IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. 288 OF 2005

IN THE MATTER OF THE TRUST DEED DATED 21 NOVEMBER 1985 AND MADE BY AKRAM OJJEH

A N D

IN THE MATTER OF THE TRUSTS LAW (1998 REVISION)

BETWEEN	**AKRAM OJJEH**	**FIRST PLAINTIFF**
A N D	**NAHED TLASS OJJEH**	**SECOND PLAINTIFF**
A N D	**MANSOUR OJJEH**	**FIRST DEFENDANT**
	ABDUL AZIZ OJJEH	**SECOND DEFENDANT**
	KARIM OJJEH	**THIRD DEFENDANT**

GRAND COURT CAYMAN ISLANDS

JUN 23 2005

WRIT OF SUMMONS

TO: The First Defendant
Mansour Ojjeh
c/o Maples & Calder

AND TO: The Second Defendant
Abdul Aziz Ojjeh
c/o Maples & Calder

AND TO: The Third Defendant
Karim Ojjeh
c/o Maples & Calder

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 GT, 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 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 23rd day of June, 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 Acknowledgement of Service are given with the accompanying form.

If, within the time for returning the Acknowledgment of Service, the Defendant pays the total amount claimed of US$[ ] (including interest and costs) further proceedings will be stayed. The money must be paid to the Plaintiff or his Attorney.

Solomon Harris

SOLOMON HARRIS
PLAINTIFFS' ATTORNEYS-AT-LAW

THIS WRIT was issued by **SOLOMON HARRIS** of 2nd Floor, First Caribbean House, P.O. Box 1990 GT, Grand Cayman, Cayman Islands whose address for service is that of their said Attorneys-at-law.

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. [ ] OF 2005

IN THE MATTER of a Trust Deed dated 21 November 1985 made by Akram Ojjeh

AND IN THE MATTER of the Trusts Law (1998 Revision)

BETWEEN

AKRAM OJJEH	**FIRST PLAINTIFF**
NAHED TLASS OJJEH	**SECOND PLAINTIFF**

AND

MANSOUR OJJEH	**FIRST DEFENDANT**
ABDUL AZIZ OJJEH	**SECOND DEFENDANT**
KARIM OJJEH	**THIRD DEFENDANT**

STATEMENT OF CLAIM

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DEFINITIONS

1. In this Statement of Claim the following expressions have (where the context admits) the following meanings respectively:

(A) Persons

"the Settlor" mean the late Akram Ojjeh.

"Mme Ojjeh" means the Second Plaintiff.

"Akram" means the First Plaintiff.

"Mansour Ojjeh" means the First Defendant.

"Abdul Aziz Ojjeh" means the Second Defendant.

"Karim Ojjeh" means the Third Defendant.

"Me. Chatti" means Maitre A. Zouair Chatti.

"M. de Roquefeuil" means the Fourth Defendant.

"the Trustees" means the trustees for the time being of the Settlement after the death of the Settlor, namely:

(i) during the period from the death of the Settlor to the death of Me.Chatti, M. de Roquefeuil, Me.Chatti and Mansour Ojjeh;

(ii) during the period from the death of Me.Chatti on 4 August 1997 until the replacement of M. de Roquefeuil, M. de Roquefeuil, Mansour Ojjeh and Abdul Aziz Ojjeh;

(iii) since the replacement of M. de Roquefeuil, Mansour Ojjeh, Abdul Aziz Ojjeh and Karim Ojjeh ("the Present Trustees").

"the Guardian" means until his death on 10 February 1998, the late Senator Maurice Schumann and after 23 April 1998 until Akram reached the age of majority, M. Pierre Messmer, the former Prime Minister of France.

"the Guardianship Judge" means the *juge des tutelles* of the Tribunal d'Instance of the XVIth *arrondissement* of Paris, France.

(B) Instruments, proceedings and orders

"the Settlement" means the settlement dated 21 November 1985 referred to in paragraph 5 whereby the Settlor created the Ojjeh Trust.

"the Amending Instruments" means the First Amendment to the Ojjeh Trust dated 27 November 1986 and the Declaration of Trust No. 2 dated 8 April 1987, whereby the Settlor varied the terms of the Settlement and added to the settled property.

"the Ojjeh Trust" means the trust created or varied (as the case may be) by the Settlement, the Amending Instruments and the First 1993 Order.

"the Trust Fund" or "Trust Assets" means the assets of the Ojjeh Trust and "Shares" means the respective or collective interests or shares of the beneficiaries in the Trust Fund or Trust Assets.

"the 1992 Proceedings" means the proceedings No. 428 of 1992 issued by the Trustees in the Grand Court of the Cayman Islands ("Grand Court") on 30 November 1992.

"the First 1993 Proceedings" means the proceedings No. 100 of 1993 issued by the Trustees in the Grand Court on 15 March 1993.

"the Principal Proceedings" means the proceedings No. 422 of 1993 issued by Mme Ojjeh in the Grand Court on 20 September 1993.

"the First 1993 Order" means an order made by Chief Justice Malone in the 1992 Proceedings on 18 May 1993.

"the Second 1993 Order" means an order made by Chief Justice (then Justice) Smellie in the First 1993 Proceedings on 24 May 1993.

"the 1998 Order" means the order made by Chief Justice Smellie in the Principal Proceedings on 11 December 1998.

"the 1999 Order" means the order made by Chief Justice Smellie in the Principal Proceedings on 30 June 1999.

"the 1999 Agreement" means the agreement contained in the Second Schedule to the 1999 Order.

(C) Companies

"TAG Group" means TAG Group S.A.

"TAG McLaren" means TAG McLaren Holdings Limited.

"TAG International" means TAG International Limited.

"TAG Heuer" means TAG Heuer S.A.

"TAG Finances" means TAG Finances S.A.

"TAG Art" means TAG Art Collection S.A.

"DaimlerChrysler" means DaimlerChrysler AG, Epplestraße 225, 70546 Stuttgart, Germany.

"D&T" means Deloitte & Touche.

"M&G" means Mazars & Guerard.

"Sotheby's" means Sotheby's, 34 &35 Bond Street London, W1A 2AA.

"Christie's" means Christie's, King Street, London.

BACKGROUND

2. The First Plaintiff is Akram Akram Ojjeh, the youngest son of the Settlor, who reached the age of majority on 6 November 2004. The Second Plaintiff is Mme Ojjeh, the third wife and widow of the Settlor.

3. The First, Second and Third Defendants are Mansour Ojjeh, Abdul Aziz Ojjeh and Karim Ojjeh, all sons of the Settlor and also the Present Trustees.

4. The Settlor had children by 3 wives, namely:

   (1) his first wife, Irene Gras, by whom he had 5 children, namely Mansour, Abdul Aziz, Nadia, Salma and Layla;

   (2) his second wife, Renate Beckman, by whom he had 2 children namely Karim and Sultan; and

   (3) his third wife, Mme Ojjeh, by whom he had 1 child namely Akram.

