

IN THE GRAND COURT OF THE CAYMAN ISLANDS

BETWEEN:

CAYMAN NATIONAL BANK LIMITED

PLAINTIFF



AND:

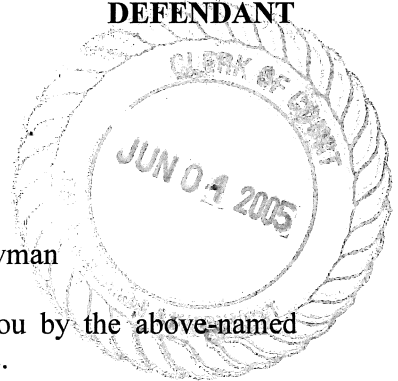
CAREY R. McFIELD

DEFENDANT

\_\_\_\_\_

WRIT OF SUMMONS

\_\_\_\_\_



TO: Carey R. McField of PO Box 30498 SMB, 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 following pages.

Within 14 days after service of this Writ on you, counting the day of service, you must either satisfy the claim or return to the Court Office, PO Box 495 GT, George Town, Grand Cayman, the accompanying Acknowledgement of Service stating therein whether you intend to contest these proceedings.

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

**ISSUED** this 24<sup>th</sup> day of May 2005.

**NOTE** – This Writ may not be served later than 4 calendar months beginning with the date of issue unless renewed by order of the Court.

**IMPORTANT**

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

*Nitch & Conolly*

## STATEMENT OF CLAIM

1. The Plaintiff is a Bank carrying on business at Elgin Avenue, Grand Cayman and the Defendant is and was a customer of the Plaintiff.
2. In or about September 1991 the Defendant applied for an additional facility and this additional facility, together with the balance of previous loans made to the Defendant would give a total amount of borrowing of CI\$25,000.00 and the Plaintiff granted an increase to the facility to CI\$25,000.00.
3. In consideration of the Plaintiff granting such facility the Defendant and Donnavan McField charged their interest in the parcel of land registered at the Lands & Survey Department as North East Coast, Block 61A, Parcel 47 ("Parcel 47").
4. At the material time Parcel 47 was registered in the name of the Defendant and in the name of the said Donnavan McField and on 12<sup>th</sup> September 1991 the Plaintiff as Chargee and the Defendant and the said Donnavan McField as Chargors executed a Legal Charge in respect of Parcel 47.
5. The Legal Charge dated 12<sup>th</sup> September 1991 provided that
  - 5.1 The Plaintiff would lend to the Defendant and the Defendant would borrow the principal sum of CI\$25,000.00.
  - 5.2 The Legal Charge was to be continuing security for all such sums of monies as from time to time were owing by the Defendant in respect of facilities granted from time to time by the Plaintiff up to a maximum of CI\$25,000.00.
  - 5.3 Interest on that amount would accrue at the rate of 6% over the Cayman Islands base rate with a then effective rate of 14½%.
6. In or about June 1994 the Defendant applied for an additional facility and this additional facility, together with the balance of previous loans made to the Defendant, would give a total amount of borrowing of CI\$105,000.00 and the Plaintiff granted an increase to the facility to CI\$105,000.00.
7. In consideration of the Plaintiff granting such an additional facility the Defendant was to charge his interest in the parcel of land registered at the Lands & Survey Department as Spotts, Block 15B, Parcel 375 ("Parcel 375").
8. At the material time, Parcel 375 was registered in the name of the Defendant and on 24<sup>th</sup> June 1994 the Plaintiff as Transferor and Barclays Finance Corporation as Transferee executed a Transfer of Charge in respect of the Charge registered against Parcel 375.
9. In or about August 1994 the Defendant applied for an additional facility and this additional facility, together with the balance of previous loans made to the Defendant, would give a total amount of borrowing of CI\$190,000.00. Of this

amount CI\$100,000.00 was in respect of a home mortgage and CI\$90,000.00 was in respect of overdraft facilities for the Defendant's company, Professional Protection Services Ltd ("the Company") and the Plaintiff granted an increase to the facility to CI\$190,000.00.

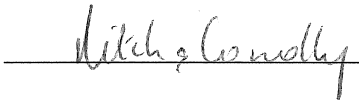
10. On 3<sup>rd</sup> August 1994 the Plaintiff as Chargee and the Defendant as Chargor executed a Variation of Charge in respect of Parcel 375.
11. The Variation of Charge dated 3<sup>rd</sup> August 1994 provided that:
  - 11.1 The Plaintiff would lend to the Defendant and the Defendant would borrow the principal sum of CI\$190,000.00.
  - 11.2 Interest on that amount would accrue at the rate of 4½% over the Cayman Islands base rate with a then present effective rate of 11¾% per annum on the Defendant's loan facilities and 5½% over the Cayman Islands base rate with a then present effective rate of 12¾% on the Defendant's overdraft facilities of CI\$90,000.00.
12. In or about April 1995 the Defendant applied for an additional facility and this facility, together with the balance of the Company's overdraft, would give a total amount of this separate borrowing of CI\$167,500.00 and the Plaintiff granted an increase to the facility to CI\$167,500.00.
13. The Defendant subsequently defaulted on the loans secured by the Legal Charges over Parcels 47 and 375 and the Plaintiff issued proceedings pursuant to the provisions of the Registered Land Law (1995 Revision) in connection with those Legal Charges.
14. Pursuant to an Order of Sale dated 17<sup>th</sup> February 2001 in Cause No. 731 of 2002 the Plaintiff secured a sale of Parcel 47 for CI\$30,340.00 and applied the net proceeds of sale in reduction of the Defendant's indebtedness, such net proceeds being in the sum of CI\$27,306.00 after deducting sales commission and other charges of CI\$3,109.00, reducing the mortgage loan to CI\$36,541.35.
15. Pursuant to an Order of Sale dated 5<sup>th</sup> July 2001 in Cause No. 928 of 2000 the Plaintiff secured a sale of Parcel 375 for CI\$150,000.00 and applied the net proceeds of sale in reduction of the Defendant's indebtedness. Of this amount CI\$36,541.35 was utilized to repay the balance of the home mortgage and CI\$103,132.62 was utilized to reduce the additional borrowing of CI\$167,500.00.
16. Given the above payments, the principal debt now outstanding is CI\$73,223.16 together with interest, as at 17<sup>th</sup> May 2005 of CI\$32,122.42.

**AND THE PLAINTIFF CLAIMS:**

1. Payment of the said principal sum of CI\$73,223.16 together with interest on this sum to date in the sum of CI\$32,122.42 to total CI\$105,3345.58.
2. The payment of interest continuing from the date of issue of these proceedings until payment in full at the rate of 3% per annum over the Cayman Islands Dollar prime rate, with an effective rate of 9%, at a daily rate of CI\$18.31.
3. Fixed costs.
4. Further or other relief.

If, within the time for returning the Acknowledgment of Service, the Defendant pays the total amount claimed of CI\$105,345.58 and fixed costs and court fees of CI\$916.12 to total CI\$106,261.70 further proceedings will be stayed. The money must be paid to the Plaintiff or his attorney.

Dated the 24<sup>th</sup> day of May 2005



**RITCH & CONOLLY**  
Attorneys at Law for the Plaintiff

**TO:** The Clerk of the Court  
**AND TO:** The Defendant of PO Box 30498 SMB, Grand Cayman