

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO: 54 OF 2003

B E T W E E N:



1. EXPORTERS A&M INC.
2. AREO J. REGOLI



Plaintiffs

AND

1. A. STEVE MCFIELD & ASSOCIATES (A FIRM)
2. A. STEVE MCFIELD

Defendants

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WRIT OF SUMMONS

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To: A. Steve McField & Associates  
196 Shedden Road,  
George Town

And To: A. Steve McField  
196 Shedden Road,  
George Town

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 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 4<sup>th</sup> day of February 2003.

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 First Plaintiff is a Florida Corporation, specialising in the import and distribution of fruits and vegetables, and whose address is 1930 NW 23<sup>rd</sup> Street, Miami, Florida, United States of America.
2. The Second Plaintiff is the President and beneficial owner of the First Plaintiff and shares the address of the First Plaintiff.
3. The First Defendant is a firm of Cayman Islands Attorneys-at-Law carrying on business at offices situated at Shedden Road, George Town.
4. The Second Defendant is and/or was at all material times the Senior Partner and/or Sole Partner of the First Defendant.
5. In or about 1988, the First and/or Second Plaintiff retained the First and/or Second Defendant to pursue a debt action in the Courts of the Cayman Islands. The First and/or Second Defendants were successful in their representation of the First and/or Second Plaintiff's and recovered in excess of US\$ 68,000 from a Debtor within these Islands in late June, 1989.
6. In approximately July 1989 the First Plaintiff instructed the First and/or Second Defendant to open a bank account in the Cayman Islands to the benefit of the Plaintiffs and to maintain the same on behalf of the Plaintiffs. The initial deposit into this account was the approximately US\$ 68,000, representing the monies recovered from the Debtor referred to at paragraph 5 above.
7. Subsequently, the First and/or Second Plaintiff retained the First and/or Second Defendant herein to incorporate a Cayman Islands Company by the name of Exporters A&M Ltd. Exporters A&M Ltd. was registered in

the Cayman Islands on 25 February 1991 with its registered offices situated at the then offices of the Defendants, on Mary Street, Grand Cayman.

8. In the period from approximately February 1991 to approximately May 1998, the First and/or Second Plaintiff arranged for additional monies, totalling US\$271,115.39, to be sent by way of cheque to the First and/or Second Defendant for deposit into the bank account of the Plaintiffs and/or Exporters A&M Ltd. The total monies received by the First and/or Second Defendant for the benefit of the Plaintiffs was at least US\$339,115.39.

The approximate dates and particulars of the payments of the monies are as follows: -

<b>Date</b>	<b>Transaction/Cheque #</b>	<b>Amount (US\$)</b>
25 June 1989	Debt recovery action	\$68,000.00 (approximately)
11 February, 1995	2797	\$17,328.26
11 February, 1995	2798	\$15,108.39
9 July, 1995	2425	\$18,681.50
9 July, 1995	2426	\$24,761.38
4 October, 1996	4092	\$17,277.84
11 October, 1996	4122	\$18,093.44
18 October, 1996	4145	\$27,739.78
28 October, 1996	unknown	\$18,673.75
28 October, 1996	4179	\$20,650.56
8 November, 1996	4225	\$20,043.91

13 April, 1998	7091	\$15,703.69
23 April, 1998	7127	\$17,614.27
27 April, 1998	5581	\$6,664.80
30 April, 1998	7161	\$15,541.81
6 May, 1998	7179	\$17,232.01

9. On or about 20 September, 1996, the First and/or Second Plaintiff directed the First and/or Second Defendant to make repayment on an outstanding loan in the sum of US\$50,000.00, which had previously been obtained for the Plaintiff's benefit. A Cheque in the sum of US\$50,000.00 was sent by the Plaintiffs to the First and/or Second Defendant as payment in full on the outstanding loan balance inclusive of any interest due thereon.
10. On or about 15 October 1996 the First Plaintiff directed the First and/or Second Defendant(s) to arrange for a transfer of US\$ 35,000.00.
11. On or about 20 February, 1997 the First and/or Second Plaintiff sent the sum of US\$3,000.00 to be paid to the First and/or Second Defendant(s) with respect to corporate maintenance and Government fees for Exporters A&M Ltd for the years 1995, 1996 and 1997.
12. On or about 19 February 1999 the First and/or Second Plaintiff arranged for monies in the sum of US\$3,000.00 to be paid to the First and/or Second Defendants with respect to corporate maintenance and Government fees for the years 1998 and 1999.
13. Research undertaken on behalf of the Plaintiffs indicates that despite the remittance of fees to the First and/or Second Defendant(s), referred to at paragraphs 11 and 12 above, Exporters A&M Ltd was struck from the

Register of Companies of the Cayman Islands for non-payment of fees for the years 1997, 1998, and 1999, on 30 June 1999.