5A. Pursuant to a settlement dated 21 November 1985 ("Settlement") and the Amending Instruments the Settlor created and then varied the Ojjeh Trust, which was governed by the laws of the Cayman Islands. The Plaintiffs will refer to the Settlement and the Amending Instruments for their full terms and effect.

5B. The Trust Fund comprised:

   (1) the whole of the issued share capital of TAG Group;

   (2) a loan of US$250 million to TAG Group;

   (3) certain other securities;

(4) the entire share capital of TAG Art;

(5) a loan of US$28,660,552 to TAG Art; and

(6) a loan of FF 17.5 million to TAG Art.

6. TAG Group was at the time of the Settlement and thereafter a holding company which owned the extensive business empire of the Settlor through a large number of subsidiary companies.

7. Mansour Ojjeh and Abdul Aziz Ojjeh were at all material times during the lifetime of the Settlor and after his death directors of TAG Group and closely involved in its management. At all material times, Mansour Ojjeh and Abdul Aziz Ojjeh were directors of TAG Finances, TAG McLaren and TAG International and Mansour Ojjeh was a director of TAG Heuer. At all material times, Karim Ojjeh was involved in the management of the TAG Group.

8. The Settlement and the Amending Instruments provided that:

(1) after the Settlor's death the Trust Fund should be divided into 1248 equal Shares which were to be allocated to the surviving Initial Beneficiaries (as defined in the Settlement and varied by the Amending Instruments) as follows:

The Settlor's mother Mussera Choulak	208
The Settlor's second wife Renate Beckman	78
The Settlor's third wife Mme Ojjeh	78
Mansour	136
Abdul Aziz	136
Karim	136
Sultan	136
Akram	136
Nadia	68
Salma	68
Layla	68

(2) the Shares of the Initial Beneficiaries who survived him should be held upon trust:

(a) to pay to such Initial Beneficiaries for their respective lives or the duration of the Ojjeh Trust so much of the income of their respective Shares as the Trustees might deem necessary to enable them to maintain a proper standard of living (as defined);

(b) to distribute to the Initial Beneficiaries the proceeds of sale of their respective Shares so far as necessary to enable them to maintain a proper standard of living (as defined) or money needed for any extraordinary purpose; and

(c) after their deaths for their descendants in terms of sub-paragraphs 2(a) and 2(b) above in accordance with the laws of the Kingdom of Saudi Arabia;

(3) the maximum duration of the Ojjeh Trust should be the later of eighty years from the date of the Settlement or twenty years after the death of the last surviving child of the Settlor.

9. The Settlor was the sole original trustee of the Ojjeh Trust and remained the sole trustee until his death.

10. The Settlor died on 28 October 1991. He was survived by all of the Initial Beneficiaries.

11. On the death of the Settlor, M. de Roquefeuil, M. Chatti and Mansour Ojjeh became Trustees. Mansour Ojjeh became executive chairman of TAG Group

12. After the death of the Settlor it was agreed between Mansour Ojjeh and Mme Ojjeh that Akram and Mme Ojjeh should withdraw from the Ojjeh Trust but there was disagreement between Mansour Ojjeh and Mme Ojjeh as to the terms upon which such withdrawal should take place.

13. The Settlor's mother died on 25 May 1992 and 26 of her Shares were distributed to the sisters of the Settlor (Hayat, Falak and Malak) and the remaining 182 Shares were distributed amongst the descendants of the Settlor, with the result that the Shares in

the Trust Fund were held as follows:

Settlor's sisters	26
Widows	
Renate Ojjeh	78
Mme Ojjeh	78
Sons of Settlor	
Mansour	153.33
Abdul-Aziz	153.33
Karim	153.33
Sultan	153.33
Akram	153.33
Daughters of Settlor	
Nadia	76.67
Salma	76.67
Layla	76.67
Son of Mansour	
Sultan Mansour	17.33
Daughters of Mansour	
Lana	8.67
Lia	8.67
Sara	8.67
Son of Karim	
Akram Karim	17.33
Daughter of Karim	
Tatiana	8.67

COURT PROCEEDINGS

14. On 30 November 1992 the Trustees issued the 1992 Proceedings seeking the determination of certain questions as to the meaning and effect of the Settlement including:

(1) the meaning and effect of the powers in Section A, Article V, paragraphs B3

and B4 and the perpetuity provision in Section A, Article V, paragraph C; and

(2) the approval of conditional agreements relating to the withdrawal of the Settlor's sisters and their issue from the Ojjeh Trust.

15. By an Order dated 18 May 1993 ("the First 1993 Order") the Grand Court approved amended terms of compromise of these proceedings. Those terms of compromise provided (inter alia) as follows:

"In lieu of the powers in paragraphs B3 and B4 the trustees shall have power exercisable at their discretion at any time or times during the lifetime of the Beneficiaries (as defined in paragraph B) and before the perpetuity date (as hereinafter defined) to pay or transfer to such Beneficiary or to apply in any manner for the benefit of such Beneficiary the whole or any part or parts of the principal of the Shares of such Beneficiary in the trust property.

Provided always that the foregoing power shall only be exercised subject to the following conditions:

(a) in the case of a Beneficiary of full legal capacity with the written consent of that Beneficiary such consent not to be unreasonably withheld

(b) after appropriate valuation of the trust property and Shares of the Beneficiary who (if of full legal capacity) shall be given written particulars of such valuation by the trustees provided that (subject to any application to the Court) the whole or any part or parts of such particulars as may be indicated by the trustees to be confidential shall not be disclosed to anybody but the Beneficiary's legal and valuation advisers and copies of the same shall not be made except such as the Beneficiary may be properly advised

(c) in the case of a relevant advance [i.e. an advance of more than US$2,500,000 out of Akram's share when Akram is under 18] with the prior approval of the Court.... prior written notice of the application for approval to be given to the 5th Defendant Nahed Tlass Ojjeh if still alive.....

4. In paragraph C the words "perpetuity date that is to say the earlier" shall be substituted for the word "later". "

The Plaintiffs will refer to the First 1993 Order for its full terms and effect.

16. The Court also approved conditional agreements between the Trustees and the Settlor's sisters and their issue by which the Trustees agreed to transfer out of the Trust Fund the 26 Shares of the Settlor's sisters and their issue. The said transfers were wholly for cash and in arriving at the value of the said Shares the Trustees applied a discount representing less than 10% of the indicative fair value of the Trust Assets as determined by D&T.

17. The total number of Shares in the Trust Fund after giving effect to those purchases was 1222, and they were distributed as set out in paragraph 13 hereof, but with the omission of the 26 Shares previously allocated to the Settlor's sisters. Thus, Mme Ojjeh held 78 Shares (or 6.383 % of the total number of Shares) and Akram held 153.33 Shares (or 12.547% the total number of Shares).

