

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. 184 OF 2000

BETWEEN: I.A.N. WIGHT AND M. W. PILLING, JOINT OFFICIAL
LIQUIDATORS OF FIRST CAYMAN BANK LTD.
(IN LIQUIDATION) Plaintiffs

AND: RAAFAT KHALIL Defendant

WRIT OF SUMMONS

To: RAAFAT KHALIL
PO BOX 1084
GEORGE TOWN
GRAND CAYMAN



THIS WRIT OF SUMMONS has been issued against you by the above-named Plaintiffs in respect of the claim set out on the next page.

Within Fourteen days [14] 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, 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 Plaintiffs may proceed with the action and judgment may be entered against you forthwith without further notice.

Issued this 10th day of March, 2000.

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 Acknowledgement of Service are given with the accompanying form.

STATEMENT OF CLAIM

1. The Plaintiffs are the Joint Official Liquidators ("the Liquidators") of First Cayman Bank Ltd. (In Liquidation) ("the Bank"), whose address is P.O. Box 1113, George Town, Grand Cayman, Cayman Islands and who all material times has lent money to the Defendant.
2. The Defendant's address is, P.O. Box 1084, George Town, Grand Cayman, Cayman Islands and the Defendant was at all material times the recipient of money lent by the Bank.
3. The Plaintiffs' claim is against the Defendant as a maker of a Promissory Note in the sum of US\$5,000.00 dated the 24th day of January, 1996. The note was to be interest bearing and to be repaid on demand, which said note has not been paid. The Plaintiffs refer to the note for its terms and effect.
4. Pursuant to the said Agreement on the 24th day of January 1996, the Plaintiffs paid to the Defendant by way of a Loan the sum of US\$5,000.00 into a loan account numbered a/c#240-106-447 ("the Original Loan").
5. The Defendant also maintained a checking account (a/c 110-105-247) with the Bank. On or about the 13th day of August 1996 the Plaintiff extended to the Defendant an overdraft facility of CI\$10,846.16 on the said chequing account. This facility was subject to normal banking terms and conditions including the right to repayment upon demand. The Bank combined this overdraft facility with the existing loan account to form a new loan account (a/c 140-107-338).
6. The Defendant has repaid the Bank the total sum of US\$1,384.19 on account 240-106-447.

PARTICULARS

US\$	41.67	15 February, 1996	Customer Deposit
US\$	447.00	14 March, 1996	Transfer from Account 220-115-695
US\$	447.76	26 April, 1996	Cash Deposit
US\$	447.76	15 May, 1996	Cash Deposit

7. On or about the 13th day of August, 1999 the balance outstanding on the loan account number 240-106-447 was US\$3,966.47 which, converted to CI\$ at an exchange rate of 0.84, is CI\$3,331.83. On an unknown date both the loan account and the overdraft account were combined and the total amount outstanding to the Bank from the Defendant was transferred to a new loan account, number 140-107-388.
8. The Defendant made three payments on this combined loan account, (140-107-388) in the total amount of CI\$2,071.89.

PARTICULARS

CI\$	1,071.89	13 August, 1996	Transfer from Account 140-107-399
CI\$	500.00	31 August, 1996	Transfer from Account 110-105-247
CI\$	500.00	16 September, 1996	Customer Deposit

9. Since the 16th day of September, 1996 the Defendant has made no further payments on the combined loan account, nor has he sought to make any acceptable arrangements to make payments to the Bank or to the Plaintiffs. As result, the Plaintiffs' claim the sum of CI\$20,190.58, being the aggregate balance due under the note and the overdraft facility, with interest.