14. In early 2002, following requests for a return of all monies, the Second Defendant communicated the striking off of the Exporters A&M Ltd to the First and/or Second Plaintiff and, shortly thereafter, the Second Defendant undertook to arrange for the reinstatement of the Company. Despite this undertaking and the passage of several months, no effort appears to have been made by the Defendants for reinstatement of the company.
15. Commencing in or about August 2000 the First and/or Second Plaintiff started to make requests of the First and/or Second Defendant(s) for an accounting of total monies on deposit for the Plaintiffs' benefit and/or the identity and whereabouts of the relevant bank account/or bank accounts. Despite numerous requests the First and/or Second Defendant(s) have failed to provide any or any satisfactory response.
16. Huntlaw Corporate Services Ltd. were asked by the Plaintiffs to take over registered office services for the struck off Cayman Islands Company, and to arrange for reinstatement as appropriate. Accordingly, on 24 January 2003, acting as agent for the Plaintiffs, Huntlaw Corporate Services Ltd. requested copies of all corporate records from the First and Second Defendants in order to enable it to begin steps to effect the reinstatement. Despite the request for documents the First and/or Second Defendants have failed to provide any documents or satisfactory information within a reasonable amount of time or at all.
17. The First and/or Second Defendant have in their/his possession power or control monies had and received after deduction of the \$35,000.00 referred to at paragraph 10, totalling at least US\$304,115.39. Despite repeated and reasonable requests for the same the First and/or Second

Defendant have failed to provide payment of the same to the Plaintiff, or indeed, any proper explanation for their failure to do so.

18. By reason of the aforesaid the Plaintiffs claim the said sum of US\$ 304,115.39 as money received by the Defendants for and to the use of the Plaintiffs.
19. The Plaintiffs further claim the sum of US\$3,000 for the fees referred to at paragraph 12 above, which were not paid in against outstanding Government Fees and for which the Plaintiffs contend that no or no reasonable registered office services were provided by the Defendants to the benefit of the Plaintiffs.
20. Further, the Plaintiffs claim interest pursuant to section 34 of the Judicature Law (2001 Revision) on the said total amount of US\$ 307,115.39, at the rate applicable to judgment debts from time to time calculated from the dates on which funds were received by the Defendants until judgment or sooner payment. Such pre judgment interest as has accrued is calculated to total US\$ 138,751.79 as at 4 February 2003, and continues to accrue at a daily rate of US\$ 37.86 applying the present rate pursuant to GCR O.62 of 4.50%
21. The Plaintiffs further claim post judgment interest at the rate of 4.50% and/or US\$37.86 per day and/or such further and/or alternative rate/amount as may apply from time to time pursuant to the Judicature law, until date of payment.

#### AND THE PLAINTIFFS CLAIM

- A. The principal sum of US\$ 307,115.39

- B. Pre-judgment and Post-judgment Interest pursuant to the  
Judicature Law
- C. Further and/or other relief
- D. Damages
- E. Costs

Dated the 4<sup>th</sup> Day of February, 2003

HUNTER ; HUNTER

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**HUNTER & HUNTER**  
Attorneys-at-Law for the Plaintiffs

THIS WRIT and Statement of claim were issued by Hunter & Hunter, Attorneys-at Law for the Plaintiffs whose address for service is that of their said Attorneys, namely 75 Fort Street, The Huntlaw Building, P.O. Box 190 GT, Grand Cayman, Cayman Islands NVJ/09349.001

## INDORSEMENT

The amount claimed in respect of the debt is US\$ 307,115.39 (or CI\$ 257,976.93 applying an exchange rate of .84) and US\$ 138,751.79 (or CI\$ 116,551.50) as interest until the date of issuance of the Writ of Summons for a total of US\$ 445,867.18 (or CI\$374,528.43). The amount of costs is as yet undetermined and the cost of issuing the Writ of Summons is CI\$ 1,839.88 (CI\$ 150 plus ad valorem calculation of CI\$ 1,689.98). If within the time for returning the acknowledgement of service, the Defendant or Defendants pays to the Plaintiffs or its Attorneys-at-Law the amount claimed in principal and interest, the cost of issuing the Writ of Summons, and an allowance of CI\$ 1,000.00 towards costs, further proceedings will be stayed. The money must be paid to the Plaintiffs or their Attorneys-at-Law.

