

CAUSE NO: 59 OF 2002 ✓

IN THE GRAND COURT OF THE CAYMAN ISLANDS

IN THE MATTER OF THE REGISTERED LAND LAW (1995 REVISION)

AND IN THE MATTER OF BODDEN TOWN, BLOCK 44B, PARCEL 312

BETWEEN

THE CAYMAN ISLANDS CIVIL SERVICE ASSOCIATION
CO-OPERATIVE CREDIT UNION LTD

PLAINTIFF

AND

KRIS CARSON ANDERSON

DEFENDANT

ORIGINATING SUMMONS

To Kris Carson Anderson whose address for service is General Delivery, Bodden Town, Grand Cayman

LET THE DEFENDANT Kris Carson Anderson within 14 days after service of this Summons on him, counting the day of service, return the accompanying Acknowledgement of Service to the Courts Office, PO Box 495 GT, George Town, Grand Cayman.

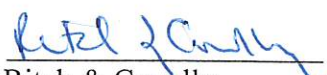
BY THIS SUMMONS which is issued on the application of the Plaintiff, the Cayman Islands Civil Service Association Co-operative Credit Union Ltd, the Plaintiff seeks relief pursuant to the Registered Land Law (1995 Revision).

1. On 18th November 1997 the Defendant applied to the Plaintiff for a loan in the sum of CI\$16,000.00 which, together with the balance of previous loans made to the Defendant, gave a total amount of borrowing of CI\$21,506.37. This borrowing was to be repaid by 60 monthly repayments of CI\$479.03 and was to be secured by a first Legal Charge on the land registered at Lands & Survey Department as Bodden Town, Block 44B, Parcel 312 ("the Property").
2. On 20th November 1997 the Plaintiff as Chargee and the Defendant as Chargor executed a Legal Charge in respect of the Property.
3. The Legal Charge dated 20th November 1997 provided that:
 - 3.1 The Plaintiff would lend and the Defendant would borrow the Principal Sum of CI\$21,506.37 ("the Principal Sum").

- 3.2 Interest on the Principal Sum would accrue at the rate of 1% per month on the reducing balance.
4. On 17th March 1998 the Defendant applied to the Plaintiff for a further loan in the sum of CI\$18,000.00 which, together with the balance of previous loans made to the Defendant, gave a total amount of borrowing of CI\$38,453.18. This borrowing was to be repaid by 96 monthly instalments of CI\$626.20 and was to be secured by a Variation of the first Legal Charge dated 20th November 1997.
5. On 19th March 1998 the Plaintiff as Chargee and the Defendant as Chargor executed a Variation of Charge in respect of the Property.
6. The Variation of Charge dated 19th March 1998 provided that:-
 - 6.1 The Principal Sum borrowed by the Defendant would be varied from CI\$21,506.37 by CI\$16,946.81 to CI\$38,453.18.
 - 6.2 Interest on the increased sum would accrue at the rate of 1% per month on the reducing balance.
7. On 20th July 1998 the Defendant applied to the Plaintiff for a further loan in the sum of CI\$10,000.00 which, together with the balance of previous loans made to the Defendant, gave a total amount of borrowing of CI\$47,068.95. This borrowing was to be repaid by 96 monthly repayments of CI\$766.51 and was to be secured by a further Variation of the first Legal Charge dated 20th November 1997.
8. On 30th July 1998 the Plaintiff as Chargee and the Defendant as Chargor executed a further Variation of Charge in respect of the Property.
9. The further Variation of Charge dated 30th July 1998 provided that:-
 - 9.1 The Principal Sum borrowed by the Defendant would be varied from CI\$38,453.18 by CI\$8,615.77 to CI\$47,068.95.
 - 9.2 Interest on the increased sum would accrue at the rate of 1% per month on the reducing balance.
10. On and since June 2000 the Defendant has failed to pay the monthly instalments due in respect of the Principal Sum loaned and as varied and in respect of interest.
11. By a letter dated 21st August 2000 and handed to the Defendant on 31st August 2000 Messrs Ritch & Conolly as Attorneys for the Plaintiff served Notice on the Defendant pursuant to Section 64 (2) of the Registered Land Law (1995 Revision) demanding payment of the balance of the Principal Sum as varied and accrued interest.
12. The Defendant has failed to pay the balance due of the Principal Sum as varied and accrued interest.

13. The provisions of the Registered Land Law (1995 Revision) provide that once a Notice of Demand has been served pursuant to Section 64 (2) the total amount outstanding of Principal and interest becomes due and payable three months after service of that notice. The Plaintiff avers that the letter dated 21st August 2000 and served on the Defendant on 31st August 2000 constitutes such a notice pursuant to Section 64 (2).
14. The provisions of the Registered Land Law (1995 Revision), by virtue of Section 72 (1), also provide that once there is default in the payment of the Principal Sum, or of any interest or any other periodical payment and if that default continues for one month, a Chargee may serve on the Chargor notice in writing to pay the money owing or to perform and observe the terms of the Legal Charge, as the case may be.
15. It is averred that default on the Defendant's account occurred one calendar month after three months had passed since the service of the Notice pursuant to Section 64 (2). In the circumstances, as at 1st January 2001 the Plaintiff was at liberty to serve on the Defendant a notice in writing to pay the money owing.
16. By a letter dated 15th October 2001 and served on the Defendant on 11th January 2002 Messrs Ritch & Conolly as Attorneys for the Plaintiff served notice on the Defendant pursuant to Section 72 (1) of the Registered Land Law (1995 Revision) demanding payment of the balance of the Principal Sum as varied and accrued interest.
17. The provisions of the Registered Land Law (1995 Revision), by virtue of Section 72 (2), provide that if a Chargor has not complied within three months of the date of service, with a notice served on him under sub-section 72 (1), the Chargee may sell the Charged Property. Therefore, on and since 12th April 2002 there has accrued a right in favour of the Plaintiff to sell the Charged Property and the Plaintiff seeks an Order that it may do so.
18. The provisions of the Registered Land Law (1995 Revision), by virtue of Section 75 (1), entitles a Chargee to sell by public auction but by virtue of Section 77 the Court may order a variation of such a requirement.
19. In addition to an Order authorising the Plaintiff to sell the Charged Property the Plaintiff also seeks an order of the Court that there be a variation to the provisions of the Registered Land Law (1995 Revision) to allow the Plaintiff to sell either by private treaty or by public auction, in good faith and having good regard to the interests of the Defendant.

Dated this 5th day of July 2002


Ritch & Conolly

If the Defendant does not acknowledge service, judgement may be given or made against him or in relation to him as the Court may think just and expedient.

NOTE - This Summons may not be served later than four calendar months (or if leave is required to effect service out of the jurisdiction, six months) beginning with that date unless renewed by order of the Court.

IMPORTANT

Directions for Acknowledgement of Service are given with the accompanying form.

This Originating Summons was issued by Messrs Ritch & Conolly as Attorneys-at-Law for the Plaintiff and whose address for service is PO Box 1994GT, Queensgate House, 113 South Church Street, Grand Cayman, B.W.I.