AND THE PLAINTIFFS CLAIM:

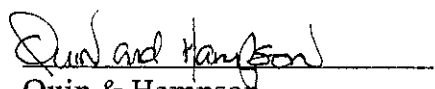
1. The said sum of CI\$20,190.58, being the combined outstanding balance including interest, of monies loaned to the Defendant by the Bank on the 24th day of January 1996 and on the 13th day of August 1996 which remain due and owing;
2. Interest claimed on the sum as stated in paragraph one, is 14% which is evidenced by the signed Note dated the 13th day of August 1996 which combined the Defendant's outstanding debts in one loan account. Accordingly interest is claimed firstly from the 24th day of January 1996, to the 13th day of August 1996 ("the initial term"), upon the sum of US\$5,000.00 ("the initial sum") at the rate of 1% above the Banks Best Lending Rate, with the minimum monthly rate being 13¹/₂% (being 3% above US Prime), which is

currently 15.75% per annum ("the said rate"). The interest calculated and claimed on the initial sum for the initial term at the said rate is therefore US\$350.66 or CI\$294.55. The initial outstanding sum claimed is therefore US\$3,966.47 or CI\$3,331.83 ("the initial outstanding sum");

3. Interest is claimed secondly from the 13th day of August 1996, to date, upon the initial outstanding sum, together with the sum of CI\$10,846.16 at the same rate as set out in paragraph 2 above. The total outstanding sum claimed is therefore CI\$14,177.99 ("the total outstanding sum"). The interest plus other charges calculated and claimed on the total outstanding sum for the said term is therefore CI\$6,012.59. As at the 15th day of March 2000, the total outstanding sum due and owing to the Plaintiffs is CI\$20,190.58;
4. The Plaintiffs claim further interest on the said sum as aforesaid from the date hereof until judgement or sooner payment at the daily rate of CI\$7.74;
5. Alternatively the Plaintiffs claim pre-judgement interest pursuant to Section 34 of the Judicature Law (1995 Revision) on the initial outstanding sum as follows:
 - (i) at the rate of $7\frac{3}{8}\%$ on the initial outstanding sum from the 24th day January 1996 to 13th day of August 1996;
 - (ii) at the rate of $7\frac{3}{8}\%$ on the total outstanding sum from the 13th day of August 1996 to the 31st day of January 1998;
 - (iii) at the rate of $7\frac{7}{8}\%$ on the total outstanding sum from 1st day of February 1998 to 31st day of December 1998; and
 - (iv) and at the rate of 7% on the total outstanding sum from 1st day of January 1999 to the date of this Writ.

6. Further and alternatively the Plaintiffs claim interest at the rate of 7% pursuant to Section 34 of the Judicature Law (1995 Revision) from the date hereof until judgement or sooner payment;
7. Costs

If within the time for returning Acknowledgement of Service the Defendant pays the total amount claimed of CI\$20,190.58 (excluding the costs of any additional interest accruing) further proceedings will be stayed. The money must be paid to the offices of the Plaintiffs' Attorneys-at-Law.


Quin & Hampson
Attorneys-at-Law for the Plaintiffs

To: Clerk of the Court

And to: Raafat Khalil
PO Box 1084
George Town
Grand Cayman

THIS WRIT was issued by Messrs. Quin & Hampson, Attorneys-at-Law for the Plaintiffs whose address for service and correspondence is P.O. Box 1348, Third Floor, Harbour Centre, George Town, Grand Cayman, B.W.I.

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 Acknowledgement of Service that he intends to contest the proceedings *must also serve a defence* on the Attorney for the Plaintiffs (or on the Plaintiffs 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 Plaintiffs 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 Acknowledgement, 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 notes for guidance

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 his 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.

BETWEEN: I.A.N. WIGHT AND M. W. PILLING, JOINT OFFICIAL LIQUIDATORS OF FIRST CAYMAN BANK LTD. (IN LIQUIDATION) Plaintiffs

AND: RAAFAT KHALIL 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.

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 Plaintiffs (tick box).

yes

Service of the Writ is acknowledged accordingly

(Signed)

[Attorney] for

[Defendant in person]

Address for service:

Please complete overleaf

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

Messrs. Quin & Hampson
Attorneys-at-Law
Third Floor, Harbour Centre
P.O. Box 1348
George Town,
GRAND CAYMAN

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

[Empty box for defendant's attorney indorsement]