

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO: 340 OF 2002

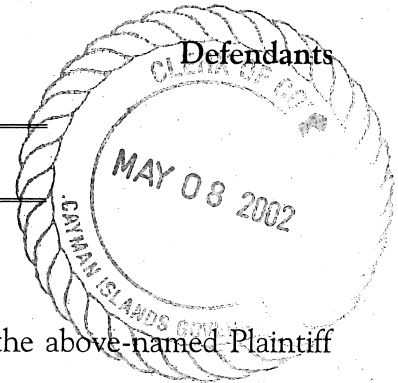
BETWEEN:

SCOTIABANK (CAYMAN ISLANDS) LTD.

Plaintiff

AND

1. DONNA A. RANKINE
2. CROSLY MIKE MCLAUGHLIN



WRIT OF SUMMONS

TO: The Defendants
Grand Cayman, Cayman Islands

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, PO Box 495GT, 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 judgment may be entered against you forthwith without further notice.

Issued this May 2002.

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 Plaintiff is a Class A Bank carrying on the business of retail and other banking in the Cayman Islands, its registered office being PO Box 689 GT.
2. The First Defendant is an individual customer of the Plaintiff residing in the Cayman Islands.
3. The Second Defendant is an individual customer of the Plaintiff residing in the Cayman Islands.
4. In March of 1999 the First Defendant entered into credit arrangements with the Plaintiff whereby the Plaintiff would loan to the first Defendant certain sums, or provide credit, the terms of which are subject to the following instruments:
 - a. A promissory note dated 26 March 1999, evidencing the loan sum of CI\$32,800;
 - b. A charge of land owned by the first Defendant securing the principal debt of CI\$32,800 registered against property described as South Sound Registration Section Block 15C Parcel 241;
 - c. A loan agreement for the purchase of a vehicle and
 - d. A Scotiabank Mastercard credit card agreement.
5. The Plaintiff did advance funds of CI\$32,800 and CI\$14,475.18 to the First Defendant on the terms of the instruments referred to at paragraph 4 a, 4 b and 4 c, above which terms included as follows:
 - a) The First Defendant, jointly and severally with the Second Defendant, would pay the Plaintiff the sum of CI\$32,800.00 plus interest and costs of enforcement;

- b) The First Defendant would pay the Plaintiff the sum of CI\$14,475.18 plus interest and costs of enforcement;
 - c) Interest would accrue at the rate of 14% per annum;
 - d) With regard to the loan of CI\$32,800 the First Defendant would pay the monthly sum of CI\$569.79 commencing 26 April 1999 and thereafter on 95 consecutive months failing which the outstanding indebtedness plus interest would become immediately due and owing;
 - e) With regard to the loan of CI\$14,475.18 the First Defendant would pay the monthly sum of CI\$405.27 commencing 30 June 1999 and thereafter on 28 consecutive months failing which the outstanding indebtedness plus interest would become immediately due and owing
 - f) The Defendants would pay all costs and expenses incurred by the Plaintiff, including reasonable legal fees in relation to the enforcement and recovery of the funds owed to the Plaintiff;
6. The First Defendant defaulted on the repayment terms and the property secured by the charge was sold and applied to the debt of the loaned funds.
 7. The First Defendant was also issued credit by the Plaintiff by way of a credit card agreement. As of the date of the commencement of this proceeding the first Defendant owes to the Plaintiff the sum of US\$3238.38 (CI\$2720.24).
 8. As of the date of the commencement of this proceeding (9 May 2002) the following sums are due and owing as follows:
 - a. CI\$13,479 principal due on the CI\$32,800 loan;
 - b. CI\$8,002.86 principal due on the CI\$14,475.18 loan;
 - c. CI\$2,720.24 due on the credit card debt;
 - d. CI\$10,950.61 legal fees incurred in connection with the enforcement of the debt;

9. Interest after the commencement of this proceeding is claimed at the rate of 14% per year.

10. The Second Defendant was a co-debtor with the first Defendant pursuant to the promissory note referred to in paragraph 4(a) above the terms of which were as follows:

- a. The Second Defendant, jointly and severally with the First Defendant, would pay the Plaintiff the sum of CI\$32,800.00 plus interest and costs of enforcement;
- b. Interest would accrue at the rate of 14% per annum;
- c. With regard to the loan of CI\$32,800 the Second Defendant would pay the monthly sum of CI\$569.79 commencing 26 April 1999 and thereafter on 95 consecutive months failing which the outstanding indebtedness plus interest would become immediately due and owing;
- d. The Second Defendant would pay all costs and expenses incurred by the Plaintiff, including reasonable legal fees in relation to the enforcement and recovery of the funds owed to the Plaintiff;

11. The Second Defendant has failed to make payment on the above-stated agreement and as of the date of this proceeding owes to the Plaintiff the following sums:

- a. CI\$13,479 principal due on the CI\$32,800 loan;
- b. CI\$10,950.61 legal fees incurred in connection with the enforcement of the debt;

12. Interest after the commencement of this proceeding is claimed at the rate of 14% per year.

13. The indebtedness of both the First and the Second Defendants included a debt secured by a charge against the above-stated property. This property has been sold and the monies applied to the outstanding debt of both the First and Second Defendants. The above-stated sum due and owing by each the First and Second Defendant is following the application of the proceeds from the sale of the property against the debt at the time that the net sale proceeds were received.
14. Notwithstanding requests made by the Plaintiff or its attorneys for the payment of the indebtedness, the First and the Second Defendants have either failed or refused to make payment.
15. As a result of the above, the sums claimed herein are due and owing to the Plaintiff.

