

IN THE GRAND COURT OF THE CAYMAN ISLANDS

781  
CAUSE NO. OF 2003

BETWEEN: PELICAN REEF LTD.

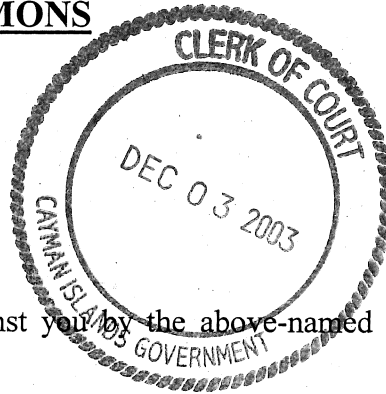
✓ PLAINTIFF

AND: STEPHEN RICHARD TAYLOR

DEFENDANT

WRIT OF SUMMONS

TO: Stephen Richard Taylor  
c/o Grand Caymanian  
Timeshare Complex, SMB  
West Bay Road, 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, P.O. Box 495G, George Town, Grand Cayman, the accompanying Acknowledgment of Service stating therein whether you intend to contest these proceedings.

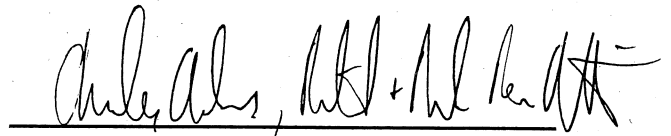
If you fail to satisfy the claim or to return the Acknowledgment within the time stated, or if you return the Acknowledgment without stating therein an intention to contest the proceedings, the Plaintiff may proceed with the action and judgment may be entered against you forthwith without further notice.

Issued this 3<sup>rd</sup> day of December 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 the order of the Court.

**IMPORTANT**

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

A handwritten signature in black ink, appearing to read "Charles Adams, Ritchie & Duckworth", written over a horizontal line.

**Charles Adams, Ritchie & Duckworth**  
**Attorneys-at-Law for the Plaintiff**

THIS WRIT was issued by Charles Adams, Ritchie & Duckworth, Attorneys-at-Law, for and on behalf of the Plaintiff herein, whose address for service is that of their said Attorneys-at-Law, P.O. Box 709G, Zephyr House, Mary Street, George Town, Grand Cayman, B.W.I.

IN THE GRAND COURT OF THE CAYMAN ISLANDS

781  
CAUSE NO. OF 2003

BETWEEN: PELICAN REEF LTD. PLAINTIFF

AND: STEPHEN RICHARD TAYLOR DEFENDANT

**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

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  No

Service of the Writ is acknowledged accordingly

(Signed) .....

[Attorney] for

Address for Service:

**Notes on address for service**

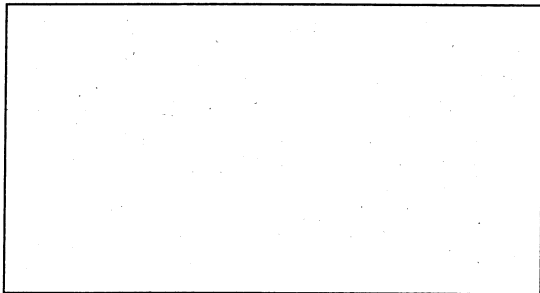
Attorney: where the Defendant is represented by an attorney, state the attorney's place of business in the Cayman Islands. A Defendant may not act by a foreign attorney.

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  
Attorneys-at-Law for the Plaintiffs  
P.O. Box 709 GT  
2<sup>nd</sup> Floor, Zephyr House, Mary Street  
George Town  
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.



Filed by Charles Adams, Ritchie & Duckworth, Attorneys-at-Law for and on behalf of the Plaintiffs herein whose address for service is that of their said Attorneys-at-Law, P.O. Box 709, Zephyr House, Mary Street, George Town, Grand Cayman, B.W.I.

