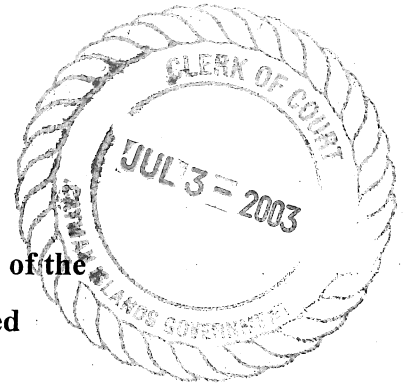
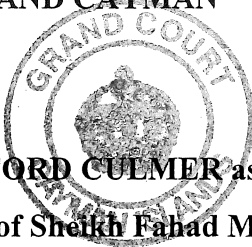


IN THE GRAND COURT OF  
THE CAYMAN ISLANDS  
HOLDEN AT GEORGE TOWN, GRAND CAYMAN

451 ✓  
CAUSE NO: OF 2003

BETWEEN:-

- (1) **G. CLIFFORD CULMER** as Trustee of the  
**Property of Sheikh Fahad Mohammed**  
**Al-Sabah, a Bankrupt**



**PLAINTIFF**

- and -

- (1) **PICTET BANK AND TRUST (CAYMAN) LIMITED**  
(2) **PICTET TRUSTEE COMPANY SA**  
(3) **ZADAR LIMITED**  
(4) **PICTET OVERSEAS TRUST CORPORATION LIMITED**  
(5) **RENO INVESTMENTS LIMITED**

**DEFENDANTS**

**WRIT OF SUMMONS**

**TO: Pictet Bank and Trust (Cayman) Limited**  
A company incorporated in the Cayman Islands whose registered office is  
Maples & Calder,  
P.O. Box 309 GT, Grand Cayman, Cayman Islands  
("Pictet Cayman")

**AND TO: Pictet Trustee Company SA**  
A company incorporated in Switzerland whose address for service is  
Boulevard Georges-Favon 29, 1204 Geneva, Switzerland  
("Pictet SA")

**AND TO: Zadar Limited**  
A company incorporated in the Bahamas whose registered office is  
Higgs & Johnson  
P.O.Box N3247, Sandringham House, 83 Shirley Street  
Nassau, Bahamas  
("Zadar")

**AND TO: Pictet Overseas Trust Corporation Limited**  
A company incorporated in the Bahamas whose address for service is  
West Bay Street and Blake Road  
P.O.Box N 4837  
Nassau, Bahamas  
("Pictet Overseas")

**AND TO: Reno Investments Limited**  
A company incorporated in the Bahamas whose address for service is  
Pictet Bank & Trust Ltd  
P.O.Box 4837  
West Bay Street & Blake Road  
Nassau, Bahamas  
("Reno")

**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 (or where service is effected out of the jurisdiction 28 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 Acknowledgment 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 Plaintiffs may proceed with the action and judgment may be entered against you forthwith without further notice.

Issued this 3<sup>rd</sup> day of July, 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 Acknowledgment of Service are given with the accompanying form.

**THE CLAIMS OF THE PLAINTIFF** (hereinafter referred to as the "Trustee in Bankruptcy") are as set out hereunder:-

- (1) A declaration that the Blatant Settlement (as defined in the Statement of Claim) is void against the Trustee in Bankruptcy.
- (2) A declaration that the purported transfer of assets from the Blatant Trust to the River Trust between about 17 and 20 June 1994 is void against the Trustee in Bankruptcy.
- (3) A declaration that the purported transfer of assets from the Blatant Trust to the River Trust between 17<sup>th</sup> and 20<sup>th</sup> June 1994 is void against the trustee in bankruptcy.
- (4) A declaration that the assets held by Pictet Overseas and/or Reno for the River Trust are held on resulting trust for Pictet Cayman and Pictet SA as trustees of the Blatant Trust.
- (5) An order that the assets standing to the credit of:
  - (a) account 72962 in the name of the Blatant Trust at Pictet Bank & Trust Limited, Bahamas ("Pictet Bank Bahamas"); and
  - (b) account 186300 in the name of Reno at Pictet Bank, Bahamas,be transferred forthwith to the Trustee in Bankruptcy.
- (6) An order that an account be taken by the Court as to the use or application of, and any profits, investment income, growth or interest earned on, the assets comprising the Blatant Settlement.
- (7) An order that Pictet Cayman and/or Pictet SA and/or Pictet Overseas and/or Zadar and/or Reno pay or transfer to the Trustee in Bankruptcy such further sums or assets as are found to be due to him upon the taking of the account in (5) above.