18. On 15 March 1993, the Trustees issued the First 1993 Proceedings seeking the advice and directions of the Grand Court under section 45 of the Trusts Law (Revised) as to (*inter alia*) the duties of the Trustees in relation to the disclosure of documents and information to Mme Ojjeh and her lawyers and related matters. This proceeding was disposed of by an order made by Smellie, Ag. J. (as he then was) on 24 May 1993 ("the Second 1993 Order"). Paragraph 3 of the Second 1993 Order contained the following direction:

"The court directs that if any doubt or dispute arises in the future as to the disclosure (whether to the Defendant Nahed Tlass Ojjeh or to any other beneficiary) of accounts reports or other documents and information relating to the Trust such doubt or dispute shall be referred to the Grand Court."

19. On 20 September 1993, Mme Ojjeh commenced the Principal Proceedings seeking:

"(1) an order authorising the Trustees to enter into negotiations with the Plaintiff Nahed Tlass Mme Ojjeh and the guardian ad litem of the infant Akram Ojjeh for the purpose of arriving at a scheme of appropriation pursuant to the power given by the Order of this Court dated 20 January 1993 with the object that the principal of the shares of the said parties in the Trust shall be wholly paid transferred or applied to or

for such parties and their interest in the Trust shall be thereby discharged and satisfied

(2) All necessary directions for valuation of Trust property or otherwise..."

WITHDRAWAL NEGOTIATIONS AND ASSET VALUATIONS

20. For nearly 6 years thereafter there were negotiations between Mme Ojjeh, the Guardian and the Trustees as to the terms upon which the Shares of Mme Ojjeh and Akram should be withdrawn from the Ojjeh Trust and as to other matters relating to the estate of the Settlor.

21. The two key areas of disagreement between the Trustees on the one hand and the Guardian and Mme Ojjeh on the other were:

(1) as to the value of the Trust Assets; and

(2) as to the discount to be applied to the value of certain of those assets on a division of the Trust Fund between Akram and Mme Ojjeh and their respective issue and the other beneficiaries.

22. The core Trust Assets whose value gave rise to the disagreement referred to above were:

(1) the Ojjeh Trust's 100% shareholding in TAG Group. The main assets of TAG Group were its 60% shareholding in TAG McLaren ("the TAG McLaren shareholding") and its 28.53% shareholding in TAG Heuer ("the TAG Heuer shareholding"). The TAG Heuer shareholding was held through TAG Finances, another subsidiary of TAG Group.

(2) the art collection owned by TAG Art ("the TAG Art Collection").

23. On 29 May 1992, on the instructions of the Trustees, BDO Binder SA and D&T made a valuation ("the 1992 Valuation") of the Trust Assets as at 31 December 1991 which valued the trust assets at US$550 million on the basis of indicative fair value and US$360 million on the basis of a forced sale.

24. In March 1995 this valuation was reviewed on an informal basis by M. Jacques Rosset, an employee of the Trustees, who stated that the overall valuation was unchanged.

25. By a report dated 4 June 1996 ("the 1996 Valuation"), D&T valued the Trust Assets as at 31 December 1995 at US$660 million on the basis of indicative fair value and US$500 million on the basis of a forced sale. However, this valuation was qualified by the statement that *"it was not intended to provide a definite valuation for the purposes of a transaction, whether among beneficiaries or for any other purpose, in particular for fiscal reasons."* This report was presented to counsel for all parties to the Principal Proceedings on 26 June 1996.

26. On 11 December 1998, at the conclusion of the hearing of the Guardian's summons for directions of 30 January 1998 in the Principal Proceedings, the Trustees and the Guardian by their counsel undertook to the Court that they would forthwith respectively instruct D&T and M&G:

"(1) to use their best endeavours to agree not later than 18 December 1998 the terms of a letter D&T would provide (after receipt of the necessary confirmation from the Trustees) which would satisfy M&G as to the completeness and reliability of the information with which they had been provided by D&T in accordance with the Memorandum of Agreement between the Guardian and the Trustees and

(2) to use their best endeavours to agree not later than 31 January 1999 a statement of their joint opinion as to the present value [underlining added] of TAG Group S.A. and

(3) if they are unable to agree such a statement, to produce not later than 31 January 1999 a joint report stating their respective opinions, identifying the assets on which their opinions differ and summarising the reasons for any such difference"

The Plaintiffs will refer to the Court Order of 11 December 1998 ("the 1998 Order") for its full terms and effect.

27. The Trustees and the Guardian by their respective counsel also undertook that they would forthwith instruct Sotheby's and Christie's to use their best endeavours to agree not later the 31 January 1999 a statement of their joint opinion as to the present value of the TAG Art Collection and, if they were unable to agree such a statement, to produce not later than 31 January 1999 a joint report stating their respective opinions, identifying the works on which their opinions differed and summarising the reasons for any difference.

28. In December 1998, pursuant to their undertaking to the Grand Court, the Trustees instructed Sotheby's and the Guardian instructed Christie's to value the TAG Art Collection. On 19 January 1999, Christie's valued the TAG Art Collection at between US$48.7 and US$65.8 million (an average of US$57.25 million). On 4 February 1999 Sotheby's valued the TAG Art Collection at between US$65.6 and US$91.2 million (an average of US$78.4 million).

29. D&T and M&G were unable to agree on the value of TAG Group and on 5 February 1999 issued a joint report ("the Joint Report") in which D&T valued TAG Group at between US$850 and US$900 million (an average of US$875 million) ("D&T Valuation") and M&G valued TAG Group at between US$1000 and US$1,100 million (an average of US$1,050 million) ("M&G Valuation"). The valuations were carried out as 31 December 1997 but, in the case of M&G, taking account of significant developments occurring after 31 December 1997.

30. The main reason for the difference between the D&T Valuation and the M&G Valuation was a divergence of opinion on the value of the TAG McLaren shareholding. D&T valued the TAG McLaren shareholding in the range US$176 to US$247 million or an average of US$211.5 million. M&G valued it in the range US$300 to US$330 million (after applying a discount of 30%) or an average of US$315 million.

31. The main business activity of TAG McLaren was and is running a Formula One motor racing team. Formula One motor racing was (and is) a large international industry with a turnover of billions of dollars, but the expense of running a racing team was so great that the support of a major commercial organisation was essential and as a consequence all the leading teams were either owned or supported by a major motor car manufacturer. At the time of the 1999 Agreement, TAG McLaren had a 5 year agreement with DaimlerChrysler for the supply of engines and financial and technical support. Under the 5 year agreement the motor racing team raced under the McLaren Mercedes name.

32. The unusual nature of the business carried on by TAG McLaren made the TAG McLaren shareholding difficult to value, in particular because:

(1) the number of motor racing teams participating in the Formula One competition is limited to around 12;

(2) there were only 2 or 3 other Formula One motor racing teams comparable in terms of success and financial resources with McLaren;

(3) access to Formula One racing by new teams was prohibitively expensive as a result of the policies of Bernie Ecclestone who controlled the industry;

(4) the only likely buyers were major motor manufacturers;

(5) those potential buyers had huge resources;

(6) those potential buyers did not value teams primarily by reference to their earnings but by reference to the goodwill/reputation and technological expertise which success in Formula One would bring;

(7) shareholdings in Formula One teams were very rarely sold;

(8) none of the 3 or 4 leading teams and no significant shareholding in one of those leading teams had been sold for many years; and

(9) no significant shareholding in the second or third rank teams had been sold for several years other than a 40% shareholding in Jordan which was sold to a venture capitalist fund for a very high price in 1998.

