

IN THE GRAND COURT OF THE CAYMAN ISLANDS

384
CAUSE NO: OF 2004

IN THE MATTER OF THE CAYMAN KAI SCHEME OF DEVELOPMENT

BETWEEN:

CAYMAN KAI PROPERTY OWNERS ASSOCIATION

AND:

(1) CAYMAN ISLAND BASIC INDUSTRIES LIMITED
(2) NORTH COAST RESORT MANAGEMENT LIMITED
(3) CAYMAN KAI DEVELOPMENT LTD

DEFENDANTS

ORIGINATING SUMMONS

- TO:
- (1) Cayman Island Basic Industries Limited
Registered Office: Appleby Corporate Services (Cayman), PO Box 1350GT,
Clifton House, 75 Fort Street, George Town, Grand Cayman
 - (2) North Coast Resort Management Limited
Registered Office: Bodden Corporate Services, 802 Grand Pavilion Commercial
Centre, PO Box 10335 APO, West Bay Road, Grand Cayman
 - (3) Cayman Kai Development Ltd
Registered Office: Appleby Corporate Services (Cayman), PO Box 1350GT,
Clifton House, 75 Fort Street, George Town, Grand Cayman

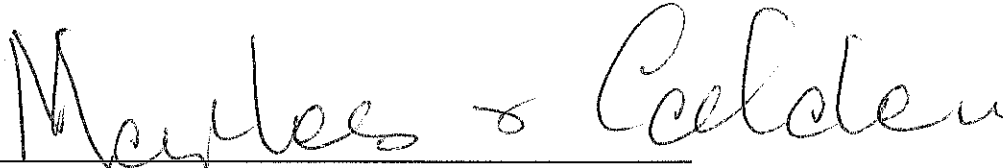
LET THE DEFENDANTS, within 14 days after service of this Summons on them, counting the day of service, return the accompanying Acknowledgment of Service to the Courts Office, P.O. Box 495GT, Grand Cayman.

By this Originating Summons, which is issued on the application of the members of the Cayman Kai Property Owners Association whose names and addresses are listed in the First Schedule, the Plaintiffs claim against the Defendants the following relief:

1. A declaration that the Plaintiffs, or any of them, are entitled to enforce the restrictive covenants contained in, inter alia, the transfer of land dated 29th June, 1979 and made between the First Defendant, Cayman Island Basic Industries Limited, as vendor and Gary L Knutson and William R Gillelan as purchasers and noted in the incumbrances section of the land register for Rum Point Registration Section, Block 33B, Parcel 52 ("Parcel 52"), a specimen copy of which is contained in the Second Schedule hereto (the "Restrictive Covenants").
2. An injunction restraining the Second and Third Defendants, whether by their agents, directors, employees or otherwise howsoever, from using Parcel 52 as an office or in any other manner which constitutes a breach of the Restrictive Covenants.
3. An injunction restraining the First Defendant, whether by its agents, directors, employees or otherwise howsoever, from transferring any parcel of land comprised within the Cayman Kai scheme of development (including but not limited to Block 33B Parcel 167) without imposing the Restrictive Covenants upon the transferee and causing them to be "noted" in the relevant land register.
4. Such further or other relief as the Court thinks fit.
5. An order that the Defendants pay the costs of this action, to be taxed if not agreed.

If the Defendants do not acknowledge service, such judgment may be given or order made against or in relation to them as the Court may think just and expedient.

Dated the 18th day of August, 2004.



MAPLES AND CALDER

NOTE - This Summons 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 that date unless renewed by order of the Court.

IMPORTANT

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

This Originating Summons was issued by Maples and Calder, attorneys for the Plaintiffs, whose address for service is Uglan House, South Church Street, George Town, Grand Cayman, Cayman Islands. (reference 601219-01 AJJ/1301552)

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PLAINTIFFS

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- (2) NORTH COAST RESORT MANAGEMENT LIMITED**
- (3) CAYMAN KAI DEVELOPMENT LTD**

DEFENDANTS

**SCHEDULE 1
TO
ORIGINATING SUMMONS**

REGISTERED OWNER	ADDRESS	BLOCK, PARCEL #
Vernon & Grace Andrews	1415 Cambridge Rd. Lansing, MI 48911-1006 USA	33C, 10 33E, 104 33B, 149
Vorsheck Family Partnership (acting by Vernon & Grace Andrews)	1415 Cambridge Rd. Lansing, MI 48911-1006 USA	33D, 20
John & Stephanie Bjork	1216 N. Sheridan Road Lake Forest, IL 60045 USA	33B, 28 33B, 29 33B, 30
Jerry & Lisa Brodlie	PO Box 254 North Side, Grand Cayman	33C, 1
Margaret Cady	1530 Waterford Camphill, PA 17011 USA	33B, 99

