

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. 509 OF 1995.

Between:

VASSEL JOHNSON
(hereinafter "Johnson")

Plaintiff

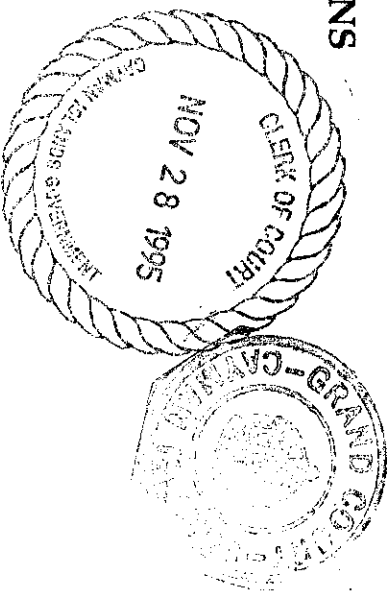
-and-

CONROY PARCHMENT
(hereinafter "Parchment")

Defendant

WRIT OF SUMMONS

To: Conroy Parchment
P.O. Box 399, West Bay
Grand Cayman,
Cayman Islands,
B.W.I.



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 fourteen (14) days after the service of this Writ, including the day of service, you must either satisfy the claim or return to the Court Office, P.O. Box 495, G.T., Grand Cayman, 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 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 28th day of Nov^r, 1995.

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

IMPORTANT

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

due to Johnson pursuant to the Agreement.

8. Further, the Plaintiff in accordance with GCR Order 6 r. 2(e) claims interest pursuant to the Agreement at the rate of 11 3/4% per annum Agreement dated March 5, 1990:

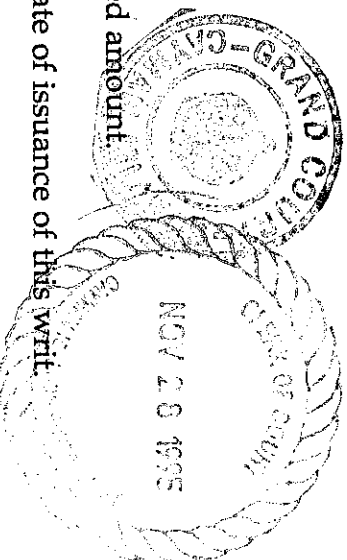
On the said sum of \$25,000.00 from the 1st day of May, 1991 to the date hereof of \$13,403.25 (1,665 days at \$8.05 per day).

and continuing until Judgment or sooner payment at the rate of \$8.05 per day;

Alternatively, on the amount found to be due to the Plaintiff at such rate and for such period as may seem just.

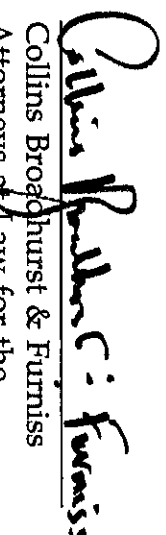
AND THE PLAINTIFF CLAIMS:

- (1) The sum of CI\$25,000.00 being the indebted amount.
- (2) The sum of \$13,403.25 for interest to the date of issuance of this writ.
- (3) Fixed costs pursuant to Order 62, Rule 1(c) of The Grand Court Rules, 1995 in the sum of \$500.00 together with costs of filing this writ in the sum of \$100.00.
- (4) Such further or other relief as may be just.



Note: If within the time for returning the Acknowledgement of Service, the Defendant pays to the Plaintiff or to the Attorneys-at-Law for the Plaintiff the total sum claimed in the amount of \$38,903.25, further proceedings will be stayed.

Dated this 24th day of November, 1995.


Collins Broadhurst & Furniss
Attorneys-at-Law for the
Plaintiff herein

THIS WRIT AND STATEMENT OF CLAIM WAS ISSUED BY COLLINS BROADHURST & FURNISS, ATTORNEYS-AT-LAW FOR THE PLAINTIFF HEREIN, WHOSE ADDRESS FOR SERVICE IS ELIZABETHAN SQUARE, P.O. BOX 2503, GEORGE TOWN, GRAND CAYMAN, BRITISH WEST INDIES.

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO: OF 1995

Between:

VASSEL JOHNSON
(hereinafter "Johnson")

Plaintiff

-and-

CONROY PARCHMENT
(hereinafter "Parchment")



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 []

Service of the Writ is acknowledged accordingly

(signed) _____

[Attorney] for

[Defendant in Person]

Address for service:

Notes on address for service

Attorney: where 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, below.*

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

Collins Broadhurst & Furniss
Attorneys-at-Law
Elizabethan Square
P.O. Box 2503, G.T.
Grand Cayman,
Cayman Islands,
B.W.I.

**DIRECTIONS FOR ACKNOWLEDGEMENT OF SERVICE
OF WRIT OF SUMMONS**

1. The accompanying form of *Acknowledgement 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 495, G.T. Grand Cayman.
2. A Defendant who states in his Acknowledgement 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 not endorsed on the Writ (i.e. the words "Statement of Claim" appear on the top of page 2), the defence must be served within fourteen (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 endorsed on the Writ, the defence need not be served until fourteen (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 within 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 Acknowledgement of Service, that he intends to apply for a stay, execution will be stayed for fourteen 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.

Notes for Guidance

1. Each Defendant (if there are more than one) is required to complete an Acknowledgement 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.

STATEMENT OF CLAIM

1. Johnson is a local business executive who resides in George Town, Grand Cayman and who operates Montpelier Properties (Cayman) Ltd. and whose address for service is P.O. Box 78, Grand Cayman, Cayman Islands, B.W.I..
2. Parchment is a local businessman who resides in George Town, Grand Cayman and whose address for service is P.O. Box 399 WB, Grand Cayman, Cayman Islands, B.W.I..
3. On the 5th of March, 1990, Johnson, as Lender, entered into a lending agreement (hereinafter the "Agreement") between Parchment, Ronette Jurn (hereinafter "Jurn") and Johnson, as Borrowers, being the Proprietors of a company known as ARC Worldwide Distributors Ltd. (hereinafter "ARC") wherein Johnson would lend ARC the sum of CI\$75,000.00 on certain terms and conditions.
4. The terms of the Agreement were, inter alia, as follows:
 - (a) Johnson arranged the borrowing from First Home Banking Ltd. (the "Bank"), and ARC, was to repay the principal and interest directly to the Bank.
 - (b) Repayments of principal and interest at the rate of 11 3/4% was to be made by ARC monthly;
 - (c) the liability of the loan would rest personally with the three principal proprietors of ARC, who owned thirty (30%) percent each of the share capital of ARC. In the event that ARC was unable to meet any or all of the repayment obligations, Parchment, Jurn and Johnson agreed that each would meet fully their own one-third portion of the debt.
5. The terms of the loan were not honoured by ARC and, when called upon to do so, Johnson honoured his role as borrower from the Bank by paying the sum of \$75,000.00 plus interest to the Bank, pursuant to their request to do so.
6. As Parchment personally guaranteed one-third of the loan amount in the sum of CI\$25,000.00 plus interest, Johnson called upon him to honour his obligation, in December of 1992, at which time Parchment's liability stood at \$29,895.84 including interest.
7. Johnson has subsequently made numerous requests to Parchment for the repayment of the monies which Johnson paid to the Bank on behalf of Parchment and Parchment has neglected or refused to pay any of the monies