33. The disagreement between D&T and M&G as to the value of the TAG McLaren

shareholding was due to two broad issues:

(1) the unusual nature of the main business carried on by TAG McLaren and the difficulty in valuing that business. In the reasons for their disagreement with the M&G Valuation, D&T identified a number of facts which, in their view, justified the lesser valuation and the application of a lower price earnings ratio than that applied by them in the 1996 Valuation; and

(2) the failure of D&T to take account of events occurring after 31 December 1997 (and in particular the racing and financial success of TAG McLaren in the year to 31 December 1998).

34. There are two world championships for Formula One cars: the Drivers' Championship for the most successful drivers and the Constructors' Championship for the most successful car manufacturers. In the late 1980's and early 1990's McLaren was the most successful Formula One team winning a series of Drivers' and Constructors' Championships.

35. The McLaren team was less successful in the years 1995, 1996 and 1997, finishing fourth in the Constructors' Championship in each year, and no McLaren driver finished higher than third in the Drivers' Championship. But 1998 was a year of exceptional success for McLaren, the team winning the Constructors' Championship and one of their drivers winning the Drivers' Championship. Also, 1999 was almost as successful, one of their drivers again winning the Drivers' Championship and the team coming second in the Constructors' Championship.

36. On receipt of the Joint Report and the Sotheby's and Christie's valuations new negotiations between the representatives of the Trustees on the one hand and the representatives of the Guardian and Mme Ojjeh commenced. These negotiations continued up to the 1999 Agreement.

37. Throughout these negotiations and throughout the Grand Court hearing between 23rd and 30 June 1999 in the Principal Proceedings, the Trustees represented that for the

purpose of calculating the value of Akram's and Mme Ojjeh's Shares:

(1) the D&T valuation was correct, alternatively more accurate than and preferable to the M&G Valuation;

(2) the values of the TAG McLaren shareholding and the TAG Heuer shareholding arrived at by D&T and M&G should be subject to a large discount because:

  (a) the Trustees had no plans to sell the said shareholdings in the near future;

  (b) in any event, the said shareholdings suffered from a lack of marketability;

  (c) any sale of the TAG Heuer shareholding was unlikely to take place before 5 to 8 years and involve substantial costs;

  (d) therefore the said shareholdings should be treated as illiquid assets;

  (e) those shareholdings represented about 60% of the value of the Trust Fund;

  (f) under the proposed agreement Akram and Mme Ojjeh would receive either cash (which was a liquid asset) or the TAG Art Collection (which the Trustees claimed was the equivalent of a liquid asset);

(3) the sale of the TAG Heuer shareholding would give rise to a tax charge of about US$100 million.

38. At a meeting between the Trustees, the Guardian and Mme Ojjeh on 16 April 1999, the Trustees represented to the Guardian and Mme Ojjeh that TAG Group was worth US$875 million (the average of the D&T Valuation) and the Art Collection was worth US$78 million (the average of Sotheby's 2 valuations). The valuation of TAG Group at US$875 million included a value of US$211.5 million for the TAG McLaren shareholding. The Trustees proposed on the basis of these figures to pay Akram and Mme Ojjeh together US$123.96 million, i.e. US$82.18 million to Akram and US$41.78 million to Mme Ojjeh. As the TAG Art Collection had (on this basis) a value of US$78 million, the Trustees offered US$45.96 million in cash.

39. The position of the Guardian and Mme Ojjeh at the meeting on 16 April 1999 was that TAG Group was worth US$962.5 million (the average of the M&G Valuation) and the TAG Art Collection was worth US$68.25 million (the average of Christie's 2 valuations). The valuation of TAG Group at US$962.5 million included a value of US$315 million for the TAG McLaren shareholding. On the basis of these figures the Guardian and Mme Ojjeh sought payment of US$130.87 million to Akram and US$66.58 million to Mme Ojjeh - a total of US$197.45 million.

40. The main reasons for the difference between the offer of the Trustees and the proposal of the Guardian and Mme Ojjeh were:

(1) the lower valuation of TAG Group by D&T;

(2) the provision by the Trustees for tax on a sale of TAG Heuer of US$100 million; and

(3) the discount applied by the Trustees.

41. At a meeting in Paris on 23 April 1999 the Trustees increased their offer to Akram and Mme Ojjeh from the TAG Art Collection plus US$45.96 million to the TAG Art Collection plus approximately US$60 million (after certain deductions).

42. On 11 May 1999 the Guardian's legal representatives in the Caymans Islands, Bruce Campbell & Co, wrote to Maples & Calder (who represented the Trustees) proposing that the Trustees transfer to trustees in Guernsey in satisfaction of the interests of Akram and Mme Ojjeh in the trust fund the TAG Art Collection and US$113,348,076 made up of (a) cash of US$22,348,076 and (b) US$ 100 million of 6% bonds payable in 2006.

1999 AGREEMENT

43. After continued negotiations between the Trustees, the Guardian, Mme Ojjeh and their respective representatives, agreement was finally reached upon the terms upon which:

(1) Akram and Mme Ojjeh and their respective issue would withdraw from the Ojjeh Trust;

(2) a fund of income accumulated for the benefit of Akram would be dealt with;

(3) a number of issues relating to the estate of the Settlor would be resolved.

44. The said terms ("the 1999 Agreement") were set out in the Second Schedule to the order of the Chief Justice made on 30 June 1999 ("the 1999 Order") and included the following:

(1) the payment by the Trustees to the trustees of a new Guernsey Settlement to be held as part of Akram's Fund for the benefit of Akram and his issue the sum of US$75 million;

(2) the assignment by the Trustees to the Guernsey Trustees of the Al Akram Debt (as defined) to be held as part of Akram's Fund;

(3) the delivery by the Trustees to the Guernsey Trustees of a share certificate for all the issued shares of TAG Art and an assignment to the Guernsey Trustees of all the indebtedness of TAG Art upon terms that the sum of US$20 million should be raised out of the property so assigned and held as part of Akram's Fund for the benefit of Akram and his issue and that the balance of the property so assigned should be held as part of Nahed's Fund upon trust for Mme Ojjeh and her issue;

(4) the payment by the Trustees to the Guernsey Trustees of the net accumulated income of Akram (subject to certain rights of retention) to be held as part of the Accumulations Fund for the benefit of Akram and his issue;

(5) the terms of the Second Schedule were in full and final settlement of all claims by Mme Ojjeh and Akram under the Settlement.

The Plaintiffs will refer to the 1999 Agreement and the 1999 Order for their full terms and effect.

