

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO: 434 OF 2001

Between:

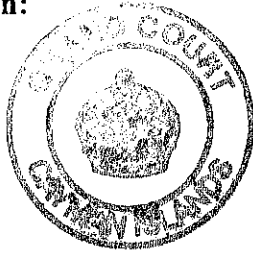
GOLFCO LTD.

Plaintiff

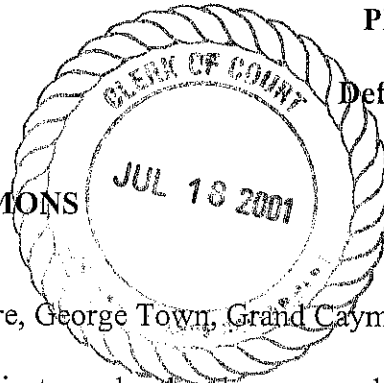
And:

ANGEL BORDEN

Defendant



WRIT OF SUMMONS



TO: ANGEL BORDEN of The Television Centre, 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 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 17th day of July, 2001.

NOTE – This Writ 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 Defendant offered to purchase the Plaintiff's property (Parcels 160 & 161 of Block 20D of the George Town East Registration Section)("the Property").
2. By an agreement made on a day unknown in July 1997 the Plaintiff agreed to sell and the Defendant and Mr. John Borden agreed to purchase the Property upon the terms and conditions set forth in the said agreement ("the Sale Agreement"). The Sale Agreement shall be referred to at the trial hereof for its full terms and effect.
3. By an assignment made on 11th September 1998 John Borden assigned all rights and benefits he had in the Sale Agreement to the Defendant.
4. The Sale Agreement required the Defendant to pay The Plaintiff certain sums monthly – namely, during the first 6 months of the agreement to pay US\$7,577.50 monthly, thereafter the Defendant was to pay the Plaintiff US\$12,000.00 per month for 3 years and then a single "balloon" payment of principal and interest. That final payment was due on 5th March 2001.
5. The Sale Agreement also provided that the Defendant would be entitled to receive the rents in respect of the Property and would be responsible for, and would pay, the outgoings in respect of the Property.
6. Clause 12 of the Sale Agreement imposes interest at the rate of 13% per annum on amounts payable under the Sale Agreement if not paid within 10 days of the due date.
7. Clause 12 further provides that any and all costs incurred to enforce collection of outstanding amounts (due under the Sales Agreement) will be due and payable by the Defendant.

8. The parties agreed by a letter dated 11th September 1998 to vary the terms of the Sale Agreement such that the monthly payments due and referred to in clauses 3 (b) (ii) and 3 (b) (iii) of the Sale Agreement and the completion date where each extended or deferred by 6 months.
9. Other than an initial breach which the Defendant remedied, the Defendant paid the amounts due monthly until October 2000 at which time the Defendant ceased paying the monies due to the Plaintiff under the Sale Agreement.
10. Notwithstanding the breach of the terms of the Sale Agreement the Defendant continued to receive the rents being paid in respect of the Property. However, she ceased to pay certain of the outgoings, these included the fees payable to the Department of Environmental Health for garbage fees; the insurance premium in respect of the Property and the maintenance and repair of the Property.

Particulars

Payments outstanding at March 2001	US\$72,000.00
Amount payable to DOEH (CI\$16,265.00)	US\$19,835.37
Insurance premium	<u>US\$ 6,083.00</u>
	US\$97,918.37

11. By a letter dated 29th March 2001 the Plaintiff requested the Defendant to remedy the breaches of the Sales Agreement by making payment within 5 days thereof of the amounts due.
12. The Defendant has failed to remedy the breaches of the Sale Agreement.