- (8) Such injunctions as may be appropriate to restrain Pictet Cayman and/or Pictet SA and/or Pictet Overseas and/or Zadar and/or Reno from dealing with the assets held for the Blatant Trust and the River Trust.
- (9) Such further or other orders as may be appropriate requiring Pictet Cayman and/or Pictet SA and/or Pictet Overseas and/or Zadar and/or Reno to disclose to the Trustee in Bankruptcy all necessary information to enable him to trace and recover the assets deriving from and representing the Blatant Settlement and to join all other necessary and proper parties to this action.
- (10) All other necessary accounts and inquiries.
- (11) Further or other relief.
- (12) Costs.

*Charles Adams, Ritchie & Duckworth*  
Charles Adams, Ritchie & Duckworth

IN THE GRAND COURT OF  
THE CAYMAN ISLANDS  
HOLDEN AT GEORGE TOWN, GRAND CAYMAN

CAUSE NO: OF 2003

**B E T W E E N:-**

- (1) **G. CLIFFORD CULMER as Trustee of the  
Property of Sheikh Fahad Mohammed  
Al-Sabah, a Bankrupt**

**PLAINTIFF**

**- and -**

- (1) **PICTET BANK AND TRUST (CAYMAN) LIMITED**  
(2) **PICTET TRUSTEE COMPANY SA**  
(3) **ZADAR LIMITED**  
(4) **PICTET OVERSEAS TRUST CORPORATION LIMITED**  
(5) **RENO INVESTMENTS LIMITED**

**DEFENDANTS**

**ACKNOWLEDGMENT OF SERVICE  
OF WRIT OF SUMMONS**

Important. Read the accompanying direction 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

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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  
Address for Service:

**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 is suing in person) of his name, address and reference, if any, in the box below.

Charles Adams, Ritchie & Duckworth PO Box 709 Mary Street, Zephyr House George Town, Grand Cayman
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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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## Notes for Guidance

1. Each Defendant (if there are more than one) is required to complete an Acknowledgment 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 serve 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.

IN THE GRAND COURT OF  
THE CAYMAN ISLANDS  
HOLDEN AT GEORGE TOWN, GRAND CAYMAN

CAUSE NO: OF 2003

**B E T W E E N:-**

- (1) **G. CLIFFORD CULMER as Trustee of the  
Property of Sheikh Fahad Mohammed  
Al-Sabah, a Bankrupt**

**PLAINTIFF**

**- and -**

- (1) **PICTET BANK AND TRUST (CAYMAN) LIMITED**  
(2) **PICTET TRUSTEE COMPANY SA**  
(3) **ZADAR LIMITED**  
(4) **PICTET OVERSEAS TRUST CORPORATION LIMITED**  
(5) **RENO INVESTMENTS LIMITED**

**DEFENDANTS**

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**STATEMENT OF CLAIM**

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**A. INTRODUCTION AND PARTIES**

1. The Plaintiff (“**the Trustee in Bankruptcy**”) is the Trustee in Bankruptcy of the property of Sheikh Fahad Mohammed Al-Sabah (“**Sheikh Fahad**”) pursuant to:

- (1) an order of the Supreme Court of the Commonwealth of the Bahamas dated 29 June 2001 adjudicating Sheikh Fahad bankrupt on the petition of Grupo Torras SA (“**GT**”); and