## 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 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

CAUSE NO.      OF 2003

**BETWEEN:**                      **PELICAN REEF LTD.**                      **PLAINTIFF**

**AND:**                              **STEPHEN RICHARD TAYLOR**                      **DEFENDANT**

**STATEMENT OF CLAIM**

1.        The Plaintiff is the registered owner of the property legally described as Section: WBBS, Block: 12C Parcel: 108 B and having the civic address as #108 Canal Point Drive, Condo #27, South Hampton Gardens, Grand Cayman (the "Premises").
2.        The Defendant is a subject of the United Kingdom currently domiciled and employed on the Island of Grand Cayman, Cayman Islands.
3.        By an agreement made on or about the 3<sup>rd</sup> day of May 2003 between the Plaintiff and the Defendant, the Plaintiff agreed to grant and the Defendant agreed to take a lease of the Premises for an initial term of eleven (11) months and twenty-nine (29) days commencing on the 3<sup>rd</sup> day of May 2003 and terminating on the 30<sup>th</sup> day of April 2004 (the "Tenancy Agreement"). A copy of the Tenancy Agreement is annexed hereto.
4.        By the tenancy agreement the Defendant covenanted with the Plaintiff to pay rent for the premises on the first of each month at a monthly rent of CI\$2,100 commencing on the first day of June 2003, with the pro-rated rent for May being CI\$1,964.46. By the tenancy agreement the Defendant also covenanted to pay a charge on rent payments more than five (5) days overdue in an amount equal to 10% of the overdue interval payment amount.

5. The Defendant paid the rent as required under the tenancy agreement for the months of May, June and July of 2003, although in a less than timely fashion. On 1<sup>st</sup> August 2003, the Defendant paid the sum of CI\$1,640.00 towards the rent, representing CI\$460.00 deficiency and arrears. Despite numerous verbal and written demands to the Defendant, no further payments in respect of the rent obligation under the tenancy agreement have been paid since 1<sup>st</sup> August 2003.
6. The said rent is CI\$9746.00 in arrears.

Particulars	Amount CI\$
i.) Arrears of August 2003 rent:	\$ 460.00
ii.) Late penalty on the August 2003 arrears:	\$ 46.00
iii.) Arrears of September 2003 rent:	\$ 2100.00
iv.) Late penalty on the September 2003 arrears:	\$ 210.00
v.) Arrears of October 2003 rent:	\$ 2100.00
vi.) Late penalty on the October 2003 arrears:	\$ 210.00
vii.) Arrears of November 2003 rent:	\$ 2100.00
viii.) Late penalty on the November 2003 arrears:	\$ 210.00
ix.) Arrears of December 2003 rent :	\$ 2100.00
x.) Late penalty on the December 2003 arrears:	<u>\$ 210.00</u>
	<b>\$ 9746.00</b>

7. By clause 4(c) of the tenancy agreement, it was agreed that in the event of any portion of the rent being in arrears for ten (10) days or more, the Plaintiff was entitled to claim forfeiture of the lease as against the Defendant and re-entry of the premises.
8. After the rent payments went into arrears in August and into September 2003 the Defendant made numerous verbal representations to the representatives of the Plaintiff that the rent would immediately be paid in full and the account brought into good standing. The Defendant requested an indulgence by way of a brief extension of time in which to pay, which was granted in good faith. The Defendant's failure to pay as promised or at all has resulted in additional losses to the Plaintiff, in terms of a delay in re-renting the premises.
9. The Defendant made the representations referred to at paragraph (9) above in bad faith, when he knew that he had no such intention of bringing the account into good standing, or when he ought to have known that he did not have the financial means to do so. Further, the Defendant made the representations referred to at paragraph (9) above when Mr. Rex McCafferty, principal of the Plaintiff, was out of the Cayman Islands and in the United Kingdom, a fact which was known to the Defendant. The Defendant made these representations while Mr. McCafferty was in the UK in order to thwart the Plaintiff's ability to ultimately collect on the arrears.
10. In late September 2003 the Defendant in effect surrendered possession of the premises when he voluntarily returned the keys to the Plaintiff's agent. At that time he repeated his earlier undertaking to pay the rent arrears and bring the account into good standing. The Defendant made no further payments.
11. The Plaintiff has attempted to mitigate its loss and has advertised the premises for let and otherwise sought to re-rent it since October 2003. To date, the premises remain un-rented and the Plaintiff thereby continues to accumulate further losses.

12. The Defendant breached the terms of the tenancy agreement by virtue of his failure to pay the August rent as particularised herein and by his subsequent failure to pay the rent due at monthly intervals from 1<sup>st</sup> September 2003 until 1<sup>st</sup> December 2003, as at the date of this pleading. The Plaintiff further claims future arrears from 1<sup>st</sup> January 2004 through 30<sup>th</sup> April 2004 in the sum total of CI\$8,400.
13. By clause 2(h) of the tenancy agreement the Defendant shall pay the costs of all water, electricity, telephone or other services furnished by way of any outside utility to the premises. To the date of this pleading there is an arrears in respect of utilities in the amount of CI\$450. The Plaintiff claims the unpaid utilities due and owing by the Defendant to the date of this pleading and in such future amounts as will be particularised on discovery and trial of this cause.
14. When the Defendant surrendered possession of the premises to the Plaintiff the premises were in a state of uncleanliness, disrepair and damage occasioned during the Defendant's occupancy of the premises and caused by the Defendant or his guests. When the Defendant assumed occupancy of the premises under the tenancy agreement he acknowledged the clean state of repair of the premises. The Plaintiff claims damages for cleaning and repairs to the premises in the amount of CI\$500 and such additional sums as will be provided on discovery or trial of this cause.
15. The Defendant acknowledged an inventory of items contained within the premises when he assumed occupancy of the premises under the tenancy agreement. After the Defendant surrendered the premises to the Plaintiff the Plaintiff determined a number of items missing from the premises:

