

IN THE GRAND COURT OF THE CAYMAN ISLANDS

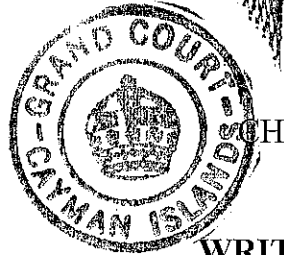
CAUSE NO. ⁶¹³ OF 2000

BETWEEN:

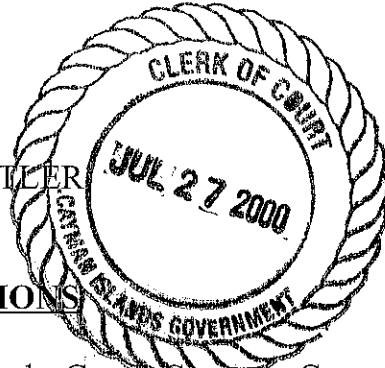
BONNIE LINDSLEY

Plaintiff

- and -



CHESTER WATLER



Defendant

WRIT OF SUMMONS

TO: CHESTER WATLER, PO Box 370, Savannah, Grand Cayman, Cayman Islands, BWI

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 27th day of July 2000

NOTE - This Writ may not be served later than 4 calendar 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 Nurse and is a resident of Lampeter, Pennsylvania, USA.
2. The Defendant, Chester Watler, is a resident of the Cayman Islands.
3. Ironshore Limited, was, at October 28, 1999, the registered owner of land situated on Grand Cayman known as Parcel 5 of Block 53A of the Northside Registration Section (“the Land”).
4. By an agreement in writing dated 29 June 1998, the Defendant agreed to sell to the Plaintiff two lots of one acre which were part of the Land. The Plaintiff paid a deposit to the Defendant of CI\$5,000.00. The Defendant was unable to complete the sale. As a result of his default he offered instead to sell to the Plaintiff the lot referred to in paragraph 5 below.
5. By an agreement in writing headed “Offer to Purchase” dated October 28, 1999, the Defendant on his own behalf and/or purporting to represent Ironshore Limited agreed to sell Lot 16, a separate one acre lot within the Land, (“the Property”) to the Plaintiff, and the Plaintiff agreed to purchase the Property from the Defendant at a price of CI\$31,000.00 (the “Agreement”).
6. The Plaintiff paid to the Defendant a further sum of CI\$5,000.00 to secure the Property, so that the Plaintiff had paid a total deposit of CI\$10,000.00.
7. The Plaintiff intended to build a house on the Property as an investment.
8. Clause 5 (1 and 2) of the Agreement provided as follows:

“This offer is made subject to the following additional conditions (if any) all of which may be unilaterally waived by the Purchaser by written notice, unless to the Benefit of the Vendor

1. *Settlement to occur on or before 31 March 2000.*
2. *Purchaser agrees to have confirmation of financing of balance to vendor on or before 15 December 1999. If this condition is not met purchase (sic) agrees that all deposit monies shall be forfeited and this offer/contract to purchase shall be deemed null and void of all responsibilities of the vendor.”*

9. Clause 17(B)(1)(ii) of the Agreement provided as follows:

“17. *Right to Rescind*

...

B. *If this Offer is accepted and all the conditions are satisfied:*

(1) *Should the vendor fail to perform the Purchaser may at his option*

(i) *pursue any remedy available to him at law or in equity; or*

(ii) *demand a refund of the deposit any other monies paid by him hereunder and on receipt of the same, this agreement shall be forthwith terminated and neither party hereto shall have any rights of action or claim of any nature against the other in respect hereof.”*

10. The Plaintiff instructed her banking institution to provide confirmation of financing of the balance of the purchase price to the Defendant on or before December 15, 1999, as per Clause 5(2) of the Offer to Purchase.

11. The Plaintiff's banking institution provided confirmation of financing of the balance of the purchase price to the Defendant on the telephone on December 29, 1999.
12. The Plaintiff took all necessary steps to complete the purchase of the Property, including obtaining financing. The Defendant refused to complete the sale of the Property on March 31, 2000.
13. On April 3, 2000, the Plaintiff served the Defendant with a Notice to Complete making time of the essence, and declaring that unless the Defendant completed the sale of the Property within five days of service of the Notice, the Plaintiff would exercise her rights under Clause 17(B)(1)(ii) of the Offer to Purchase.
14. The Defendant did not complete the sale of the Property within five days of service of the Notice to Complete and, on April 18, 2000, the Plaintiff served the Defendant with a Notice of Rescission requesting repayment of the CI\$10,000.00 deposit.
15. To date, the Defendant has refused to repay to the Plaintiff her deposit in the amount of CI\$10,000.00.
16. The Defendant is in breach of the Agreement and, in particular, has failed to complete the sale of the Property pursuant to Clause 5(1) of the Agreement or, in the alternative, has failed to repay the Plaintiff's deposit pursuant to Clause 17(B)(1)(i) and/or Clause 17(B)(1)(ii) of the Offer to Purchase.
17. Alternatively, the Agreement was void for lack of authority, the Defendant having no authority to contract on behalf of Ironshore Limited. In this event, the Plaintiff claims the sum of CI\$10,000.00 being money payable by the Defendant to the Plaintiff as money had and received by the Defendant to the use of the Plaintiff.
18. By reason of the matters aforesaid, the Plaintiff has suffered loss and damage. In particular, the Plaintiff has paid the deposit of CI\$10,000.00 and has incurred legal

fees in relation to the transaction of CI\$2,500.00. Further, the Plaintiff has been unable to develop the Property and has suffered lost profits by reason thereof.

19. In addition, the Plaintiff is entitled to and claims interest pursuant to Section 34 of the Judicature Law (1995 Revision) on any sums awarded to her for such periods and at such rate as to the Court may seem just.

AND THE PLAINTIFF claims:

1. CI\$12,500.00; and/or
2. Damages for breach of contract as set out in paragraph 18;
3. Interest pursuant to paragraph 19 or pursuant to Section 34 of the Judicature Law (1995 Revision) on any sums awarded to her for such periods and at such rate as to the Court may seem just; and
4. Costs

Boxalls.

Boxalls

Attorneys for the Plaintiff

This WRIT OF SUMMONS and STATEMENT OF CLAIM was issued by Boxalls, Attorneys at Law, whose address for service is: PO Box 1234GT, 3rd Floor, Queensgate House, South Church Street, George Town, Grand Cayman, British West Indies (Reference: 1629-002/EDS)