

IN THE GRAND COURT OF THE CAYMAN ISLANDS

IN THE MATTER OF THE REGISTERED LAND LAW (1995 REVISION)

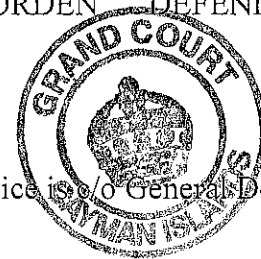
AND IN THE MATTER OF WEST BAY NORTH WEST, BLOCK 1D, PARCEL 222

BETWEEN

CIBC BANK AND TRUST COMPANY (CAYMAN) LTD PLAINTIFF

AND

MANUEL BORDEN AND LORAJANE BORDEN DEFENDANTS



ORIGINATING SUMMONS

TO: Manuel Borden and Lorajane Borden, whose address for service is Solo General Delivery Service, West Bay Post Office, Grand Cayman

LET THE DEFENDANTS Manuel Borden and Lorajane Borden within 14 days after service of this Summons on them, counting the day of service, return the accompanying Acknowledgement of Service to the Courts Office, PO Box 495 GT, George Town, Grand Cayman.

BY THIS SUMMONS which is issued on the application of the Plaintiff, CIBC Bank and Trust Company (Cayman) Ltd, the Plaintiff seeks relief pursuant to the Registered Land Law (1995 Revision).

1. On 23 April 1998 the Plaintiff as Chargee and the Defendants as Chargors executed a legal charge ('the Charge') in respect of the land and building registered at the Lands & Survey Department as West Bay North West, Block 1D, Parcel 222 ('the Property').
2. The Charge provided that:
 - 2.1 The Plaintiff would lend and the Defendants would borrow the principle sum of CI\$92,640.00 ('the Principle Sum') which was to be secured as a first charge on the Property.
 - 2.2 Interest on the Principle Sum would accrue at the rate of 3% per annum over the prime lending rate of the Plaintiff from time to time, which such prime lending rate was 11.50% per annum at the date of the Charge.
 - 2.3 The Defendants would repay to the Plaintiff on demand the Principle Sum or such portion of the Principle Sum which remained outstanding, together with accrued interest and pending such demand the Defendants would repay the Principle Sum and accrued interest at such times and in such sums as the Plaintiff may specify.

- 2.4 Immediately upon default by the Defendants to pay the Principle Sum and accrued interest the Plaintiff would be entitled to serve notice in writing on the Defendants to pay the money owing and if the Defendants did not comply within 1 month of the date of service of such notice the Plaintiff may without further notice, sell the Property by either public auction or private treaty.
- 2.5 The Defendants shall pay on demand all fees and expenses incurred by the Plaintiff of and incidental to the protection and enforcement from time to time of the Plaintiff's rights.
3. Thereafter, it was specified by the Plaintiff that the Defendants would repay the Principle Sum and accrued interest by monthly instalments.
4. In or about December 1998 the Defendants failed to pay the monthly instalment due in respect of principle and interest and have failed to make any subsequent payments of either principle or interest.
5. By a letter dated 9 March 1999 and handed to the Defendant, Lorajane Borden, on 18 March 1999 and the Defendant Manuel Borden, on 22 March 1999 the attorneys for the Plaintiff, Messrs. Ritch & Conolly, served notice on the Defendants pursuant to Section 64 (2) of the Registered Land Law (1995 Revision) demanding payment of the balance of the Principle Sum and accrued interest which as at 8 March 1999 amounted to CI\$96,048.04.
6. The Defendants have failed to pay the balance due of the Principle Sum and accrued interest or any other sums.
7. The Property consists of residential premises and a subsequent charge has been registered against the Property, such charge being made between the Government of the Cayman Islands as Chargee and the Defendants as Chargors. The charge in favour of the Government of the Cayman Islands is dated 14 September 1998 and secures a loan to the Defendants of CI\$32,424.09.
8. The provisions of the Registered Land Law (1995 Revision) provide that once a notice of demand has been served pursuant to Section 64 (2) the total amount of principle and interest becomes due and payable 3 months after service of that notice. The Plaintiff avers that the letter dated 9 March 1999 and handed to the Defendants on 18 March 1999 and 22 March 1999 respectively constitutes such notice under Section 64 (2).
9. The provisions of the Registered Land Law (1995 Revision) also provide that a chargee will then acquire a power to sell the property in question by public auction after 3 months have elapsed after service on the chargor of a second notice demanding payment. Such provisions are subject to the approval of the Court to vary such requirements and waive the need to serve a second notice and allow the chargee to sell by either private sale or public auction.

10. The relief the Plaintiff seeks in these proceedings is an order of the Court that:
- 10.1 The variations in the Charge to the provisions of the Registered Land Law (1995 Revision) be allowed so that the Plaintiff is not required to serve on the Defendants a further notice to pay the money owing or to perform and observe the provisions of the charge.
 - 10.2 The Plaintiff be entitled to sell the Property forthwith.
 - 10.3 Such sale to be either by private treaty or public auction, in good faith and having regard to the interests of the Defendants.
 - 10.4 There be an order for costs in terms of the provisions of the Charge.

Dated the 7th day of September 1999

Ritch & Conolly
RITCH & CONOLLY

If the Defendants do not acknowledge service, judgement may be given or made against or in relation to them as the Court may think just and expedient.

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

IMPORTANT

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