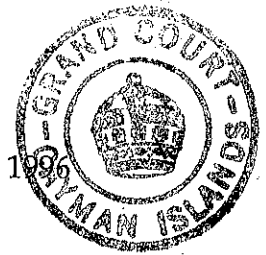


IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. 382 OF 1996



BETWEEN: **BRITAM INSURANCE BROKERS &
AGENTS (CAYMAN) LTD.**

Plaintiff

AND: **EDWARD BALDERAMOS**

First Defendant

AND: **BALDERAMOS INSURANCE
SERVICES LIMITED**

Second Defendant

WRIT OF SUMMONS

TO: **EDWARD BALDERAMOS**
c/o Balderamos Insurance Services Ltd.
Capital Life Building, Eastern Avenue, George Town

AND TO: **BALDERAMOS INSURANCE SERVICES LIMITED**
Capital Life Building, Eastern Avenue, 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 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 Plaintiff may proceed with the action and judgment may be entered against you forthwith without further notice.

Issued this day of July, 1996

NOTE - This Writ may not be served later than 4 calendar months beginning with the date of issue unless renewed by order of the Court.

IMPORTANT

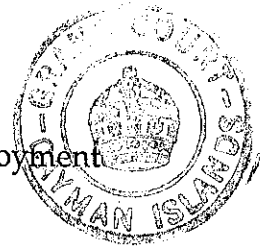
Directions for Acknowledgment of Service are given with the accompanying form.

STATEMENT OF CLAIM



1. The Plaintiff is and was at all material times a company incorporated under the laws of the Cayman Islands carrying on business as an insurer.
2. The First Defendant was employed by the Plaintiff from 1st October 1987 until 31st May 1996. He held the post of general manager from or about late 1991 or early 1992.
3. The Second Defendant is a company which was incorporated under the laws of the Cayman Islands by the First Defendant on or about 27th February 1996. The First Defendant has at all material times controlled the Second Defendant, which has at all material times since it began trading on 1st June 1996 been carrying on business as an insurer.
4. As a condition of his employment by the Plaintiff and in consideration thereof the First Defendant entered a written Patent and Confidentiality Agreement ("the Agreement") with the Plaintiff on or about 11th January 1995, alternatively 1st November 1995. The Plaintiff will refer to the Agreement at trial for its full terms and effect.
5. If it was, *inter alia*, an express term of the Agreement:
 - (i) That the First Defendant would not disclose to third parties confidential information acquired during the course of his employment by the Plaintiff ("the Confidentiality Clause");



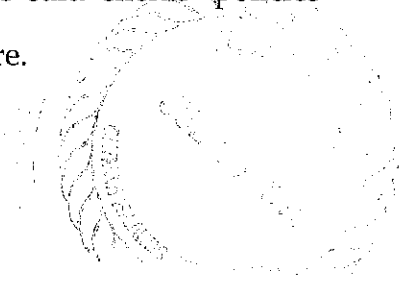


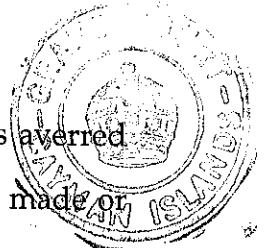
(ii) That the Confidentiality Clause would apply both during his employment with the Plaintiff and thereafter.

6. It was, *inter alia*, an implied term of the First Defendant's Contract of Employment with the Plaintiff ("the Contract of Employment") that the operation of the Confidentiality Clause after the termination of the Contract of Employment would be limited to a reasonable period. It is averred that 12 months is a reasonable period.
7. Further or alternatively, it was an implied term of the Contract of Employment that the First Defendant owed the Plaintiff a duty of good faith.
8. In breach of the said terms of the Agreement and the Contract of Employment the First Defendant has without the Plaintiff's consent disclosed confidential information belonging to the Plaintiff to the Second Defendant ("the Confidential Information") and used it for the benefit of the Second Defendant.
9. In breach of confidence the Second Defendant has without the Plaintiff's consent received the Confidential Information from the First Defendant and used it for the benefit of the Second Defendant.

PARTICULARS

- (1) The Confidential Information consists of details of (i) the identities of 4 of the Plaintiff's clients; (ii) the renewal dates of the said clients' policies with the Plaintiff; (iii) the Plaintiff's pricing structure.





- (2) Without prejudice to the generality of the allegations herein, it is averred that during his employment by the Plaintiff the First Defendant made or copied documentation containing some or all of the Confidential Information, or consciously committed some or all of that Information to memory, for use after his said employment ended.
 - (3) Using the Confidential Information, in or about June 1996 the First Defendant, acting on behalf of the Second Defendant, approached 3 of the Plaintiff's clients and induced them to transfer their custom to the Second Defendant by *inter alia* undercutting the Plaintiff's prices. Full particulars are contained in the attached Schedule, which is incorporated by reference herein.
 - (4) Using the Confidential Information, in or about June 1996 the First Defendant, acting on behalf of the Second Defendant, approached Richard Harris, one of the Plaintiff's other clients, and sought to induce him to transfer his custom to the Second Defendant by *inter alia* the same expedient.
10. By reason of the matters aforesaid, the Plaintiff has suffered loss and damage.

