

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO: ⁴²⁻¹ OF 1999

BETWEEN:

SOUND FINANCIAL MANAGEMENT LTD.

Plaintiff

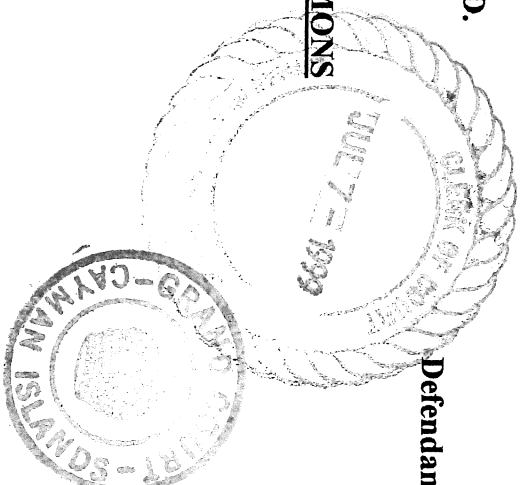
-and-

BAWNA LTD.

Defendant

WRIT OF SUMMONS

TO: BAWNA LTD.
In Care of its Registered Office at
Ironshore Corporate Services Ltd.
P. O. Box 1234 GT
Grand Cayman, Cayman Islands
British West Indies



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 Acknowledgement of Service stating therein whether you intend to contest these proceedings.

If you fail to satisfy the claim or to return the Acknowledgement 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 ⁷ day of *July* 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 order of the Court.

IMPORTANT

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

STATEMENT OF CLAIM

1. The Plaintiff is a corporation incorporated pursuant to the laws of the Cayman Islands and having its registered office at P. O. Box 1544 GT, Grand Cayman, Cayman Islands.
2. The Defendant is a corporation incorporated pursuant to the laws of the Cayman Islands and having its registered office in care of Ironshore Corporate Services Ltd. at P. O. Box 1234 GT, Grand Cayman, Cayman Islands.
3. By way of Agreement for Lease dated June 30th, 1998 (hereinafter the "lease agreement") the Plaintiff agreed to let and the Defendant agreed to occupy premises described in the lease agreement and known locally as "Bayside Boutique" (hereinafter "the premises"). Among other items, the following were express terms of the lease agreement:
 - a. The Defendant would occupy the premises from July 1st, 1998 through to June 30, 1999, inclusive;
 - b. The Defendant would pay the Plaintiff the monthly rent of US\$5,500.00 on July 1, 1998 and thereafter on each and every month through to and including June 1, 1999.
 - c. The Defendant would pay the cost of all electricity, telephone, water and other services furnished to the premises.
4. The Plaintiff pleads and relies upon the lease agreement.
5. The Defendant did not pay monthly rent for the months of April, May and June 1999 and, according to the terms of the above pleaded lease agreement, owes the Plaintiff rent payments totaling US\$16,500.00.
6. In addition to the rent due, the Defendant incurred electrical charges, for which the Defendant made no payment, of US\$7882.50. These electrical charges were for electricity supplied to the premises for use by the Defendant during the term of the lease agreement.
7. The Plaintiff is indebted to the supplier of the electricity, Caribbean Utilities Company, and is entitled to payment from the Defendant for the electrical charges incurred by the Defendant.

8. The Defendant paid the Plaintiff a deposit of US\$4,500.00 that the Plaintiff is entitled to apply against any and all indebtedness arising from the lease agreement.
9. The Plaintiff is entitled to interest on the monthly rent payable from the date that each payment was due, being April 1, May 1, and June 1, 1999. The interest to which the Plaintiff is entitled is 7 per cent per annum in accordance with the Judicature Law (1995 Revision).
10. Accordingly, the Defendant owes the Plaintiff the following sums, exclusive of costs and interest:
- | | | |
|---------------------|------------------------|----------------------|
| Rent | US\$16,500.00 | |
| Electricity Charges | <u>US\$ 7,882.50</u> | |
| | US\$24,382.50 | Sub Total |
| Less Deposit | <u>(US\$ 4,500.00)</u> | |
| | US\$19,882.50 | Total principal debt |
11. The Plaintiff has made numerous requests for payment but the Defendant has refused to make payment.

