

IN THE GRAND COURT OF THE CAYMAN ISLANDS

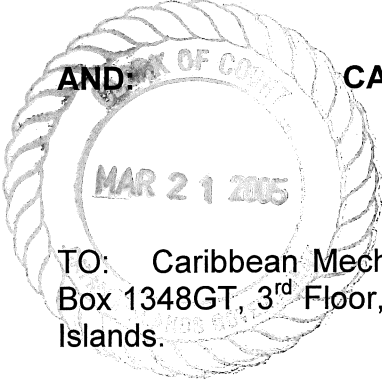
CAUSE N^o: 129 OF 2005

BETWEEN: HIGHFIELD HOLDINGS LTD

PLAINTIFF

AND: CARIBBEAN MECHANICAL HOLDING CO LTD

DEFENDANT



WRIT OF SUMMONS

TO: Caribbean Mechanical Holding Co Ltd whose registered office is situate at PO Box 1348GT, 3rd Floor, Harbour Centre, North Church Street, 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 overleaf.

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 495GT, 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 21st day of March 2005.

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. By a Promissory Note made in writing between the Plaintiff and the Defendant and dated 16 January 2003 ("the Note"), the Defendant agreed to make certain payments to the Plaintiff.

2. The following were express terms of the Note, as set out in and evidenced by it:

"For Value Received, Caribbean Mechanical Holding Co Ltd [the Defendant] of 20 Somerset Drive in the Cayman Islands HEREBY promise(s) to pay on demand to Highfield Holdings Ltd [the Plaintiff] of PO Box 188GT Grand Cayman the principal sum of CI\$85,577.02 Cayman Is. Dollars and to pay part of the principal and interest on unpaid principal, calculated from and including the date hereof at a rate of one per cent over the Cayman Islands Bank Prime Lending Rate, presently 5.25% payable in monthly payments of CI\$_____ to commence 15th February 2003.

The undersigned hereby acknowledge(s) to pay on demand all costs of collection and Attorney fees paid or incurred by the holders hereof for enforcing this Note in the event of default."

3. The Plaintiff will refer to the full terms of the Note at the trial of this action.

4. Following the Note, the Defendant made and the Plaintiff accepted monthly payments comprising agreed principal and interest to the Plaintiff in part settlement of the Defendant's liability to the Plaintiff under the Note.

5. By a further agreement made in writing between, amongst others, the Plaintiff and the Defendant, dated 5 April 2004, ("the Dispute Resolution Agreement") the Plaintiff and the Defendant agreed, amongst other things, that the sum of CI\$12,500 would be deducted from the amount then outstanding and due from the Defendant to the Plaintiff under the Note.

6. Further, the following was an express term of the Dispute Resolution Agreement as set out in and evidenced by it:

"Repayment of the balance of this debt [the debt due under the Note] will continue at the current level of CI\$1,751.25 per calendar month (subject to interest rate variations). This will shorten the length of the repayment term and this is confirmed by the attached schedule."

7. The Plaintiff will refer to the full terms of the Dispute Resolution Agreement and the schedule attached to it ("the Schedule") at the trial of this action. The Schedule set out, amongst other things, the agreed monthly payments of principal and interest to be made by the Defendant to the Plaintiff after

conclusion of the Dispute Resolution Agreement, in order ultimately to extinguish the Defendant's liability to the Plaintiff under the Note.

8. In breach of the terms of the Note, as varied by the Dispute Resolution Agreement, the Defendant failed to pay to the Plaintiff the installments due under the Note on each of 1 November 2004, 1 December 2004, 1 January 2005, 1 February 2005 and 1 March 2005.
9. As at 2 October 2004, the day after the last payment by the Defendant, the principal sum then outstanding under the Note was CI\$48,299.35, as set out in the Schedule.
10. As at 14 March 2005, interest had accrued on the principal sum outstanding at the rate of 5.25% per annum being the rate specified in the Note (as set out in paragraph 2 above), in the sum of CI\$1,132.39.
11. By a letter dated 14 March 2005 to the Defendant at its registered office, the Plaintiff made a demand for the payment of the sum then outstanding from the Defendant under the Note. The amount demanded was CI\$49,431.74 calculated as follows:

