

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO 286 OF 1999

BETWEEN

MJD SERVICE CORP.

PLAINTIFF

AND

- (1) **KENNETH H. TAVES**
- (2) **TERESA CALLEI TAVES**
- (3) **PHAETON CORPORATION**
- (4) **MEDIA BUYING SERVICE CORP.**
- (5) **EURO BANK CORPORATION**

DEFENDANTS

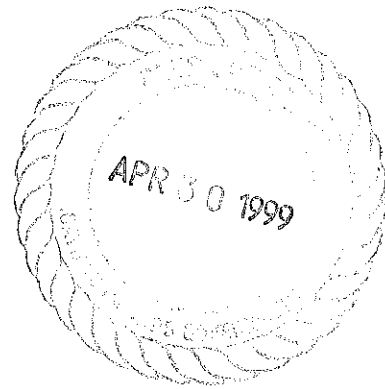
WRIT OF SUMMONS

TO: KENNETH H. TAVES
c/o Truman Bodden & Company
Attorneys-at-Law
P.O. Box 866GT
3rd Floor, Anderson Square Building
George Town, Grand Cayman, B.W.I.

AND TO: TERESA CALLEI TAVES
c/o Truman Bodden & Company
Attorneys-at-Law
P.O. Box 866GT
3rd Floor, Anderson Square Building
George Town, Grand Cayman, B.W.I.

AND TO: PHAETON CORPORATION
c/o Truman Bodden & Company
Attorneys-at-Law
P.O. Box 866GT
3rd Floor, Anderson Square Building
George Town, Grand Cayman, B.W.I.

AND TO: MEDIA BUYING SERVICE CORP.
c/o Truman Bodden & Company
Attorneys-at-Law
P.O. Box 866GT



3rd Floor, Anderson Square Building
George Town, Grand Cayman, B.W.I.

AND TO: EURO BANK CORPORATION
c/o Hunter & Hunter
P.O. Box 190GT
2nd Floor, West Wind Building
George Town, Grand Cayman, 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 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 30th day of April, 1999.

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 the order of the Court.

IMPORTANT

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

INDORSEMENT

The Plaintiff claims:

- 1) Against the 1st and 2nd and 5th Defendants, a declaration that all funds, securities or other assets (including both principal and interest) standing to the credit of the 1st and 2nd Defendants in account No 33169 or any other account with the 5th Defendant are held by the 1st 2nd and 5th Defendants upon constructive trust for the benefit of the Plaintiff absolutely.
- 2) Against the 3rd and 5th Defendants, a declaration that all funds (including both principal and interest) standing to the credit of the 3rd Defendant, in account No. 32211 or any other account with the 5th Defendant are held by the 3rd and 5th Defendants upon constructive trust for the benefit of the Plaintiff.
- 3) Against the 4th and 5th Defendants, a declaration that all funds (including both principal and interest) standing to the credit of the 4th Defendant, in account No. 33174 or any other account with the 5th Defendant are held by the 4th and 5th Defendants upon constructive trust for the benefit of the Plaintiff.
- 4) Against the 3rd Defendant, the sum of US\$550,000.00 had and received on or about the 4th September, 1998 by the 3rd Defendant for the use of the Plaintiff.
- 5) Alternatively, as against the 3rd Defendant, the sum of US\$550,000.00 being money payable by the 3rd Defendant to the Plaintiff on demand for money lent by the Plaintiff to the 3rd Defendant, demand therefor having been made on April 23rd 1999.
- 6) Against the 4th Defendant, the sum of US\$7,227,000.00 had and received between 14th November, 1998 and 24th November, 1998 by the 4th Defendant for the use of the Plaintiff.
- 7) Alternatively, as against the 4th Defendant, the sum of US\$7,227,000.00 being money payable by the 4th Defendant to the Plaintiff on demand for money lent by the Plaintiff to the 4th Defendant, demand therefor having been made on April 23rd 1999.
- 8) Against the 1st, 2nd, 3rd and 4th Defendants, interest pursuant to Section 34 of the Judicature Law (1995 Revision) and the Judgement Debt (Rules of Interest) Rules

1995 (as amended) at such rate and for such period as the court thinks just and/or in equity.

- 9) A declaration the Plaintiff is entitled to trace in equity and recover all of its assets wrongfully transferred directly or indirectly to the Defendants or any of them.
- 10) All necessary accounts and enquires to enable the Plaintiff to trace and recover the assets referred to in paragraphs (1) to (7) above.
- 11) An order for delivery up or transfer to the Plaintiff of all the assets referred to in paragraphs (1) to (7) above.
- 12) Such injunctions as may be appropriate to restrain the Defendants from dealing with or disposing of the assets referred to in paragraphs (1) to (7) above prior to judgement in this action.
- 13) Such orders as may be appropriate requiring the Defendants to disclose to the Plaintiff the nature and whereabouts of the assets referred to in paragraphs (1) to (7) above, together with all necessary information to enable the Plaintiff to join all other necessary and proper parties to this action.
- 14) Such orders as may be appropriate requiring the Defendants to disclose to the Plaintiffs all necessary information to enable the Plaintiff to trace and recover the assets referred to in paragraphs (1) to (7) above.
- 15) All necessary enquiries as to damages.
- 16) Against all the Defendants, further or other relief, consequential orders and directions
- 17) Costs.


Charles Adams, Ritchie & Duckworth

THIS WRIT was issued by Charles Adams, Ritchie & Duckworth, Attorneys-at-Law, for and on behalf of the Plaintiff herein, whose address for service is that of their said Attorneys-at-Law, P.O. Box 709G, Zephyr House, Mary Street, George Town, Grand Cayman, B.W.I.

BETWEEN

MJD SERVICE CORP.

PLAINTIFF

AND

- (1) KENNETH H. TAVES
- (2) TERESA CALLEI TAVES
- (3) PHAETON CORPORATION
- (4) MEDIA BUYING SERVICE CORP.
- (5) EURO BANK CORPORATION

DEFENDANTS

**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 directions and notes for 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]

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.

Charles Adams, Ritchie & Duckworth
Attorneys-at-Law
2nd Floor, Zephyr House
George Town, Grand Cayman, B.W.I.
Attn: G.F. Ritchie – Our Ref: 143/300 GFR

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

Acknowledgment of service of writ of summons (O.12, r.3)

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 notice 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 tread 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.