AND THE PLAINTIFF CLAIMS as against the First Defendant:

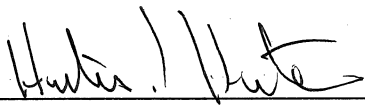
- a. CI\$13,479 principal and interest due on the CI\$32,800 loan;
- b. CI\$8,002.86 principal and interest due on the CI\$14,475.18 loan;
- c. CI\$2,720.24 due on the credit card debt;
- d. CI\$10,950.61 legal fees incurred in connection with the enforcement of the debt as agreed and as claimed at paragraph 5 f, herein;
- e. Pre and post judgment interest from the commencement of this proceeding at 14% as agreed and as claimed at paragraph 5 c and 12, herein;
- f. Alternatively pre-and post judgment interest pursuant to the Judicature Law (1995 Revision) and Judgment Debts (Rates of Interest) Rule as amended from time to time;

g. Such further and other relief as this Honourable Court may deem just.

AND THE PLAINTIFF CLAIMS as against the Second Defendant:

- a. CI\$13,479 principal and interest due on the CI\$32,800 loan;
- b. CI\$10,950.61 legal fees incurred in connection with the enforcement of the debt as agreed and as claimed at paragraph 10 d herein;
- c. Pre and post judgment interest from the commencement of this proceeding at 14% as agreed and as claimed at paragraph 10 b and 12, herein;
- d. Alternatively pre-and post judgment interest pursuant to the Judicature Law (1995 Revision) and Judgment Debts (Rates of Interest) Rule as amended from time to time;
- e. Such further and other relief as this Honourable Court may deem just.

Dated: 9 May 2002



Hunter & Hunter

FILED by Hunter & Hunter Attorneys-at-Law for the Plaintiff whose address for service is The Huntlaw Building, 75 Fort Street, P.O. Box 190 GT, George Town, Grand Cayman (Ref:WAS/00187.059)

INDORSEMENT RESPECTING CLAIM AGAINST FIRST DEFENDANT

The principal amount claimed in respect of the debt is CI\$35,152.71 as set out at paragraph 8, herein and CI\$0.00 as interest as of the issue of the Writ of Summons for a total amount of CI\$35,152.71. The amount of the costs claimed to the issuance of the Writ of Summons is CI\$1300.00 and the costs of issuing the Writ of Summons is CI\$401.53 (being CI\$150 + CI\$251.53 ad valorem). If, within the time for returning the acknowledgement of service, the defendant pays the plaintiff or its attorneys-at-law the total amount claimed in principal and interest, the fixed costs and the costs of issuing the writ of summons, further proceedings will be stayed. The money must be paid to the plaintiff or to its attorneys-at-law.

INDORSEMENT RESPECTING CLAIM AGAINST SECOND DEFENDANT

The principal amount claimed in respect of the debt is CI\$24,429.61 as set out at paragraph 8, herein and CI\$0.00 as interest as of the issue of the Writ of Summons for a total amount of CI\$24,429.61. The amount of the costs claimed to the issuance of the Writ of Summons is CI\$1300.00 and the costs of issuing the Writ of Summons is CI\$401.53 (being CI\$150 + CI\$251.53 ad valorem). If, within the time for returning the acknowledgement of service, the defendant pays the plaintiff or its attorneys-at-law the total amount claimed in principal and interest, the fixed costs and the costs of issuing the writ of summons, further proceedings will be stayed. The money must be paid to the plaintiff or to its attorneys-at-law.

INDORSEMENT REGARDING INTEREST

(Order 6 (2)(e) of the Grand Court Rules)

- i. The contractual term upon which interest is 14 % as claimed in paragraph 4(b) and 10 (b), above.
- ii. The prescribed rate of interest during the entire relevant period from 9 May 2002 is 14%;
- iii. The total interest claimed as at the date of the issue of the writ of summons is CI\$0.00.
- iv. The amount of interest accruing each day following the issue of the writ of summons is CI\$3.87.

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B E T W E E N :

SCOTIABANK (CAYMAN ISLANDS) LTD.

Plaintiff

AND

1. DONNA A. RANKINE
2. CROSLEY MIKE MCLAUGHLIN

Defendants

ACKNOWLEDGMENT OF SERVICE

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.

Please complete overleaf

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

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| <p style="text-align: center;">Hunter & Hunter The Huntlaw Building 75 Fort Street PO Box 190 GT Grand Cayman Telephone: (345)949-4900 Telefax: (345)949-4901 (REF: WS/00187.059)</p> |
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Indorsement by defendant's Attorney (or by defendant if suing in person) of his name, address and reference, if any, in the box below.

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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 Acknowledgment of Service that he intends to contest the proceedings *must also serve a defence* on the Attorney for the Plaintiff (or on the Plaintiff 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 Plaintiff 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 Acknowledgment of Service, that he intends to apply for a stay, execution will be stayed for 14 days after his Acknowledgment, 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 its 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.