45A Prior to the 1999 Order, Ms. Sonia Proudman Q.C. advised the Guardian in writing that the terms of the 1999 Agreement as a whole were for the benefit of Akram,

despite the large discount, because:

(a) the Trustees were very hostile to Akram;

(b) the Ojjeh Trust was run as a family business from which Akram was excluded;

(c) the investment policy of the Ojjeh Trust was unconventional and high risk;

(d) it was in the interests of Akram that his share of the Trust Assets should be held by independent trustees and invested in a conventional manner;

(e) it was important to resolve the various family disputes.

On the basis of this advice (which was put before Chief Justice Smellie) and in view of the representations made by the Trustees concerning the value of the Trust Assets as set out in paragraphs 37 and 38 hereof and the evidence put before the Grand Court by the Trustees, the Guardian decided to enter into the 1999 Agreement and commended it to the Grand Court on behalf of Akram.

45B In deciding to enter into the 1999 Agreement, Mme Ojjeh relied on:

(1) the evidence put before the Court by the Trustees in two affidavits of their attorney Mr Trezise sworn on 8 June 1999 and 24 June 1999;

(2) the valuations of the TAG Group and TAG McLaren shareholding referred to in paragraph 29 hereof;

(3) the representations of the Trustees and their advisers in the course of the negotiations as to the large discount to be applied in view of the timing and likelihood of sales of the TAG McLaren shareholding and the TAG Heuer shareholding and the value of the TAG Group referred to in paragraphs 37 and 38 hereof.

46. On the 30 June 1999 the terms of the 1999 Agreement were approved by the Chief Justice on behalf of Akram, the issue of Akram and Mme Ojjeh and all other persons not parties to the Principal Proceedings who were interested in the shares of Akram and Mme Ojjeh under the Settlement. In relation to the large discount applied to the value of the Trust Assets, in his Reasons for the Order, the Chief Justice stated:

At 12.55% the value of [the minor's] share on paper would be USD 131m which would result in a discount of 27.5% reflected in the capital sum of USD 95m to be paid under the compromise. Although this is a discount that is larger than that which counsel described as usually to be given to reflect the benefit of an early payment out by way of liquid assets, this is a discount which I am prepared to regard as reasonable nonetheless.

47. The 1999 Agreement was conditional upon the Guardian obtaining and producing to the Trustees on or before Monday 12 July 1999 the authority of the Guardianship Judge for Akram to be bound by the terms of the Second Schedule. The Guardian obtained the said authority on the 6 July 1999 on the basis of the D&T and M&G Valuations and the said authority was produced to the Trustees on the 7 July 1999.

DAIMLERCHRYSLER NEGOTIATIONS

48. At some date which the Present Trustees have refused to disclose to the Plaintiffs but before 23 April 1999, the Trustees and/or TAG Group and Ron Dennis entered into negotiations with DaimlerChrysler ("the DaimlerChrysler negotiations") for the creation of a new long-term business partnership between TAG McLaren and DaimlerChrysler. According to press announcements, the main features of that partnership were to be:

(1) the purchase by DaimlerChrysler of 40% of the share capital of TAG McLaren, more particularly 30% from TAG Group and 10% from Ron Dennis;

(2) new long term arrangements for the provision of engines and financial and technical support by DaimlerChrysler to TAG McLaren;

(3) the continued joint operational control and management of TAG McLaren by Ron Dennis and TAG Group.

49. The DaimlerChrysler negotiations included discussions on the appropriate mechanism for the purchase by DaimlerChrysler of 40% of the share capital of TAG

McLaren, which included an option granted to DaimlerChrysler by TAG Group to purchase half the TAG McLaren Shareholding ("the First Tranche") at an agreed price. The Present Trustees have refused to disclose this agreed price but have indicated that it was much more than half M&G's higher valuation of the TAG McLaren shareholding i.e. much more than US$165 million.

50. According to press announcements the said option was granted on or before 10 July 1999 i.e. less than 10 days after the 1999 Agreement and the 1999 Order made by Chief Justice Smellie and less than 4 days after the approval of the 1999 Agreement by the Guardianship Judge.

51. According to press announcements DaimlerChrysler completed the purchase of the First Tranche of the TAG McLaren shareholding on or before 19 January 2000.

52. The DaimlerChrysler negotiations were of critical importance to the value of the TAG McLaren shareholding as a whole, the First Tranche of the TAG McLaren shareholding and the remaining half ("Second Tranche") of the TAG McLaren shareholding because:

(1) the TAG McLaren shareholding was (inter alia, for the reasons stated in paragraph 32 hereof) difficult to value and there was a wide disagreement between D&T and M&G (set out in paragraph 30 hereof) as to the correct valuation;

(2) the DaimlerChrysler negotiations were by far the best available evidence of the value of the TAG McLaren shareholding;

(3) they considerably diminished the impact of the risk factors that D&T had identified in the Joint Report as justifying their low valuation of the TAG McLaren shareholding;

(4) if M&G and D&T had been aware of the DaimlerChrysler negotiations they would have placed a much higher value on the TAG McLaren shareholding than they did in the Joint Report;

(5) a price for the First Tranche agreed or a range of prices under negotiation

between the Trustees and/or TAG Group and DaimlerChrysler on or about the 30 June 1999 (or on or about 6 July 1999) would have been by far the best available evidence of the value of the First Tranche as at that date;

(6) the sale price of the First Tranche alone pursuant to the option (substantially in excess of US$165 million) was much more than half the value placed on the TAG McLaren shareholding by D&T and M&G and may have exceeded the value placed on the whole TAG McLaren shareholding by D&T; and

(7) the DaimlerChrysler negotiations demonstrated that on 30 June 1999 (and *a fortiori* on the 6 July 1999):

(a) the Trustees had decided to sell the First Tranche immediately;

(b) the First Tranche was both readily marketable and likely to be sold for cash;

(c) therefore, the price of the First Tranche agreed with DaimlerChrysler, namely a sum much in excess of US$165 million, should be treated as a liquid asset in arriving at the value of the First Tranche for the purpose of the 1999 Agreement; and

(d) no (or no significant) discount should be applied to that sum in arriving at the value of Akram's and Mme Ojjeh's Shares of the Trust Fund.

(8) they resulted in a great increase in the goodwill, prospects and financial strength of TAG McLaren and its Formula One racing business and therefore in the value of the Second Tranche of the TAG McLaren shareholding;

(9) they resulted in the shares of TAG McLaren being held as to 30% by TAG Group, 30% by Ron Dennis and 40% by DaimlerChrysler, making it likely that a shareholders' agreement was put in place between the 3 shareholders which would have a favourable impact on the value of the Second Tranche of the TAG McLaren shareholding; and

(10) the resulting shareholdings in TAG McLaren made it very likely that at some future date DaimlerChrysler would pay a high price for the Second Tranche of the TAG McLaren shareholding in order to gain control of TAG McLaren;

(11) they demonstrated the commercial significance of TAG McLaren to DaimlerChrysler and the intention of DaimlerChrysler to develop its

commercial relationship with TAG McLaren on a long-term basis;

53. Mansour Ojjeh and Abdul Aziz Ojjeh were at all material times directors of TAG McLaren and TAG International and closely involved in the management of those companies. Mansour Ojjeh and Abdul Aziz Ojjeh were also actively involved in the DaimlerChrysler negotiations and aware of the terms and progress of those negotiations.