- (2) his appointment as Trustee in Bankruptcy at the first meeting of creditors in the Bahamas on 30 July 2001.
2. By an order of this Court made on 15 March 2002 the Trustee in Bankruptcy:
  - (1) has been recognised in this jurisdiction; and
  - (2) is permitted to bring in this jurisdiction the claims set out in this statement of claim, including the claims pursuant to s. 107 of the Cayman Islands Bankruptcy Law (Cap. 7) (1997 Revision) (“**s. 107 Bankruptcy Law**”).
3. The Trustee in Bankruptcy brings this action in relation to the settlement of assets by Sheikh Fahad into the Blatant Trust and the subsequent onward disposition of those assets from the Blatant Trust to the River Trust. The claims in this action are without prejudice to any claim that the Trustee in Bankruptcy and/or GT may make that the Blatant Trust and/or the River Trust are shams or otherwise invalid. Anything in this pleading which suggests the existence and validity of those trusts, (eg reference to terms of, dealings with, and parties connected with, those trusts) is without prejudice to that contention.
4. The First Defendant (“**Pictet Cayman**”) is and was at all material times:
  - (1) A company incorporated in accordance with the laws of the Cayman Islands.
  - (2) From 7 February 1991, in law the joint trustee of a purported trust known as the Blatant Trust.
  - (3) As joint trustee of the Blatant Trust, the legal co-owner of the entire issued share capital of the Third Defendant (“**Zadar**”), a company incorporated in accordance with the laws of the Bahamas.
5. The Second Defendant (“**Pictet SA**”) is and was at all material times:

- (1) A company incorporated in accordance with the laws of Switzerland.
  - (2) From 7 February 1991, in law the joint trustee of the Blatant Trust.
  - (3) As joint trustee of the Blatant Trust, the legal co-owner of the entire issued share capital of Zadar.
6. The Fourth Defendant (“**Pictet Overseas**”) is and was at all material times:
- (1) A company incorporated under the laws of the Bahamas.
  - (2) Since 16 June 1994 the named trustee of a purported trust known as the River Trust.
  - (3) Since 16 June 1994, as named trustee of the River Trust, the legal owner of the entire issued share capital of the Fifth Defendant (“**Reno**”) a company incorporated in accordance with the laws of the Bahamas.
  - (4) Since at least September 1991 administrator of the Blatant Trust.

**B. SHEIKH FAHAD’S BANKRUPTCY**

7. Sheikh Fahad was adjudicated bankrupt by order of the Bahamian Supreme Court on 29 June 2001.
8. Sheikh Fahad’s bankruptcy is deemed to have commenced on 6 February 2001.

**PARTICULARS**

- (1) Sheikh Fahad’s bankruptcy was pursuant to a petition of GT based on an act of bankruptcy of Sheikh Fahad completed on 5 February 2001 in failing to comply with a demand in a Debtor’s Summons served on Sheikh Fahad on 15 January 2001.

- (2) By s. 9 of the Bahamian Bankruptcy Act 1870, the bankruptcy is deemed to have relation back to and to commence at the time of the act of bankruptcy being completed.

C. VOID SETTLEMENTS INTO BLATANT TRUST AND RIVER TRUST

9. The Blatant Trust:

- (1) was established on 7 February 1991 by declaration of trust by Pictet SA and Pictet Cayman, who have at all material times been the named trustees;
- (2) has as its primary beneficiary Sheikh Fahad, and includes as residual beneficiaries Sheikh Fahad's wife, Barbara Al-Sabah, and his son, Mishal Al-Sabah.
- (3) is governed by the laws of the Cayman Islands;
- (4) has since at least September 1991 been administered by Pictet Overseas in the Bahamas.

10. The Blatant Trust was funded by Sheikh Fahad by the payment on 8 February 1991 of US\$20 million from an account beneficially owned and controlled by him and designated G772 at the Geneva branch of Lombard Odier & Cie ("the G772 Account") via an account of International Global Fund Corporation at Banque Cantonale Vaudoise, Lausanne to account 83699 at Pictet & Cie, Geneva in the name of the Blatant Trust ("**the Blatant Settlement**").