AND THE PLAINTIFF CLAIMS AGAINST THE DEFENDANT:

- A. The sum of US\$19,882.50;
- B. Pre-judgment interest upon the said sum pursuant paragraphs 3 b. and 9 of the Statement of Claim and the Judicature Law (1995 Revision);
- C. Post-judgment interest upon the said sum pursuant paragraphs 3 b. and 9 of the Statement of Claim and the Judicature Law (1995 Revision);
- D. Such further and other relief that this Honourable Court may deem just or appropriate.
- E. Costs as taxed.

Dated the 7th day of July, 1999

Collins Broadhurst
COLLINS BROADHURST & FURNISS
Attorneys-at-Law for the Plaintiff.

INDORSEMENT

The amount claimed in respect of the debt or demand is US\$19,882.50 as principal and US\$216.24 as interest until the issue of the writ of summons for a total amount of US\$20,098.74. The amount of the fixed costs is CI\$500.00 and the costs of issuing the writ of summons is CI\$167.01 (CI\$100.00 + ad valorem calculation: US\$19,882.50 = CI\$16,701.30 - CI\$10,000 = CI\$6,701.30 x 1 % = CI\$67.01). If, within the time for returning the acknowledgement of service, the defendant pays the plaintiff or its attorneys-at-law the total amount claimed in principal and interest, the fixed costs and the costs of issuing the writ of summons, further proceedings will be stayed. The money must be paid to the plaintiff or to its attorneys-at-law.

STATEMENT REGARDING INTEREST

- i. The prescribed rate of interest, throughout the relevant period, was 7 per cent per year;
- ii. The date from which interest on the rent due April 1, 1999 (US\$5,500.00) is calculated is April 1, 1999, inclusive;
- iii. The date from which interest on the rent due May 1, 1999 (US\$5,500.00) is calculated is May 1, 1999, inclusive;
- iv. The date from which interest on the rent due June 1, 1999 (US\$5,500.00) is calculated is June 1, 1999, inclusive;
- v. The total interest claimed as at the date of the issue of the writ of summons is US\$216.24;
- vi. The amount of interest accruing each day following the issue of the writ is US\$3.18.

THIS WRIT OF SUMMONS was issued by Collins Broadhurst & Furniss, the attorneys-at-law for the Plaintiff, whose address for service is P. O. Box 2503GT, George Town, Grand Cayman, Cayman Islands, British West Indies.

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO: OF 19

BETWEEN:

SOUND FINANCIAL MANAGEMENT LTD.

Plaintiff

-and-

BAWNA LTD.

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.
 Yes No
2. State whether the Defendant intends to contest or otherwise participate in 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.
 Yes No

Service of the Originating Summons is acknowledged accordingly

(Signed) _____

[Attorney] for

[Defendant in Person]

Address for Service:

Notes on address for service

Attorney: when 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 Island, 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 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:

Collins Broadhurst & Furniss
Attorneys-at-Law
40 Linwood Street
P. O. Box 2503 GT
Grand Cayman, Cayman Islands

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

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. 495GT, 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 Acknowledgement 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 next page for notes for guidance.

Please complete next page

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. If you wish to defend claims made in the originating summons, or intend to attend the proceedings and to participate in them so far as necessarily (although not necessarily in an adversarial manner) you should tick the "Yes " box in paragraph 2 of the acknowledgment of service.
3. 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.
4. Where the Defendant is used 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 sated on the Originating Summons)".
5. 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.
6. 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.
7. Where the Defendant is a LIMITED COMPANY the form must be completed by an Attorney or by someone authorized to act on behalf for the Company, but the Company can take no further step in the proceedings without an Attorney acting on its behalf.
8. Where the Defendant is a MINOR or a MENTAL PATIENT, the form must be completed by an Attorney acting for a guardian ad litem.
9. A Defendant acting in person may obtain help in completing the form at the Courts Office