TAG GROUP ACCOUNTS

54. Further, Mansour Ojjeh and Abdul Aziz Ojjeh failed to disclose to the Guardian and Mme Ojjeh and their respective advisers or to Chief Justice Smellie prior to the making of the 1999 Order and the 1999 Agreement:

(1) the accounts of TAG McLaren and McLaren International for the year to 31 October 1998 (with comparative figures for the year 31 October 1997), although the said accounts were approved by the boards of TAG McLaren and McLaren International on 19 May 1999 and were sent to Mansour Ojjeh and Abdul Aziz Ojjeh as directors of TAG McLaren and McLaren International in draft at an earlier date;

(2) the management accounts of TAG McLaren and McLaren International for the half year to 30 April 1999 (with comparative figures for the half year to 30 April 1997), although the said accounts were available to Mansour Ojjeh and Abdul Aziz Ojjeh as directors of TAG McLaren and McLaren International before 30 June 1999;

(3) up-dated forecasts of the profits of TAG McLaren and McLaren International for the years to 30 April 1998, 1999 and 2000 although the said up-dated forecasts were available to Mansour Ojjeh and Abdul Aziz Ojjeh as directors of TAG McLaren and McLaren International before 30 June 1999.

55. The said accounts and forecasts of TAG McLaren and McLaren International were material to the valuation of TAG McLaren and therefore to the 1999 Agreement

because they showed substantial increases in:

(1) the turnover and profit of TAG McLaren and TAG International for the year ended 31 October 1998 and for the half year to 30 April 1999 (as compared with the year to 31 October 1997 and the half year to 30 April 1998); and

(2) the up-dated forecasts for the years to 31 October 1998 1999 and 2000 (as compared with the original forecasts supplied by the Trustees to M&G).

In the case of the year to 31 October 1998 the turnover and profits (with 1997 comparatives) were as follows (all figures in GBP):

TAG McLaren

1997 Turnover:	101,568,513	Profit: 10,276,641
1998 Turnover:	112,142,369	Profit: 16,797,314

TAG International

1997 Turnover:	58,149,291	Profit: 4,923,152
1998 Turnover:	82,734,441	Profit: 21,593,831

TAG HEUER SALE

56. Mansour Ojjeh was at all material times a director of TAG Heuer.

57. In June 1999, before the 1999 Agreement was finalised, the Board of TAG Group decided to:

(1) review and did review its options in relation to the TAG Heuer shareholding;

(2) change its policy with regard to the TAG Heuer shareholding; and

(3) seek an immediate buyer for the TAG Heuer shareholding and to contact immediately potential buyers of the TAG Heuer shareholding including LVMH Moet Hennessy Louis Vuitton S.A. ("LVMH").

58. Mansour Ojjeh and Abdul Aziz Ojjeh did not disclose to the Guardian and Mme

Ojjeh and their respective advisers or to the Chief Justice the decisions and review referred to in the previous paragraph.

59. The said decisions and review were material to the 1999 Agreement because the Trustees had consistently stated in the negotiations leading to the 1999 Agreement that:

(1) they had no plans to sell the TAG Heuer shareholding in the near future;

(2) a sale of the TAG Heuer shareholding would be unlikely to take place before 5 to 8 years in view of brand and other restructuring to be carried out;

(3) therefore, the TAG Heuer shareholding should be treated as illiquid; and

(4) Akram and Mme Ojjeh's share of the value of the TAG Heuer shareholding should be subject to a substantial discount.

60. TAG Group, TAG Finances and TAG Heuer entered into formal negotiations with one of the potential buyers LVMH for the sale of the TAG Heuer shareholding on 27 July 1999 (27 days after the 1999 Agreement and 21 days after the approval of the 1999 Agreement by the Guardianship Judge) and contracted to sell the TAG Heuer shareholding on the 13 September 1999 for US$217 million.

61. Thus, within less than 2 1/2 months after the 1999 Agreement the Trustees had contracted to sell the First Tranche of the TAG McLaren shareholding and the TAG Heuer shareholding for a sum that would have had a significant impact on the values of Akram's and Mme Ojjeh's Shares of the Trust Fund.

TRUSTEES' CONDUCT

62. The 1999 Agreement was an agreement by way of compromise of disputed rights both in relation to the Settlement and in relation to the estate of the Settlor and was intended to be for the benefit of the Settlor's family. The 1999 Agreement was therefore a family arrangement.

63. The Trustees, in their capacity as trustees of the Ojjeh Trust and/or as parties to the 1999 Agreement, had a duty to act in the utmost good faith and to disclose to the other parties to the 1999 Agreement and to the Grand Court:

(1) all information in the Trustees' possession but not in the possession of those other parties which was likely to influence the attitude of those other parties towards the adoption of the 1999 Agreement;

(2) all information not in the possession of Akram's Guardian and Mme Ojjeh and Chief Justice Smellie which was likely to influence:

(a) (in the case of Akram) (i) the decision of the Guardian to enter into the 1999 Agreement and to recommend to Chief Justice Smellie that the 1999 Agreement be approved on behalf of Akram and (ii) the decision of Chief Justice Smellie to approve the 1999 Agreement on behalf of Akram;

(b) (in the case of Mme Ojjeh) her decision to enter into the 1999 Agreement; and

(c) (in the case of the issue of Akram and the issue of Mme Ojjeh other than Akram) the decision of Chief Justice Smellie to approve the 1999 Agreement on their behalf;

(3) the fact that the DaimlerChrysler negotiations referred to in paragraphs 48 and 49 hereof had been taking place since at least 23 April 1999.

(4) the accounts and forecasts of TAG McLaren and McLaren International referred to in paragraphs 54 and 55 hereof; and

(5) all information about the review of policy relating to the TAG Heuer shareholding in June 1999 and the decision to seek an immediate sale of the TAG Heuer shareholding referred to in paragraph 57 above.

64. Further, if (which is denied) there was any doubt whether the Trustees should disclose to the Guardian and Mme Ojjeh and their respective advisers and to the Grand Court the matters referred to in paragraph 63 hereof, then the Trustees should have referred that question to the Grand Court in accordance with paragraph 3 of the Second 1993 Order.

65. Further, the Trustees, as trustees of the Ojjeh Trust, by virtue of the 1998 Order and/or as parties to the 1999 Agreement, were under a duty to ensure that D&T:

(1) produced in or about January 1999 a valuation showing the present value of TAG Group as required by the 1998 Order;

(2) updated their valuation of TAG Group as at 31 December 1997 by reference to events subsequent to 31 December 1997 and in particular by reference to the accounts of TAG McLaren and McLaren International for the year to 31 October 1998 and the success of TAG McLaren's Formula One team in the 1998 season;

(3) supplied M&G with all the information requested by M&G; and

(4) updated their valuation of TAG Group as at June 1999.