11. The Blatant Settlement is void against the Trustee in Bankruptcy under s. 107 Bankruptcy Law:

- (1) being a settlement of property by Sheikh Fahad; and
- (2) not being a settlement:

- (a) made before or in consideration of marriage;
- (b) made in favour of a purchaser or encumbrancer in good faith and for valuable consideration; or
- (c) made on or for Sheikh Fahad's wife or children of property which has accrued to Sheikh Fahad after marriage in right of his wife;

and

- (3) Sheikh Fahad having become bankrupt within 10 years after the date of the settlement.

12. So far as the Trustee in Bankruptcy is aware, the assets deriving from and representing the Blatant Settlement are now:

- (1) as to about US\$3,882, held on an account number 72962 in the name of the Blatant Trust at Pictet Bank & Trust Limited, Bahamas (**"Pictet Bank Bahamas"**); and
- (2) as to about US\$34 million, held or controlled by Pictet Overseas purportedly under the terms of the River Trust on an account 186300 in the name of Reno at Pictet Bank, Bahamas,

the Blatant Settlement having been dealt with as set out in paragraph 13 below. Further details of what has become of the assets representing the Blatant Settlement will be given after discovery.

13. The Blatant Settlement has been dealt with as follows:

- (1) Between 8 February 1991 and January 1993 the funds representing the Blatant Settlement were in whole or in part, from time to time, placed on and off fiduciary deposit and/or applied in the purchase of securities, and the assets

deriving from and representing the Blatant Settlement were held and managed, on the Blatant Trust account 83699 at Pictet & Cie, Geneva.

- (2) In January 1993, the Blatant Trust account 83699 at Pictet & Cie, Geneva was closed and the assets from that account, the whole of which derived from and represented the Blatant Settlement including profits, growth, investment income and interest earned thereon, comprising cash of about US\$5,059,143 and securities of about US\$17.8 million, were transferred in the case of the non-cash assets via an arbitrage account 495555 in the name of Pictet Bank Bahamas at Pictet & Cie, Geneva to an account number 72962 in the name of the Blatant Trust at Pictet Bank, Bahamas and in the case of the cash element this was transferred directly from account 83699 to 72962.
- (3) On about 28 December 1993 the assets from Blatant Trust account 72962, the whole of which derived from and represented the Blatant Settlement including profits, growth, investment income and interest earned thereon, were transferred via a transition account number 79987 with Pictet Bank Bahamas to account number 186089 in the name of Zadar at Pictet Bank Bahamas.
- (4) On 16 June 1994, the River Trust was purportedly established by Pictet Overseas. The terms on which the River Trust was purportedly established are set out in the declaration of trust dated 16 June 1994 made by Pictet Overseas as trustee. In particular:
  - (a) the named trustee is and was at all material times Pictet Overseas;
  - (b) the named beneficiaries in the trust deed are the Bahamas Red Cross, the Lyford Cay Foundation, and the Lyford Cay Development Fund;
  - (c) the laws of the Bahamas are said to govern the trust.
- (5) Between about 17 and 20 June 1994 the River Trust was purportedly funded by the transfer of cash and securities with a value of approximately US\$24,753,550 from the assets held in Zadar's account number 186089 for

the Blatant Trust, the whole of which derived from and represented the Blatant Settlement including profits, growth, investment income and interest earned thereon; as follows:

- (a) On 17 June 1994 US\$1,003,479.42 was transferred from Zadar's account 186089 (Blatant Trust) to Reno's account 186300 at Pictet Bank Bahamas held for the River Trust.
  - (b) Between 16<sup>th</sup> June 1994 and 20 June 1994 securities totalling about US\$23,750,071 were transferred from Zadar's account 186089 (Blatant Trust) to Reno's account 186300 at Pictet Bank Bahamas held for the River Trust.
- (6) On about 17 June 1994 US\$20,000, the whole of which derived from and represented the Blatant Settlement including profits, growth, investment income and interest earned thereon, was transferred from Zadar's account 186089 back to Blatant Trust account 72962.
- (7) On about 30 June 1994 the Zadar account 186089, held for the Blatant Trust, was closed.
- (8) According to valuations provided by Pictet Overseas/Pictet Bank Bahamas as at 1 August 2000, the value of the assets held on Blatant Trust account 72962 and Reno's account 186300, all of which derive from and represent the Blatant Settlement including profits, growth, investment income and interest earned thereon, was, as at that time:
- (a) US\$3,882 held on Blatant Trust account 72962; and
  - (b) US\$34,043,421 held on Reno's account 186300 for the River Trust.
14. The assets representing the Blatant Settlement purportedly transferred to the River Trust were received by Pictet Overseas and Reno for no consideration and as volunteers.