PARTICULARS OF SPECIAL DAMAGE

Please see attached Schedule.

11. Further, the Plaintiff claims interest pursuant to section 34 of the Judicature Law (1995 Revision) at the rate of 7³/₈% per annum:





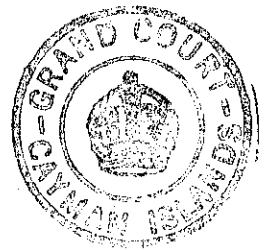
- (1) On the said sum of CI\$34,432.00 (= CI\$17,882.00 + CI\$16,550.00) from 1st July 1996 (17 days), amounting to CI\$117.98 at the date hereof and continuing hereafter until judgment or sooner payment at the rate of CI\$6.94 per day;
- (2) On the said sum of CI\$49,765.00 from 1st June 1996 (47 days), amounting to CI\$471.41 at the date hereof and continuing hereafter until judgment or sooner payment at the rate of CI\$10.03 per day;

Alternatively, on the amount found to be due to the Plaintiff at such rate and for such period as may be just.

AND the Plaintiff claims:

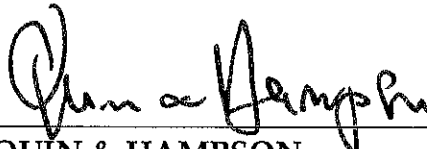
- (1) As against the First and Second Defendants, damages;
- (2) As against the Second Defendant, alternatively an account of profits;
- (3) As against the First and Second Defendants, an injunction to restrain each of them until 1st June 1997 from directly or indirectly, in person or by servants or agents, approaching by way of business, soliciting business from, or inducing or influencing to terminate or limit a pre-existing business relationship with the Plaintiff, any person, company or other entity known or believed by either Defendant to have been a client of the Plaintiff at any time during the First Defendant's employment by the Plaintiff, or from attempting to do so.



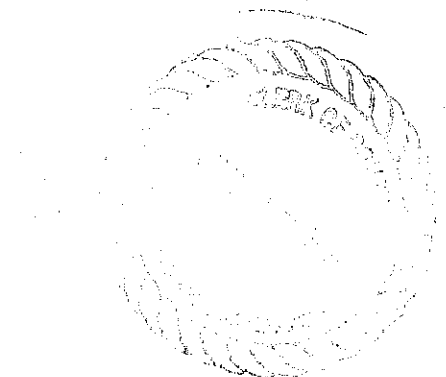


- (4) Such further or other relief as may be just;
- (5) Interest pursuant to section 34 of the Judicature Law (1995 Revision) as aforesaid;
- (6) Costs.

DATED this ¹⁷ day of July, 1996



QUIN & HAMPSON
Attorneys-at-Law for the Plaintiff



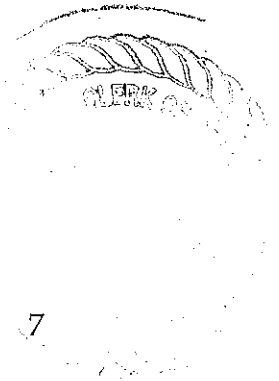
This Writ of Summons is issued by Quin & Hampson, Attorneys-at-Law, for and on behalf of the Plaintiff herein, whose address for service is that of its said Attorneys-at-Law, Harbour Centre, Third Floor, P.O. Box 1348, Grand Cayman, British West Indies.

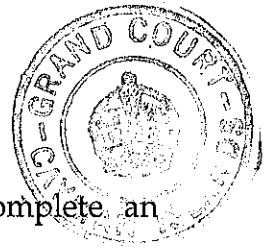
960717A.SH

SCHEDULE



<u>Client</u>	<u>Renewal Date of Plaintiff's Policy</u>	<u>Plaintiff's Premium</u> <u>CI\$</u>
Drumblade Apartments Strata Plan # 101	(i) 1 July 1996	17,100.00
	(ii) 1 July 1996	282.00
	(iii) 1 July 1996	500.00
		<hr/>
		17,882.00
Pine Crest Apartments Strata Plan # 117	(i) 1 July 1996	750.00
	(ii) 1 July 1996	15,800.00
		<hr/>
		16,550.00
Piccadilly Centre Ltd.	(i) 1 June 1996	4,000.00
	(ii) 1 June 1996	45,765.00
		<hr/>
		49,765.00
		<hr/>
<u>Total Premiums Lost</u>		84,197.00
		<hr/>

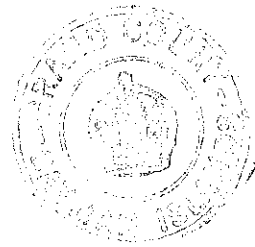




Notes for Guidance

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 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 his 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

CAUSE NO. OF 1996

BETWEEN: **BRITAM INSURANCE BROKERS & AGENTS (CAYMAN) LTD.** Plaintiff

AND: **EDWARD BALDERAMOS** First Defendant

AND: **BALDERAMOS INSURANCE SERVICES LIMITED** Second 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 the Defendants whereby they 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 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.

Messrs. Quin & Hampson
Attorneys-at-Law
Third Floor, Harbour Centre
P.O. Box 1348
George Town,
GRAND CAYMAN

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 495, 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 installments or otherwise.

See over for notes for guidance