

IN THE GRAND COURT OF THE CAYMAN ISLANDS

491  
CAUSE NO: OF 2004

IN THE MATTER OF THE MONETARY AUTHORITY LAW (2004 REVISION)

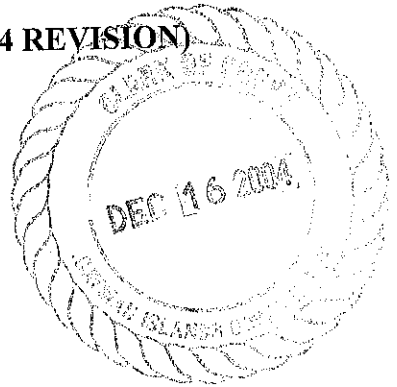
AND IN THE MATTER OF SEGOES SECURITIES LTD



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**EX PARTE ORIGINATING SUMMONS**

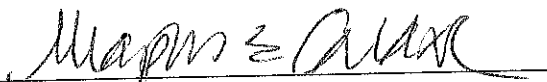
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**LET ALL PARTIES CONCERNED** attend before a Judge in Chambers, at the Law Courts, George Town, Grand Cayman on the *27<sup>th</sup>* day of *December* 2004, at *9:30* o'clock, on the hearing of an application by the Applicant, the Cayman Islands Monetary Authority, for the following orders:

1. That SEGOES Securities Ltd, John Kaweske, and John Fontanetta each provide within seven days responses to the requests contained in the Applicant's letter dated 11 November 2004, a copy of which is attached hereto, such responses to be verified by affidavit.
2. Such further and other orders and directions as the Court shall deem fit.
3. That provision be made for costs.

Dated the 16<sup>th</sup> day of December 2004

  
Attorneys for the Applicant

TIME ESTIMATE: The estimated length of the hearing of this summons is two hours.

This Summons was issued by Maples and Calder, attorneys for the Applicant, whose address for service is PO Box 309 GT, Uglan House, South Church Street, George Town, Grand Cayman, Cayman Islands. (Ref: NRT-608697/01-1357554)



# CAYMAN ISLANDS MONETARY AUTHORITY

November 11, 2004

Mr James Fontanetta  
c/o SEGOES Securities Ltd  
Whitehall House, North Church Street  
George Town  
Grand Cayman

Dear Sir,

**Re: Requirement under Section 34(8) of the Monetary Authority Law (2004 Revision)**

Pursuant to section 34 (8) of the Monetary Authority Law (2004 Revision) (the "Law"), the Authority hereby requires you to provide the information requested below. This request is made in the light of (i) the Authority's continuing enquiry as to whether SEGOES Securities Limited ("Securities") or any affiliated entity is, or has been in contravention of any of the regulatory laws of the Cayman Islands, (ii) previous unanswered requests for information, and (iii) recent press releases issued by Securities.

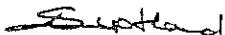
1. A description of the businesses currently being conducted by Securities and the places from which those businesses are conducted.
2. Detailed information on the role and function of the SEGOES office in the Cayman Islands in relation to (i) Securities' role as investment manager of Segoes Fixed Income Investments Limited ("Fixed Income"), previously Segoes Bond Fund Ltd., and any other function it performs in relation to Fixed Income; and (ii) all other business conducted by Securities.
3. The location and role of any subsidiaries, branches, agencies or representative offices of Securities.
4. The names of those involved in the management of Securities, and their positions and functions.
5. A copy of a pro-forma trial balance confirming the total liabilities due to all clients of Securities and the assets held by Securities to repay these liabilities.
6. The identity and contact details of Securities' current auditor, together with details of when that auditor was engaged.
7. A list of all clients of Securities, along with a copy of the most recent portfolio statement that is readily available for each client detailing the securities held by the client and where and in whose name each is held.

8. Copies of all documents relied upon to support any exemptions claimed under the terms of the Securities Investment Business Law (2004 Revision).
9. Details of any investment or deposit taking schemes with which Securities has an involvement. In relation to all such schemes:
  - a. A copy of the offering document.
  - b. A copy of the constitutional documents
  - c. A list of investors (with countries of residence) in each scheme, confirmation of their current investment/shareholding, the terms of the investment/shareholding, and copies of all marketing literature produced in relation to that scheme.
  - d. The names, location and contact details of the manager of each scheme.
  - e. Confirmation of the assets / investments held in each scheme, the market value last calculated and where the assets are held (including in whose name).
10. Details of the financial institutions with whom Securities has had banking relationships at any time during the last 12 months, with, in each case, details of the nature of the relationship and copies of the bank statements for that period.
11. A copy of the most recent statement readily available from all custodians, where Securities holds assets on behalf of their clients.
12. Details of the ultimate ownership together with the names, addresses and contact information of the owners and directors of Laxberg SA (IF) ("Laxberg")
13. Copies of the last annual audited financial statements and management accounts of Laxberg.
14. Details of any financial arrangements whereby Laxberg has agreed to support Securities.

The addressee of this letter is under an obligation to provide responses to this request. Please note that the failure to provide information requested pursuant to section 34 (8) of the Law without reasonable excuse is an offence under section 34 (17) of the Law.

We look forward to receiving the requested information by 4:00pm on Thursday November 18, 2004. In addition, the Authority reserves the right to request any further information it may require in connection with the exercise of its regulatory functions.

Sincerely,



Cindy Scotland (Mrs.)

cc Myers & Alberga