15. Accordingly, the purported transfer of the assets deriving from and representing the Blatant Settlement to the River Trust is void against the Trustee in Bankruptcy.
16. Further or alternatively, the Trustee in Bankruptcy is entitled to:
  - (1) trace the assets deriving from and representing the Blatant Settlement into the River Trust, and
  - (2) repayment of those assets.
17. Accordingly, the assets purportedly held for the River Trust under the control of Pictet Overseas are in fact held on resulting trust in favour of Pictet Cayman and Pictet SA as trustees of the Blatant Trust.
18. In the premises, the Trustee in Bankruptcy is entitled to have transferred to him the assets presently:
  - (1) held for the Blatant Trust on account number 72962 at Pictet Bank, Bahamas; and
  - (2) purportedly held for the River Trust on Reno's account 186300 at Pictet Bank, Bahamas,all of which, together, derive from and represent the Blatant Settlement.

**C. PRAYER FOR RELIEF**

19. AND THE TRUSTEE IN BANKRUPTCY CLAIMS:

- (1) A declaration that the Blatant Settlement is void against the Trustee in Bankruptcy.

- (2) A declaration that the purported transfer of assets from the Blatant Trust to the River Trust between about 17 and 20 June 1994 is void against the Trustee in Bankruptcy.
- (3) A declaration that the Trustee in Bankruptcy is entitled to trace the assets deriving from and representing the Blatant Settlement into the River Trust and repayment of those assets.
- (4) A declaration that the assets held by Pictet Overseas and/or Reno for the River Trust are held on resulting trust for Pictet Cayman and Pictet SA as trustees of the Blatant Trust.
- (5) An order that the assets standing to the credit of:
  - (a) account 72962 in the name of the Blatant Trust at Pictet Bank, Bahamas; and
  - (b) account 186300 in the name of Reno at Pictet Bank, Bahamas,be transferred forthwith to the Trustee in Bankruptcy.
- (6) An order that an account be taken by the Court as to the use or application of, and any profits, investment income, growth or interest earned on, the assets comprising the Blatant Settlement.
- (7) An order that Pictet Cayman and/or Pictet SA and/or Pictet Overseas and/or Zadar and/or Reno pay or transfer to the Trustee in Bankruptcy such further sums or assets as are found to be due to him upon the taking of the account in (5) above.
- (8) Such injunctions as may be appropriate to restrain Pictet Cayman and/or Pictet SA and/or Pictet Overseas and/or Zadar and/or Reno from dealing with the assets held for the Blatant Trust and the River Trust.

- (9) Such further or other orders as may be appropriate requiring Pictet Cayman and/or Pictet SA and/or Pictet Overseas and/or Zadar and/or Reno to disclose to the Trustee in Bankruptcy all necessary information to enable him to trace and recover the assets deriving from and representing the Blatant Settlement and to join all other necessary and proper parties to this action.
- (10) All other necessary accounts and inquiries.
- (11) Further or other relief.
- (12) Costs.

Dated this 3<sup>rd</sup> day of July, 2003.

Charles Adams, Ritchie & Duckworth

CHARLES ADAMS, RITCHIE & DUCKWORTH  
ATTORNEYS-AT-LAW FOR THE PLAINTIFF

This Statement of Claim is filed by Charles Adams, Ritchie & Duckworth, Attorneys-at-Law for the Plaintiff, whose address for service is that of its said Attorneys-at-Law, Zephyr House, P.O. Box 709, George Town, Grand Cayman, B.W.I.