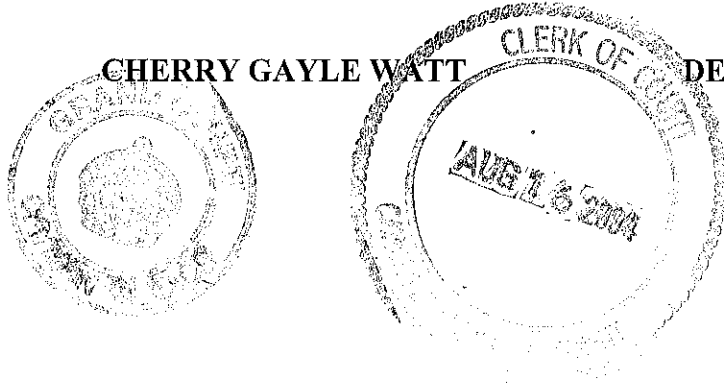


IN THE GRAND COURT OF THE CAYMAN ISLANDS

379
CAUSE NO OF 2004

BETWEEN: NATIONAL BUILDING SOCIETY PLAINTIFF

AND: CHERRY GAYLE WATT DEFENDANT



TO THE DEFENDANT:

Mrs. Cherry Gayle Watt
P.O. Box 1870
George Town
Grand Cayman

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 495 G.T., 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 August 2004

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.

STATEMENT OF CLAIM

1. The Plaintiff is a Building Society (“the Society”), duly authorized, and licensed under the Building Societies laws of the Cayman Islands to, *inter alia*, offer retail facilities to its customers.
2. The Defendant was and is at all material times a resident of the Cayman Islands and a former employee of the Plaintiff. On or around March 1999 the Plaintiff agreed to grant to the Defendant at her request a loan in the sum of CI\$97,978.14 held to the Defendant’s order under loan account no. 1185602 (“the Loan”). A Collateral Charge over the property Registration Section, West Bay North West, Block 4D parcel 321 owned by the Defendant (“the Property”) was registered in favour of the Plaintiff.
3. On 31st August 1999 the Plaintiff agreed to grant the Defendant at the Defendant’s request a Variation to loan account no. 1185602 by increasing the loan by CI\$27,000.00 bringing it to a total sum of CI\$124,777.00.
4. On or about August 2001 the Defendant’s loan account no. 1185602 went into arrears. By registered letter from its attorneys dated 18th September 2001, (“the Notice”), the Plaintiff demanded payment of the balances owed in respect of the loan together with accrued interest to the date of payment.
5. Despite demand, the Defendant failed, refused, and/or neglected to pay the amount due to the Plaintiff in respect of the loan.
6. On or about September 2003, the Property was sold by agreement between the Plaintiff and Defendant for the net sum of US\$161,890.25. The proceeds US\$147,603.96 after expenses and commission deductions was divided equally between the Plaintiff and a third party debtor.
7. On 30th September 2003 the sum of US\$73,801.98 being half of the proceeds of the sale was received by the Plaintiff on behalf of the Defendant and credited to loan no.1185602.
8. However, there remains an outstanding balance of CI\$65,559.73, and CI\$22,700.09 in interest and late fees of CI\$1,761.23 as at 11th August 2004 giving a total of CI\$90,021.05. To date the Plaintiff has not received any further payments towards the balance from the Defendant.
9. The Plaintiff claims damages from the Defendant for breach of the terms of the loan agreement dated March and August 1999 for the amount of CI\$90,021.05.
10. The Plaintiff is therefore entitled to and claims interest pursuant to the loan agreement at the rate of CI\$34.54 per day, or alternatively pursuant to section 34(1) of the Judicature Law (1995 Revision).

STATEMENT REGARDING INTEREST:

1. It was a term of the loan agreement dated March and August 1999 that the Defendant shall repay to the Plaintiff the principal sum with interest thereon;
2. The agreed rate of interest is 10% per annum;
3. Interest is payable from March 1999;
4. The total amount of interest claimed to 11th August 2004 is CI\$22,700.09; and
5. Interest is accruing at CI\$34.54 per day.
6. Late fees of CI\$1,761.23

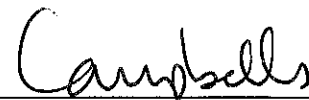
WHEREFORE the Plaintiff claims:

1. Judgment for the sum of CI\$65,559.73 plus interest to the 11th August 2004 in the sum of CI\$22,700.09 and late fees of CI\$1,761.23 for a total sum of CI\$90,021.05
2. Pre and post judgment interest on the total sum of CI\$90,021.05 at the daily rate of CI\$34.54 per day from 11th August 2004 until judgment or sooner payment.
3. Costs.
4. Such further and/or other relief.

If within the time for returning the acknowledgment of service the Defendant pays the total sum claimed of **CI\$90,021.05** plus interest calculated at **CI\$34.54** per day from 11th August 2004 until payment the further sum of CI\$500.00 in respect of fixed costs and fees of CI\$950.21, further proceedings will be stayed. The funds must be paid to the Plaintiff or its attorney.

DATED August 2004

FILED August 2004



CAMPBELLS

Attorneys at Law for the Plaintiff

BETWEEN: NATIONAL BUILDING SOCIETY PLAINTIFF

AND: CHERRY GAYLE WATT DEFENDANT

ACKNOWLEDGEMENT 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.

2. State the full name of the Defendant by whom or on whose behalf the service of the Writ is being acknowledged -

3. State whether the Defendant intends to contest the proceedings (tick appropriate box) [] yes [] no

4. 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

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

**Campbells (Ref: JRM)
P O Box 884 G.T.
George Town
Grand Cayman**

**Tel: 949 2648
Fax: 949 8613**

Endorsement 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

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.