

IN THE GRAND COURT OF THE CAYMAN ISLANDS

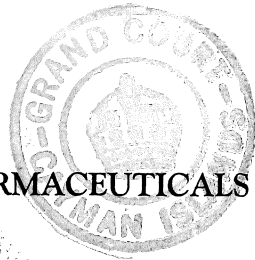
CAUSE NO: 439 OF 2003

BETWEEN:

KNOX PHARMACEUTICALS LTD.

AND

ISLAND PHARMACY LTD.



Plaintiff

Defendant

WRIT OF SUMMONS

TO: Island Pharmacy Ltd.
C/o its Registered Office
A. Steve McField & Associates
PO Box 680 GT
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 June 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

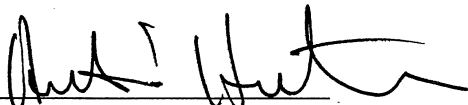
Directions for Acknowledgement of Service are given with the accompanying form.

STATEMENT OF CLAIM

1. The Plaintiff is and was at all material times a Pharmaceutical Company carrying on the business of selling products worldwide. The registered office is Unit # 24, Barker Business Park, Melmerby, Ripon, North Yorkshire, HG4 5NB, England. Its address for service in this proceedings is in care of its attorneys, Hunter & Hunter.
2. The Defendant is a business with its registered office at A. Steve McField & Associates with a mailing address of PO Box 680 GT, Grand Cayman, carrying on the business of selling pharmaceutical and cosmetic products in the Cayman Islands. At all material times the Defendant was a customer of the Plaintiff.
3. The Defendant also entered into an agreement with the Plaintiff for cosmetic products to be shipped to the Cayman Islands by the Plaintiff. The express or implied terms of the agreement included as follows:
 - a. The Plaintiff at its discretion would extend credit to Island Pharmacy for the supply of various goods sold by the Plaintiff;
 - b. The Defendant would pay for goods received on credit within 90 days from date of invoice;
4. The Plaintiff did supply to the Defendant goods and rendered invoices to the Defendant which invoices the Defendant failed to pay in full.
5. The Defendant did default on the terms of payment and as of the date of the commencement of this proceeding (20 June 2003) the Defendant owed to the Plaintiff the sum of £11,999.58 (exclusive of costs and interest to date).
6. Interest will accrue at the rate of 4.5% per annum in accordance with the Judicature Law (2002 Revision) and the Judgment Debt (Rates of Interest) Rules as amended from time to time. The last invoice rendered was dated 16 May 2002 and, according to the terms above, interest accrues from 16 August 2002. As at the date of issuing this proceedings the interest is £466.01 and accrues daily after that date
7. Notwithstanding the demand for payment, the Defendant was either unable or unwilling to make payment to the Plaintiff.
8. As a result of the above, the Plaintiff is entitled to the relief claimed in this proceeding.

AND THE PLAINTIFF CLAIMS:

- a) £11,999.58 being the principal debt owing.
- b) Pre and post judgment interest at the rate of 4.5% in accordance with the Judicature Law (2002 Revision) and the Judgment Debt (Rates of Interest) Rules as amended from time to time;
- c) Costs in accordance with the Court Costs Rules 2001.
- d) Such further and other relief as this Court may deem just.



Hunter & Hunter
Attorneys for the Plaintiff

This Writ was issued by Hunter & Hunter, Attorneys-at-Law for and on behalf of the Plaintiff herein whose address for service is 75 Fort Street, PO Box 190 George Town, Grand Cayman. (Ref: WAS/07668.003)

INDORSEMENT

The amount claimed in respect of the debt £11,999.58 plus interest of £466.01 to commencement of these proceedings for a total of £12,465.59. The amount of the filing fees to commence the proceeding is CI\$210.29 (CI\$150.00 plus 60.29 ad valorem) plus attorneys fees of CI\$250.00. 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, interest, contractual 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 CURRENCY

The currency of the claim herein is British Pounds Sterling.

INDORSEMENT REGARDING INTEREST

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

- i. The contractual term upon which interest is claimed is as set out in paragraph 5. above.
- ii. The prescribed rate of interest during the entire relevant is 4.5% per year.
- iii. The total interest claimed as at the date of the issue of the writ of summons is £466.01
- iv. The amount of interest accruing each day following the issue of the writ of summons is £1.47.

This Writ of Summons was issued by Hunter & Hunter, the attorneys-at-law for the Plaintiff, whose address for service is PO Box 190GT, George Town, Grand Cayman, Cayman Islands, British West Indies. (WAS/07668.003)

Acknowledgment of service of writ of summons (O.12, r.3)

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 each Defendant or by each 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
Please complete overleaf*

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.

B E T W E E N :

KNOX PHARMACEUTICALS LTD.

Plaintiff

AND

ISLAND PHARMACY LTD.

Defendant

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.

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 communication 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 Attorneys-at-Law 75 Fort Street P.O. Box 190 George Town Grand Cayman Ref: WAS/07668.003
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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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