66. The Trustees breached the duties referred to paragraphs 63, 64 and 65 hereof in that:

(1) they did not ensure that D&T produced a valuation showing the present value of the TAG Group, as set out in paragraphs 29 to 30 hereof.

(2) they did not ensure that D&T updated their valuation of TAG Group as at 31 December 1997 by reference to events subsequent to 31 December 1997 and in particular by reference to the accounts of TAG McLaren and McLaren International for the year to 31 October 1998 and the success of TAG McLaren's Formula One team in the 1998 season;

(3) they did not ensure that D&T supplied M&G with all the information requested by M&G;

(4) they did not ensure that D&T updated their valuation as at June 1999 to take account of the impact of the DaimlerChrysler negotiations on the value of the TAG McLaren shareholding;

(5) the Trustees failed to comply with their undertaking to the Court in the 1998 Order;

(6) they failed to disclose to the Guardian or Mme Ojjeh or their respective advisers, or to Chief Justice Smellie the existence of the DaimlerChrysler negotiations prior to the 1999 Agreement and the 1999 Order and in particular

the matters referred to in paragraphs 48 and 49 hereof. Further, even without disclosing the name of the potential purchaser or holder of the option, the Trustees failed to indicate to Akram and Mme Ojjeh that an option existed or that a sale was in the process of negotiation at a value which must have been agreed upon;

(7) they failed to disclose to the Guardian or Mme Ojjeh or their respective advisers, or to Chief Justice Smellie prior to the 1999 Agreement and the 1999 Order the accounts and forecasts of TAG McLaren and McLaren International referred to in paragraphs 54 and 55 hereof;

(8) they failed to disclose to the Guardian or Mme Ojjeh or their respective advisers, or to Chief Justice Smellie prior to the 1999 Agreement and the 1999 Order all information about the review of policy relating to the TAG Heuer shareholding in June 1999 and the decision to seek an immediate sale of the TAG Heuer shareholding referred to in paragraph 57 above; and

(9) if (which is denied) there was any doubt whether the Trustees should disclose the matters referred to in paragraph 63 above, they failed to comply with paragraph 3 of the Second 1993 Order.

67. Mansour Ojjeh and Abdul Aziz Ojjeh, in their capacity as Trustees, were under the following duties:

(1) in connection with any division of the Trust Fund between Akram and Mme Ojjeh on the one hand and themselves and the other beneficiaries on the other, to make fair offers in respect of Akram's and Mme Ojjeh's Shares, to put forward fair and accurate valuations of the Trust Assets and not to require, seek or claim unfair discounts or deductions in respect of the value of Akram's and Mme Ojjeh's Shares;

(2) to deal with Akram and the Guardian and Mme Ojjeh as beneficiaries under the Ojjeh Trust and not as enemies and to use their fiduciary position and powers in a fair, non-contentious and straight-forward manner:

(3) to administer the Ojjeh Trust honestly and impartially for the benefit of all the beneficiaries; and

(4) not to put themselves in a position where there was a real possibility that their self-interest may conflict with their duties as Trustees.

68. Mansour Ojjeh and Abdul Aziz Ojjeh committed the following breaches of the duties referred in paragraph 67 hereof:

(1) they made the following unfair offers in satisfaction of the shares of Akram and Mme Ojjeh in the trust fund:

(a) In 1991/2, US$30 million;

(b) In 1991/2, US$50 million;

(c) In 1991/2, US$80 million;

(d) In April 1999, the Art Collection plus US$45.96 million cash (referred to in paragraph 38 hereof); and

(e) Later in April 1999 the Art Collection plus US$60 million cash (referred to in paragraph 41 hereof).

(2) Mansour Ojjeh and/or Abdul Aziz Ojjeh repeatedly argued that the Trust Assets were not readily marketable and should be valued at a large discount (often referred to as a forced sale basis) although there was never any real prospect that Trust Assets would have to be sold at such a discount or on a forced sale basis to meet payments to or for the benefit of Akram or Mme Ojjeh.

Particulars

(a) The Trustees commissioned the 1992 Valuation (US$550 million indicative fair value and US$360 million forced sale) and the 1996 Valuation (US$660 million indicative fair value and US$500 million forced sale).

(b) The Protocole d'Accord was negotiated in 1994 by the Trustees on the basis that a forced sale value was an appropriate basis for a division of the trust fund as Mr. Trezise states in paragraphs 43 and 44 of his affidavit dated 8 June 1999.

(c) The Trustees stated at a negotiating meeting held on 19 January 1999 that "*The Trustees have instructed D&T to agree a forced sale value*".

(d) In 1999 in relation to the TAG McLaren shareholding M&G had in their valuation given a large discount for illiquidity but the Trustees still demanded a further large discount.

(3) Mansour Ojjeh and/or Abdul Aziz Ojjeh repeatedly argued that the works of art comprised in the TAG Art Collection should (if taken by Mme Ojjeh) be treated as liquid assets although they had none of the characteristics associated with liquid assets and all the characteristics of illiquid assets in that;

(a) each was unique;

(b) there was a very limited market/number of potential buyers;

(c) speedy sale and payment was impossible because on a sale by auction (which the Trustees required) sale and payment would take many months;

(d) it was impossible to predict with any certainty what price a work would fetch;

(e) even with a modest reserve there was a real risk that a work would be unsold;

(f) with a high reserve there was a high chance a work would be unsold; and

(g) despite the illiquidity of the Art Collection and the difficulty of valuing it.

(4) Mansour Ojjeh and/or Abdul Ojjeh repeatedly argued that instead of giving a discount for illiquidity each of the works of art (if taken by Mme Ojjeh) should be taken by her at the highest of the four valuations obtained from Sotheby's and Christie's, although there was almost no chance at all that each of those works of art would fetch that highest valuation and although if the highest valuation had been taken as a reserve very few of the works of art would have been expected to sell.

The Trustees stated at a negotiating meeting on 13 April 1999 as follows: *"As you know our advice to the Trustees has been that the appointment of the Art Collection to one Beneficiary in lieu of a sale for the benefit of all could only be justified if it was treated as representing the aggregate of the highest*

values put upon each item whether by Sotheby's or Christie's, which amounts to a sum in excess of US$90 million."