## INTEREST INDORSEMENT

Pursuant to Order 6(2) (f)

1. The prescribed rate of interest during the entire period of the claim is calculated pursuant to section 34 Judicature Law (2001 revised) at the rate on judgement debts from the date in which funds were received until the date of issuance of the Writ of Summons.
2. The date from which interest accrues is from the date of each cheque as set out in the attached Schedule of Interest Calculation.
3. The total amount of interest claimed as of the date of issuance of the Writ of Summons is US\$ 138,751.79 (or CI\$ 116,551.50).
4. The amount of interest accruing each day following the issuance of the writ of Summons is US\$37.86 (or CI\$31.80).

### Schedule of Interest Calculations

Part 1

Transaction Cheque No. (date)	Amount	1-Jun-1995 to 31-Jan-1996 8.38%	1-Feb-96 to 14-Oct-96 7.38%	Total Interest
Debt Recovery Action (25 June 89)	\$68,000.00	\$3,824.95	\$3,519.75	\$7,344.71
2797 (11 Feb 95)	\$17,328.26	\$974.70	\$896.93	\$1,871.63
2798 (11 Feb 95)	\$15,108.39	\$849.84	\$782.03	\$1,631.86
2425 (9 July 95)	\$18,681.50	\$883.55	\$966.97	\$1,850.52
2426 (9 July 95)	\$24,761.38	\$1,171.10	\$1,281.68	\$2,452.77
4092 (4 Oct 96)	\$17,277.84	N/A	\$31.44	\$31.44
4122 (11 Oct 96)	\$18,093.44	N/A	\$10.98	\$10.98
Total:	\$179,250.81			\$15,193.92

Minus \$35,000.00 balance carried forward as of 15 Oct 96 \$144,250.81

Part 2

Transaction Cheque No. (date)	Amount	15-Oct-96 to 31-Jan-98 7.38%	1-Feb-98 to 31-Dec-98 7.88%	1-Jan-99 to 31-Mar-00 7.00%	1-Apr-00 to 31-May-01 8.00%	1-Jun-01 to 31-Nov-01 6.50%	1-Dec-01 to 4-Feb-03 4.50%	Total Interest
Balance B/F (15 Oct 96)	\$144,250.81	\$13,824.84	\$10,432.69	\$12,587.37	\$13,468.68	\$4,701.00	\$7,647.27	\$62,661.84
4145 (18 Oct 96)	\$27,739.78	\$2,641.72	\$2,006.23	\$2,420.58	\$2,590.06	\$904.01	\$1,470.59	\$12,033.20
Illegible (28 Oct 96)	\$18,673.75	\$1,736.81	\$1,350.55	\$1,629.48	\$1,743.57	\$608.56	\$989.96	\$8,058.93
4179 (28 Oct 96)	\$20,650.56	\$1,920.67	\$1,493.52	\$1,801.97	\$1,928.14	\$672.98	\$1,094.76	\$8,912.05
4225 (8 Nov 96)	\$20,043.91	\$1,819.67	\$1,449.64	\$1,749.04	\$1,871.50	\$653.21	\$1,062.60	\$8,605.66
7091 (13 April 98)	\$15,703.69	N/A	\$888.25	\$1,370.31	\$1,466.25	\$511.77	\$832.51	\$5,069.09
7127 (23 April 98)	\$17,614.27	N/A	\$958.29	\$1,537.03	\$1,644.64	\$574.03	\$933.80	\$5,647.79
5581 (27 April 98)	\$6,664.80	N/A	\$358.28	\$581.57	\$622.29	\$217.20	\$353.33	\$2,132.67
7161 (30 April 98)	\$15,541.81	N/A	\$822.06	\$1,356.18	\$1,451.14	\$506.49	\$823.93	\$4,959.80
7179 (6 May 98)	\$17,232.01	N/A	\$889.13	\$1,503.67	\$1,608.95	\$561.57	\$913.53	\$5,476.86
34740 (19 Feb 99)	\$3,000.00	N/A	N/A	\$231.86	\$280.11	\$97.77	\$159.04	\$768.78
Total:	\$307,115.39							\$123,557.87

Total Part 1 & Total Part 2 = US\$ 15,193.92 + US\$ 123,557.87 = US\$ 138,751.79

Total Interest US\$ 138,751.79

BETWEEN:

1. Exporters A&M Inc.
2. Areo J. Regoli

Plaintiffs

- and -

1. A. Steve McField & Associates (A Firm)
2. A. Steve McField

Defendants

**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.

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1. State the full name of the Defendant by whom or on whose behalf the service of the Writ is being acknowledged.

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2. State whether the Defendant intends to contest the proceedings (*tick appropriate box*)

YES

NO

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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

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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.

Hunter & Hunter  
75 Fort Street  
PO Box 190 GT  
Grand Cayman  
Cayman Islands

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

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.