

IN THE GRAND COURT OF THE CAYMAN ISLANDS

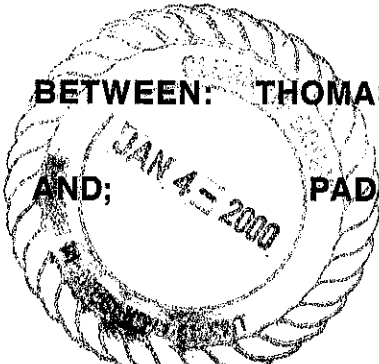
CAUSE NO. 2 of 2000

BETWEEN: THOMAS AND KAREN HAMORSKY

PLAINTIFFS

AND; PADJ LIMITED

DEFENDANT



WRIT OF SUMMONS

TO: PADJ LIMITED
c/o Collins, Broadhurst & Furniss
Attorneys At Law
George Town
GRAND CAYMAN

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 495 G, 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 Acknowledgement without stating therein an intention to contest the proceedings, the Plaintiff may proceed with the action and Judgement may be entered against you forthwith without further notice.

Issued this 4th day of January, 2000

NOTE: This Writ may not be served later than 4 calendar months beginning with the date of the issue unless renewed by Order of the Court.

IMPORTANT

Directions for Acknowledgement of Service are given with the accompanying form

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STATEMENT OF CLAIM

1 The Plaintiffs are individuals resident in the United States of America and at the material time loaned certain funds to the Defendant to assist with the start up and running expenses of its restaurant formally known as the Blackthorne's Beacon and now known as Cafe Tabu, which is located on the West Bay Road in Grand Cayman.

2 The Defendant is a limited liability company which is duly incorporated under the laws of the Cayman Islands with a Registered Office located at Collins, Broadhurst & Furniss and at the material time the Defendant was in the process of setting up a restaurant to be called "Blackthorne's Beacon" which restaurant commenced business at the said premises on or about 7th March, 1997. The Defendant owned and operated the said restaurant from its inception, and continues to own and operate the said restaurant which continues to trade from premises located at West Bay Road, Grand Cayman under the new name "Cafe Tabu".

3 The Defendant was incorporated in the Cayman Islands on or about 17th May, 1996 and its initial Directors were Angele L Ginn, Shan Stephenson, Jason Blackford, Desiree LaSorte and Padriac Linnane all of whom were appointed on 17th May, 1996. The Defendant subsequently obtained its Trade and Business License No 2703/96 from the Cayman Islands Government on or about 11th September, 1996 to operate its restaurant. At the time of the receipt of the Trade & Business License the Directors/Officers of the Defendant were: Angele Ginn - President; Desiree LaSorte - Vice President, Jason Blackford - Secretary and Padriac Linnane - Treasurer. Under Article 30.04 of the Defendant's Articles " all cheques, promissory notes, drafts, bills of exchange and other negotiable instruments etc. must be signed, drawn accepted, endorsed or otherwise executed in such manner as the Directors may from time to time determine". The Plaintiffs will aver that the Directors authorised Ms Angele Ginn to execute the said promissory note on its behalf and that at the material time she was their authorised signatory. The Plaintiffs will rely on this Article together with other documentation in their possession including but not limited to pay checks, the Lease agreement, the share certificates issued by the Defendant etc, to show that at the material time Ms Angele Ginn was an authorised sole signatory on behalf of the Defendant. Ms Ginn's position was purportedly revoked on 28th May, 1998. Prior to that date on or about 2nd December, 1996 she was appointed as Secretary of the Defendant having previously resigned her position as Director on 2nd September, 1996. After her resignation as Director Ms Ginn continued as the Manager/sole authorised signatory of the Defendant.

4 Prior to 5th November, 1996 the Plaintiffs loaned the Defendant the sum of US\$80,000.00 with specified interest on repayment of 13.33% annually. As evidence of this loan the Plaintiffs obtained a Promissory Note from the Defendant which Promissory Note was duly endorsed by the Plaintiff's then authorised Officer and Manager, Ms Angele Ginn. The principal plus accrued interest was to be paid by yearly installments of interest only, beginning on 3rd October, 1997 and continuing until 3rd October, 1999 on which date it was stipulated that all remaining unpaid interest plus principal would be due in full. The Plaintiffs will rely on the terms of the said Promissory Note for its full terms and effect.

5 In breach of the terms of the said Promissory Note the Defendants have not paid the amounts due and to 28th December, 1999 the amount of principal and interest outstanding under the terms of the said Promissory Note was US\$123,120.90. Interest continues on this amount to date at the agreed rate of 13.33% per annum.

6 A formal Demand was made on the Defendant's Registered Office on or about 24th May, 1999 for repayment of the amount outstanding but to date no funds have been forthcoming from the Defendants to pay off this debt.

7 In addition to the above the Plaintiffs are also owed US\$ 2,843.40, US\$31.50 and US\$6,000.00 which amounts represent the amounts paid by the Plaintiffs for audio equipment (speakers etc.) and a piano on behalf of the Defendants. It was an expressed term of the verbal agreement between the Defendant's authorised representative, Ms Ginn and the Plaintiffs that these additional amounts would be paid off by the Defendant. These amounts are also shown as outstanding to the Plaintiffs in addition to the US\$80,000.00 in the Minutes of the Special General Meeting of the Defendant held on 14th May, 1999.

8 Despite the above and much correspondence between the Plaintiff's Attorneys and the Attorneys acting on behalf of the Defendant, in breach of the terms of the Promissory Note and also in breach of the verbal agreement to pay off the other amounts, the Defendant had not paid same. The Plaintiffs have provided to the Defendant copies of various receipts and invoices together with an Expense Account prepared by Ms Ginn relating to the expenditure of the US\$80,000.00 but the Defendant has still refused to pay the outstanding amount.

WHEREFORE THE PLAINTIFF CLAIMS

- (a) The total amount outstanding as principal of US\$80,000.00 with accrued interest to 28th December, 1999 of US\$ 43,120.90 (and continuing).
- (b) Interest at the agreed rate of 13.33% per annum pursuant to the terms of the Promissory Note from the date of the filing of this Writ to the date of payment such amount with interest accruing at the rate of CI\$ 36.00 (or US\$45.00) per day.
- (c) The amount of US\$8,874.90 plus interest at the statutory rate.
- (d) Costs.

Dated this 4th day of January, 2000.

Brooks & Brooks
BROOKS & BROOKS
 Attorneys At Law for the Plaintiff

TAKE NOTE that further proceedings will be stayed if, within the time limited for acknowledging service, the defendant pays the said US\$ 131,995.80 (US\$123,120.90 + US\$8,874.90) plus additional accrued interest and Costs to the Plaintiff, their attorneys at Law or their agent.

THIS WRIT OF SUMMONS was filed by Brooks & Brooks Attorneys At Law for and on behalf of the Plaintiffs herein whose address for service is that of their said Attorneys At Law One, Artillery Court, P O Box 1355GT GRAND CAYMAN

(Attorney) for

(Defendant in Person)

Address for service:

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 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 the Plaintiff's Attorney (or by the plaintiff if suing in person) of his name, address and residence, if any in the box below

**Brooks & Brooks
Attorneys At Law
P O Box 1355 GT
GRAND CAYMAN**

(One, Artillery Court, George Town, Grand Cayman)

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