

IN THE GRAND COURT OF THE CAYMAN ISLANDS

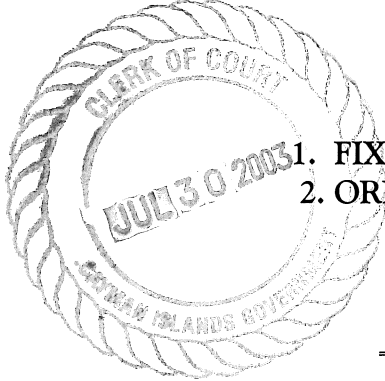
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CAUSE NO: OF 2003

B E T W E E N:

A. L. THOMPSON BUILDING SUPPLIES LTD.

Plaintiff

AND



1. FIX-IT LTD.
2. ORREN MERREN



Defendant

WRIT OF SUMMONS

TO: Fix-It Ltd.
In Care of its Registered Office

Orren Merren
PO Box 481 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 25 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 Acknowledgement of Service are given with the accompanying form.

STATEMENT OF CLAIM

1. The Plaintiff is and was at all material times a retail store carrying on the business of selling constructions and home improvement products in the Cayman Islands. Its registered office is Myers & Alberga, P.O. Box 472 GT, Grand Cayman, Cayman Islands. Its address for service in this proceedings is in care of its attorneys, Hunter & Hunter.
2. The 1st Defendant, Fix-It Ltd., is a corporation formed pursuant to the laws of the Cayman Islands and has its registered office in care of CayLaw Corporate Service, P.O. Box 481 GT, Grand Cayman, Cayman Islands. The 1st Defendant was incorporated as "Home Repairs & Maintenance Ltd." and changed its name to "Fix-It Ltd. by way of special resolution dated 18 August 2000. At all material times the 1st Defendant was a customer of the Plaintiff.
3. The 2nd Defendant is an individual residing in the Cayman Islands with a mailing address of P.O. Box 481 GT Grand Cayman, Cayman Islands. At all material times the Defendant was a guarantor of the debts incurred by the 1st Defendant in favour of the Plaintiff.
4. The Plaintiff and the 1st Defendant entered into a credit agreement dated 11 January 1999 whereby the Plaintiff agreed to supply goods to the Defendant on credit as may be granted from time to time. The express or implied terms of the agreement included as follows:
 - a. The Plaintiff at its discretion would extend credit to the 1st Defendant for the supply of various goods sold by the Plaintiff;
 - b. The 1st Defendant agreed to pay for goods received in accordance with the terms set out on each invoice which was 30 days of the rendering of the account for the goods received;
 - c. The 1st Defendant would pay a service charge or interest of 1.5 per cent per month (18 % per year) on all sums unpaid following a period of 30 days from the rendering of an account.
 - d. If the Plaintiff referred the collection of unpaid balances to an attorney, the 1st Defendant would pay to the extent permitted by law, all reasonable attorney's fees and all costs in connection with such referral.
5. The 2nd Defendant is the personal guarantor of the 1st Defendant and signed a Personal Guaranty on 11 January 1999 stating:

"The Guarantor hereby unconditionally and irrevocably delivers this Personal Guaranty to the suppliers and hereby unconditionally and irrevocably guarantees to the Supplier the full and prompt payment of all present and future indebtedness, obligation and liabilities of the Debtor to the Supplier, where now existing or hereafter arising, however evidenced, whether direct or

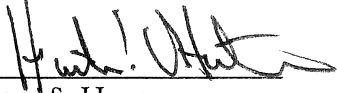
indirect, absolute or contingent, individually or jointly with any other person or entity, together with any extensions, renewals, substitutions or modification of any such indebtedness,”

6. The Plaintiff did extend credit to the 1st Defendant from time to time and rendered invoices for the supply of goods purchased by the 1st Defendant.
7. Notwithstanding the extension of credit, the 1st Defendant was unable or unwilling to make payments on the accounts rendered in breach of the agreement pleaded herein.
8. The Plaintiff made demand for payment on the 2nd Defendant including a demand from its attorneys dated 10 July 2003. Notwithstanding the demand, the 2nd Defendant has been unable or unwilling to pay.
9. The total principal and interest amount due by the Defendants to the Plaintiff as of 15 July 2003 is:
 - a. Principal Debt CI\$66,078.53
 - b. Interest CI\$25,159.53CI\$91,230.06
10. The Plaintiff further claims legal fees and expenses in relation to the collection of this debt. Interest in accordance with the pleaded agreement continues to accrue from 16 July 2003 and is claimed in addition to the sums set out in paragraph 9 above.
11. As a result of the above, the Defendant is liable to the Plaintiff in the sums as set out in this Statement of Claim.

AND THE PLAINTIFF CLAIMS:

- a) CI\$66,078.53 principal debt;
- b) Pre-Judgment interest, calculated to 15 July 2003 of CI\$25,159.53 at the rate of 1½ % per month in accordance with the agreement pleaded in the Statement of Claim at paragraph 3 c, above;
- c) Pre and post-judgment interest from 16 July 2003 at the rate of 1½ % per month in accordance with the agreement pleaded in the Statement of Claim at paragraph 3 c, above;
- d) Alternatively, pre and post judgment interest in accordance with the Judicature Law (2002 Revision) and the Judgment Debts (Rates of Interest) Rules as amended from time to time.
- e) Legal fees and expenses on a contractual basis, in accordance with 4(d) and 11;

- f) Alternatively, costs on a standard or indemnity basis in accordance with the Grand Court Rules.
- g) 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/09773.003)

INDORSEMENT

The principal amount claimed in respect of the debt is CI\$66,078.53 and interest as of the date of commencement of the proceeding is CI\$25,159.53 and costs on an indemnity basis. The amount of the filing fees to commence the proceeding is CI\$710.79 (CI\$150.00 plus ad valorem of CI\$560.71). 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, 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 1.5 % per month as claimed in paragraph 3(c) of the Statement of Claim, above.
- ii. The prescribed rate of interest during the entire relevant is 1.5 % per month;
- iii. The date from which interest runs is the date of the respective accounts rendered.
- iv. The total interest claimed as at the date of the issue of the writ of summons is CI\$25,159.53.
- v. The amount of interest accruing each day following the issue of the writ of summons is CI\$33.7877per day;

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/09773.003)

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.

507

BETWEEN:

A. L. THOMPSON BUILDING SUPPLIES LTD.

Plaintiff

AND

1.FIX-IT LTD.
2.ORREN MERREN

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/09773.003
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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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