintiff's usual hourly rate for each of the attorneys and legal assistants employed by the Plaintiff. Prior to the Defendant retaining the Plaintiff, the Defendant was advised by the Plaintiff of the hourly rates of the members of the firm which were expected to work on the file;
 - c. The Defendant would provide instructions as required for the proper conduct of its defence in the Action;
 - d. The Defendant would promptly pay the Plaintiff's feenotes upon the Plaintiff rendering same.
5. The Plaintiff complied with its duties under the agreement set out in paragraph 4 hereof and provided the Defendant with legal services in a professional and timely manner.
6. The Plaintiff rendered unto the Defendant its feenote annexed hereto for legal services and disbursements provided by it on behalf and for the benefit of the Defendant. The particulars of the services provided, time expended and the charges for each specific service provided to or for the benefit of the Defendant appear in the said feenote, which sets out the fees and disbursements owed by the Defendant to the Plaintiff. The said feenote sets out a sum due and owing of CI\$40,427.45, being fees in the amount of CI\$39,745.75 and disbursements in the amount of CI\$681.70.
7. That feenote was delivered to the Defendant on or about December 8, 1998.
8. The Plaintiff has demanded payment of the said feenote but the Defendant has refused to make payment.

9. The Defendant is indebted to the Plaintiff in the sum of CI\$40,427.45.
10. The Defendant, by its director and/or by its agents, Helga Boccaletti and/or Alessandro Boccaletti, gave specific instructions to the Plaintiff regarding the care and conduct, the timeliness and the confidentiality of the Action. Despite the fact that the Plaintiff advised the Defendant of the perceived weaknesses in pursuing certain of the courses insisted upon by it, the Defendant continued to give the Plaintiff specific instructions. As a result of these specific instructions the Plaintiff took certain steps in the Action which did not necessarily contribute to the timely management thereof but accomplished, in essence, what the Defendant instructed the Plaintiff to do.
11. The Plaintiff also claims pre-judgment interest from December 18, 1998, upon the said debt by reason of the matter set out in paragraph 4(d) hereof.

AND THE PLAINTIFF CLAIMS AGAINST THE DEFENDANT:

- A. The sum of CI\$40,427.45;
- B. Pre-judgment interest upon the said sum pursuant to The Judicature Law (1995 Revision);
- C. Post-judgment interest upon the said sum pursuant to The Judicature Law (1995 Revision);
- D. Such further and other relief that this Honourable Court may deem just or appropriate.
- E. Costs.

Dated the 21 February, 1999



MYERS & ALBERGA
Attorneys-at-Law for the Plaintiff

THIS WRIT OF SUMMONS was issued by Myers & Alberga, the attorneys-at-law for the plaintiff, whose address for service is P.O. Box 472, George Town, 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

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.

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. OF 1999

BETWEEN: COLLINS BROADHURST & FURNISS

Plaintiff

AND: SPHINX CORPORATION

Defendant

**ACKNOWLEDGMENT 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

Service of the Writ is acknowledged accordingly

(Signed).....

[Attorney] for

[Defendant in person]

Address for service:

Please complete 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 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.

Myers & Alberga
P. O. Box 472 GT
Grand Cayman
Cayman Islands, B.W.I.

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