(5) On this basis the Trustees negotiated a large discount of the value of Akram and Mme Ojjeh's Share of the Trust Assets as a whole and effectively deprived Akram and Mme Ojjeh of, and instead transferred to themselves and the other remaining beneficiaries of the Ojjeh Trust the benefit of the increase in the value of the Trust Assets brought about by the DaimlerChrysler negotiations, the improvement in trading performance shown in the accounts and profit forecasts referred to in paragraph 54 hereof and the TAG Group's decisions concerning the TAG Heuer shareholding referred to in paragraph 57 hereof;

(6) Mansour Ojjeh and/or Abdul Aziz Ojjeh:

(a) repeatedly dealt with the Guardian and Mme Ojjeh and their respective advisers in a hostile, unfair and aggressive manner as illustrated in paragraphs 16, 54, 66 and 68(1) to (5) hereof; and

(b) repeatedly threatened not to exercise their fiduciary power to advance Akram and Mme Ojjeh unless the Guardian and Mme Ojjeh accepted a division of the Trust Fund which was unfair to Akram and Mme Ojjeh and beneficial to Mansour Ojjeh and Abdul Aziz Ojjeh personally; and

(7) they engaged in the wrongful conduct referred to in paragraphs 71 and 72 hereof.

69. By reason of the breaches of their duties referred to in paragraphs 66 and 68 hereof, Mansour Ojjeh and/or Abdul Azziz Ojjeh are not fit persons to be Trustees.

70. The Trustees, alternatively Mansour Ojjeh and Abdul Aziz Ojjeh knew or ought to have known of the matters set out in paragraphs 30 to 35, 52, 55 and 59 hereof.

71. In the premises, the Trustees, alternatively Mansour Ojjeh and Abdul Aziz Ojjeh made the representations referred to in paragraphs 37 and 38 hereof with the intention of deliberately inducing the Guardian and Mme Ojjeh to enter into the 1999 Agreement, which representations the Trustees knew to be false in that the actual indicative fair

value of the Trust Assets was far greater than the Trustees made it out to be. The Guardian and Mme Ojjeh were deceived by the said representations of the Trustees into believing that the Trust Assets were worth or may have been worth far less than the said assets were in fact worth, and acting in reliance upon those representations the Guardian and Mme Ojjeh consented to the 1999 Agreement and 1999 Order and Akram and Mme Ojjeh thereby suffered loss and damage arising from the reduced value attributed pursuant to the 1999 Agreement to their Shares in the Trust Assets.

72. Further, the Trustees, alternatively, Mansour Ojjeh and Abdul Aziz Ojjeh wrongfully and with intent to injure and/or cause loss to Akram and Mme Ojjeh by unlawful means conspired and combined together to cause loss, and did cause loss to Akram and Mme Ojjeh.

Particulars

The Plaintiffs refer to and repeat the allegations contained in paragraphs 66, 68, 70 and 71 hereof.

AND THE PLAINTIFFS' CLAIM:

(1) a declaration that they are entitled to rescind the 1999 Agreement, alternatively, that the 1999 Agreement be rescinded.

(2) further, or alternatively, that the 1999 Order be set aside.

(3) an inquiry as to the additional sums which would have been paid for the benefit of Akram and Mme Ojjeh and their respective issue if the Trustees had made proper disclosure in relation to the value of the Trust Assets in due time.

(4) an order that the Present Trustees raise out of the trust assets and pay for the benefit of Akram and Mme Ojjeh and their respective issue the said additional sums.

(5) further or alternatively:

  (a) that the 1999 Agreement be rescinded and/or that the 1999 Order be set aside;

  (b) that the Present Trustees, alternatively Mansour Ojjeh and Abdul Aziz Ojjeh be removed as trustees of the Ojjeh Trust and replaced by suitable

independent trustees either:

(i) for the sole purpose of ensuring a distribution for the benefit of Akram and Mme Ojjeh and their respective issue of the sums to which they are entitled; or

(ii) with a view to the conversion of all the Trust Assets (so far as not consisting of cash) into cash and the distribution of the cash in the proper shares to the persons entitled thereto.

(5) further or alternatively:

(a) a declaration that the breaches of duties alleged in paragraphs 66 and 68 hereof constituted breaches of trust by Mansour Ojjeh and Abdul Aziz Ojjeh;

(b) that by reason of the said breaches of trust Akram and Mme Ojjeh and their respective issue suffered loss;

(c) that Mansour Ojjeh and Abdul Aziz Ojjeh be ordered to pay personally for the benefit of Akram and Mme Ojjeh and their respective issue the additional sums referred to in subparagraphs (3) and (4) of this prayer for relief.

(6) further or alternatively:

(a) a declaration that the 1999 Agreement constituted a purchase *pro tanto* by Mansour Ojjeh and Abdul Aziz Ojjeh of the interests of Akram and Mme Ojjeh and their respective issue under the Ojjeh Trust;

(b) a declaration that by reason of the said non-disclosures the said purchases should be set aside.

(7) further and in any event that Mansour Ojjeh and Abdul Aziz Ojjeh be ordered to pay personally the costs of all parties of or incidental to these proceedings.

(8) damages for fraudulent misrepresentation and/or deceit by the Trustees inducing the Guardian and Mme Ojjeh to consent to the 1999 Agreement and the 1999 Order;

(9) damages for conspiracy;

(10) an order for equitable compensation.

(11) all necessary consequential relief.

Dated the 23rd day of June 2005

Solomon Harris

SOLOMON HARRIS
PLAINTIFFS' ATTORNEYS-AT-LAW

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 acting in person.

   After completion it must be delivered or sent by post to the Law Courts, P.O. Box 495G, 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 Defense must be served within 14 days after the time for acknowledgment service of the Writ, unless in the meantime a summons for judgment is served on the Defendant.

   If the Statement of Claims is not indorsed on the Writ, the Defense 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 defense 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

Please complete overleaf

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 AME 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 authorized to act on behalf of the Company, but the Company can take no further step in the proceedings without an Attorney acting on its behalf.

7. Where the Defendant I 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.

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. OF 2005

IN THE MATTER OF THE TRUST DEED DATED 21 NOVEMBER 1985 AND MADE BY AKRAM OJJEH

A N D

IN THE MATTER OF THE TRUSTS LAW (1998 REVISION)

BETWEEN	**AKRAM OJJEH**	**FIRST PLAINTIFF**
A N D	**NAHED TLASS OJJEH**	**SECOND PLAINTIFF**
A N D	**MANSOUR OJJEH**	**FIRST DEFENDANT**
	ABDUL AZIZ OJJEH	**SECOND DEFENDANT**
	KARIM OJJEH	**THIRD DEFENDANT**

ACKNOWLEDGMENT 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 Respondent whereby he may have to pay the costs of applying to set it aside.

1. State the full name of the Defendant by whom or on whose behalf the service of the Originating Summons is being acknowledged.

2. State whether the Defendant intends to contest or otherwise participate in the proceedings (*tick appropriate box*)

☐ yes ☐ no

3. 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

Service of the Writ is acknowledged accordingly

(Signed) .....

[Attorney] for

[Defendant in person]

Address for service: *Please complete overleaf*

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.

Solomon Harris
P.O. Box 1990GT
2nd Floor, First Caribbean House
George Town, Grand Cayman,
Cayman Islands

Indorsement by defendant's Attorney (or by defendant if suing in person) of his name, address and reference, if any, in the box below.