13. In the premises the Defendant is (and has remained) in breach of the terms of the Sale Agreement in that she has failed to pay (i) the monthly payments called for under its terms; (ii) the outgoings she was required to pay and (iii) to remedy the breaches having been given written notice on 29th March 2001 requiring her to do so.
14. On 4th April 2001 the Plaintiff gave notice to the Defendant requesting payment of all the sums due under the Sale Agreement failing which the Sale Agreement would be terminated.
15. The Sale Agreement requires the Defendant to comply with such a demand within 28 days failing which the Sale Agreement is treated as at an end.
16. The 28 day period expired on 20th May 2001. The Defendant failed to take any steps let alone make the required payment within that period.
17. Out of an abundance of caution the Plaintiff directed the tenants of the Property to pay their rents direct to the Plaintiff with effect from 1st April 2001. The Plaintiff has received US\$14,035.00 on account of rent for the period 1st April 2001 – 2nd May 2001. The Plaintiff shall give credit to the Defendant for US\$14,035.00 being rent paid to the Plaintiff but held to the benefit of the Defendant by reason of clause 5 of the Sale Agreement.
18. At the time the parties exchanged contracts the Plaintiff paid the Defendant C\$4,888.00 on account of deposits paid to the Plaintiff by tenants of the Property.
19. Although requested to provide an account of the deposits of the tenants held by the Defendant, the Defendant has failed to do this and has not paid the Plaintiff any of the deposits paid by the tenants of the Property.

20. In the premises the Plaintiff claims:
- i) On account of payments not made in breach of the terms of the Sale Agreement – US\$96,000.00.
 - ii) Interest thereon pursuant to the terms of the Sale Agreement.
 - iii) On account of unpaid outgoings – US\$25,918.37.
 - iv) Interest on the amount in clause 20(iii) at the statutory rate.
21. The Plaintiff further seeks:
- i) An account of the deposits held by the Defendant to the order of the tenants of the Property.
 - ii) Payment of the Plaintiff's costs incurred in these proceedings upon the basis agreed by the parties in clause 12 of the Sale Agreement.
 - iii) Interest on the aforesaid sums at the rates set forth above.

Particulars

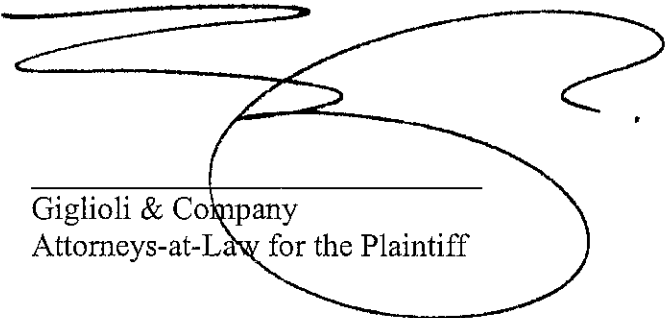
Unpaid monthly installments	US\$ 96,000.00
Interest to date of issue of writ at the rate of 13% per annum	US\$ 5,889.38
Unpaid outgoings	US\$ 25,918.37
	US\$127,807.75
Less the rents received (clause 17)	US\$ 14,035.00
	US\$113,772.75
Interest at 6¼ per annum on the outgoings	US\$4.44 per diem

And the Plaintiff claims against the:

1. The sum of US\$113,772.75;
2. Interest pursuant to the terms of the Sale Agreement on the unpaid installments at the rate of 13% per annum until payment (interest accrues at US\$34.19 per diem).
3. Interest pursuant to the Judicature Law on the other amounts from the date of the Writ until payment (interest accrues at US\$4.44 per diem).
4. The accounting set out in clause 21.
5. Costs.

If, within the time for returning the acknowledgment of service, the Defendant pays the total amount claimed of US\$115,403.49 (including interest and costs) further proceedings will be stayed. The money must be paid to the Plaintiff or its attorney.

Dated: 17th July 2001



Giglioli & Company
Attorneys-at-Law for the Plaintiff

This Writ was issued by Giglioli & Company whose address for service is P.O. Box 1316, 4F, Kirk House, George Town, Grand Cayman.