Dr. Daniel & Mary Collins	PO Box 167 North Side, Grand Cayman	33E, 82
Peter Coster	124 Lincoln Avenue Purchase, NY 10577 USA	33E, 64
Roger Enrico	100 Crescent Ct., Ste. 700 Dallas, TX 75201 USA	33C, 17
Christine Ferrentino	37 Shady Hollow Dr. Dearborn, MI 48124 USA	33M, 36
James G. Flannery	100 Brinker Road Barrington, IL 60010 USA	33E, 80
BDML International Ltd. (acting by James G. Flannery)	PO Box 1787GT George Town, Grand Cayman	33E, 83
Dasy Dairy Products (acting by David Foster)	PO Box 10400 APO George Town, Grand Cayman	33B, 103
Peter Friedrich	PO Box 6 Gwynedd, PA 19436 USA	33B, 12
Doug & Elizabeth Harris	PO Box 804 North Side, Grand Cayman	33B, 45
Keith & Gail Hepburn	PO Box 901 North Side, Grand Cayman	33B, 44
Robert Hill	PO Box 62 North Side, Grand Cayman	33D, 3
William & Gwen Huddleston	PO Box 210 North Side, Grand Cayman	39E, 8
Roy Johnson	PO Box 143 North Side, Grand Cayman	33B, 7

Steven & Diana Lohr	1235 Hampden Park St. Louis, MO 63117	33M, 4
Far Tortuga Limited (acting by Vincent Macaluso)	38 Pelican Dr. Avalon, NJ 08202 USA	33E, 113
Billy & Lora Mitcham	PO Box 23 North Side, Grand Cayman	33B, 117
Ridgeway Investment Ltd. (acting by Billy & Lora Mitcham)	PO Box 23 North Side, Grand Cayman	33B, 116
Shirley Nelson	PO Box 20 North Side, Grand Cayman	33C, 4
Tod & Betsy Peyton	58 Constitution Hill West Princeton, NJ 08540 USA	33B, 20 33E, 70
Bella Kai LLC (acting by Tod & Betsy Peyton)	PO Box 10335 APO George Town, Grand Cayman	33E, 103H4
Perecom Development Corporation (acting by Peter Reimer)	PO Box 866 GT George Town, Grand Cayman	33B, 84
Jennifer Reynolds	19 Starlight Farm Drive Phoenix, MD 21131-1027 USA	33B, 14
Robert Sabin	PO Box 332 Mill Neck, NY 11756 USA	33B, 26
Lalit & Patricia Sarin	5609 Wolf Pen Trace Prospect, KY 40059 USA	33B, 58
Vivek K. Sarin and Anita S. Miller	C/o Shelby Industries 175 McDaniels Road Shelbyville, KY 40065 USA	33B, 40

Robert & Molly Stanford	302 Harding Court Centerport, NY 11721 USA	33B, 53
Hallstatt Ltd (acting by Robert & Jeanette Totten)	PO Box 10271 APO Grand Cayman	33B, 27
Fred & Denise Wood	PO Box 55 Lemont, PA 16851 USA	33B, 159H2

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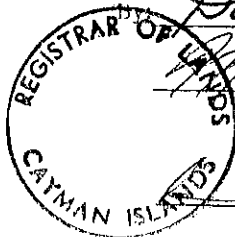
**(1) CAYMAN ISLAND BASIC INDUSTRIES LIMITED
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(3) CAYMAN KAI DEVELOPMENT LTD**

DEFENDANTS

**SCHEDULE 2
TO
ORIGINATING SUMMONS**

RESTRICTIVE COVENANTS

1. The premises shall not be used except for residential purposes. No building shall be erected, altered, placed or permitted to remain in the premises other than one detached single-family dwelling not to exceed two and one-half stories in height and a private garage for not more than three cars.
2. No building shall be erected, placed or altered on the premises until the construction plans and specifications and a plan showing the location of structure have been approved by the architectural control committee as to quality of workmanship and materials, harmony of external design with existing structures and as to location with respect to topography and finish grade elevation. No fence or wall shall be erected, placed or altered on the premises unless similarly approved. Approval shall be as provided in paragraph 8.
3. No trucks shall be parked or allowed to remain on the premises (except for the purpose of delivering merchandise to or pick-up from the premises) unless they shall be garaged in an enclosed and covered structure approved by the architectural control committee.
4. No noxious or offensive activity shall be carried on upon the premises, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighbourhood.
5. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any lot at any time as a residence either temporarily or permanently.
6. No sign of any kind shall be displayed to the public view on the premises except one sign of not more than five square feet advertising the property for sale or rent, or signs used by a builder to advertise the property during the advertising and sales period.
7. No animals, livestock, poultry of any kind shall be raised, bred or kept on any lot, except that dogs, cats or other household pets may be, provided that they are not kept, bred or maintained for any commercial purpose.
8. The architectural control committee is composed of Don L. Dise, Aurora, Illinois, Jack Von Ehr, Aurora, Illinois and Mikol Dise, Aurora, Illinois. A majority of the committee may designate a representative to act for it. In the event of death or resignation of any member of the committee, the remaining members shall have full authority to designate a successor. Neither the members of the committee or its designated representative shall be entitled to any compensation for services performed pursuant to this covenant.
9. These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of twenty-five years from the date of registration of this Transfer after which time said covenants shall be automatically extended for successive periods of ten years unless an instrument signed by the majority of the then owners of lots at Cayman Kai, Grand Cayman shall provide for the revocation or variation of said covenants in whole or in part.



Don L. Dise
Mikol Dise
L.K.T.
William A. Gillis