#### Particulars

- (a) Iron;
- (b) Various glassware;
- (c) Ovenware;
- (d) Kitchen linens;

- (e) Scissors;
- (f) Placemats;
- (g) Napkins;
- (h) Soap dishes and dispensers;
- (i) Art work (painting);
- (j) Table lamp.

16. The Plaintiff states that all of the items particularised at paragraph 16 (a-j) were contained in the premises when the Defendant assumed occupancy and were missing when he surrendered possession. The only possible inference is that the Defendant is liable for the costs occasioned by the missing items, costs estimated at CI\$800 and which will be particularised on discovery and trial of this cause.
17. At some time after entering the tenancy agreement and assuming occupancy of the premises, in precise circumstances which are as yet unknown to the Plaintiff, but which are known to the Defendant, the Defendant ceased habitating in the premises and purported to move an associate (identified only as "John") of his into the premises. The Defendant later acknowledged that "John" was an employee of the Plaintiff, under his supervision and control at the Defendant's place of employment.
18. The Defendant did not obtain the Plaintiff's consent to a formal sub-let of the tenancy agreement or the Plaintiff's consent to an assignment of the tenancy agreement. The Defendant did not seek the Plaintiff's consent to permit this unidentified individual to habitate in the premises.
19. By clause 2(c) of the tenancy agreement it was agreed between the Plaintiff and Defendant that the Defendant shall not assign, sub-let, share or part with the possession of the premises or any part thereof or take in lodgers without the prior written consent of the landlords.

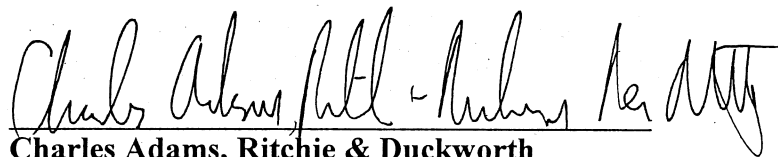
- 20 . The Plaintiff claims an accounting of any monies had and received by the Defendant in respect of any amounts paid to or received by the Defendant from the individual identified as "John" or any outside third parties not party to the tenancy agreement and in respect of habitating at the premises.
- 21 . The Plaintiff claims a declaration that any monies had and received by the Defendant referred to at paragraph (21) above are held by the Defendant as constructive trustee for the Plaintiff or, alternatively, the Plaintiff claims damages against the Defendant for any such amounts, particulars of which will be proven on discovery and trial of this cause.
- 22 . The Plaintiff claims the cost of any commissions, fees, surcharges or other costs incurred by the Plaintiff in re-renting the premises, in the amount of 50% of the monthly rent or CI\$1,050.
- 23 . Further by clause (1) of the tenancy agreement, the Defendant paid the sum of CI\$2,100 as security for the due performance of his obligation under the tenancy agreement (the "deposit"). Further by the same clause of the tenancy agreement the deposit shall be forfeited by the Defendant to the Plaintiff if the tenancy agreement is terminated by breach before the end of the tenancy agreement.
- 24 . The Defendant breached the tenancy agreement by his non-payment of rents due and owing under the tenancy agreement as pleaded above and the tenancy agreement was terminated thereby. The Plaintiff claims forfeiture of the deposit as against the Defendant.

**AND THE PLAINTIFF CLAIMS:-**

- 1 . Damages in excess of CI\$20,946.00;
- 2 . A declaration that monies had and received by the Defendant are held by the Defendant as constructive Trustee for the Plaintiff;

3. Further or other relief;
4. Pre and post judgment interest;
5. Costs

**DATED this 3<sup>rd</sup> day of December 2003.**



**Charles Adams, Ritchie & Duckworth  
Attorneys-at-Law for the Plaintiff**

This STATEMENT OF CLAIM was issued by Charles Adams, Ritchie & Duckworth, Attorneys-at-Law, for and on behalf of the Plaintiff herein, whose address for service is that of its said Attorney-at-Law, P.O. Box 709G, Zephyr House, Mary Street, George Town, Grand Cayman, B.W.I.