	CI\$
Principal sum due as at 1 Oct 04	48,299.35
Interest at 5.25% per annum from 2 Oct 04 to 14 March 05	<u>1,132.39</u>
Total	CI\$49,431.74

12. Interest has continued to accrue at the rate of 5.25% per annum on the sum of CI\$48,299.35 from 15 March 2005 to the date of the Writ in the sum of CI\$48.65.
13. Despite the demand dated 14 March 2005, the Defendant has failed to pay the sum of CI\$49,431.74 or any part thereof.
14. The Plaintiff is entitled to and claims continuing contractual interest at the rate of 5.25% per annum until judgment or sooner payment at the daily rate of CI\$6.95.
15. In the alternative to contractual interest under the Note, the Plaintiff is entitled to and claims interest pursuant to Section 34 of the Judicature Law (2004 Revision) at such rates and on such sums and for such periods as shall seem just to the Court.
16. Further, the Plaintiff is entitled to and does claim as damages for breach of contract all attorneys fees and costs of collection incurred by the Plaintiff in enforcing this Note due to the default of the Defendant. Full particulars of the loss and damage suffered by the Plaintiff as a result of the Defendant's default on the Note will be given on discovery herein. The best particulars which the

Plaintiff can give at the date hereof is that costs and disbursements of between US\$3,000-3,500 have been incurred to date.

17. The Plaintiff is entitled to and does claim interest pursuant to Section 34 of the Judicature Law (2004 Revision) on all sums awarded as damages for breach of contract under paragraph 16 above at such rates and on such sums and for such periods as shall seem just to the Court.

AND THE PLAINTIFF CLAIMS AGAINST THE DEFENDANT:

- (1) The sum of CI\$48,299.35.
- (2) Contractual interest under the Promissory Note dated 16 January 2003 ("the Note") at the rate of 5.25% per annum from 2 October 2004 to the date of the Writ in the sum of CI\$1,181.04.
- (3) Continuing contractual interest pursuant to the Note until judgment or sooner payment at the daily rate of CI\$6.95.
- (4) In the alternative to (2) and (3) above, interest pursuant to Section 34 of the Judicature Law (2004 Revision) at such rates and on such sums and for such periods as to the Court shall seem just.
- (5) Damages for breach of contract under paragraph 16 above.
- (6) Interest on all sums awarded under (5) above pursuant to Section 34 of the Judicature Law (2004 Revision) at such rates and on such sums and for such periods as shall seem just to the Court.
- (7) In the alternative to (5) and (6), costs to be taxed if not agreed.
- (8) Further or other relief.

INDORSEMENT REGARDING INTEREST PURSUANT TO GCR ORDER 6 RULE 2(e)

- (i) The relevant contractual term pursuant to which the Plaintiff and the Defendant agreed that the Defendant would pay interest at 5.25% per annum is set out in paragraph 2 of the Statement of Claim herein.
- (ii) The agreed rate of interest is one per cent over the Cayman Islands Bank Prime Lending Rate i.e. 5.25% per annum.
- (iii) The date from which interest is payable is 2 October 2004.

- (iv) The total amount of interest claimed in these proceedings up to 21 March 2005 is CI\$1,181.04.
- (v) The total amount of interest accruing each day from 21 March 2005 on the principal sum claimed in these proceedings is CI\$6.95.



Truman Bodden & Company
Attorneys-at-law for the Plaintiff

THIS WRIT AND STATEMENT OF CLAIM was issued by Truman Bodden & Company, Attorneys-at-Law, whose address for service is 5th Floor, Anderson Square Building, PO Box 866GT, George Town, Grand Cayman, British West Indies (reference PWJ), Attorneys for the Plaintiff, Highfield Holdings PO Box 10054 APO Grand Cayman, Cayman Islands, BWI.