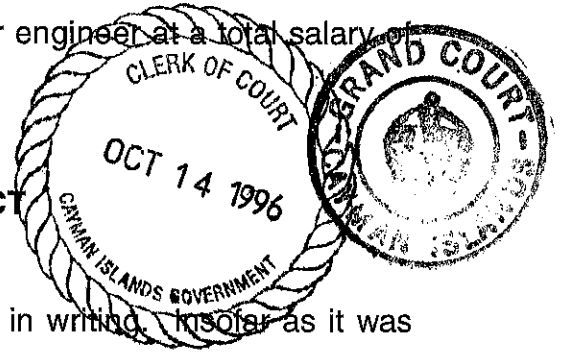


STATEMENT OF CLAIM

1. The Plaintiff is resident in the Cayman Islands. The Plaintiff is a qualified service engineer for all manner of office equipment.
2. The Defendant Company is a retail supplier of office equipment and its place of business is located at Airport Road, George Town, Grand Cayman. Its registered office is located at PO Box 889, George Town, Grand Cayman, Cayman Islands.
3. By an agreement (the agreement) made some time between June 1994 and November 1994 the Defendant Company agreed to employ the Plaintiff who agreed to serve them as an office machinery repair engineer at a total salary of CI\$36,000 per annum payable monthly.

PARTICULARS OF CONTRACT



The agreement was made in part orally and partly in writing. Insofar as it was oral it was made:-

- (a) at an initial meeting between the Plaintiff and Mr. Steve Scott some time in or around June/July of 1994. At that time the Plaintiff was offered a job with the Defendant Company for a period of two years at a total compensation of CI\$36,000 per annum and the Plaintiff was at that time told he would have the use of a company van/vehicle.
- (b) Thereafter between July and November of 1994 there were numerous telephone calls between the Plaintiff and the Defendant mainly liaising necessary immigration formalities. The Plaintiff constantly requested a formal written contract. None was provided. At no time however was the Plaintiff told that his employment was for any period other than 2 years.

- (c) The Plaintiff arrived back in the Cayman Islands to commence employment on the 23rd November 1994. On his taking up employment the Plaintiff asked about a written contract. However none was provided.
- (d) The Plaintiff was told in or around November or December of 1994 that contrary to an earlier assertion made at his interview in June/July he would now have to provide his own transport. This necessitated the obtaining of a loan by the Plaintiff from the Nova Scotia bank, however the Defendant agreed to guarantee the said loan.

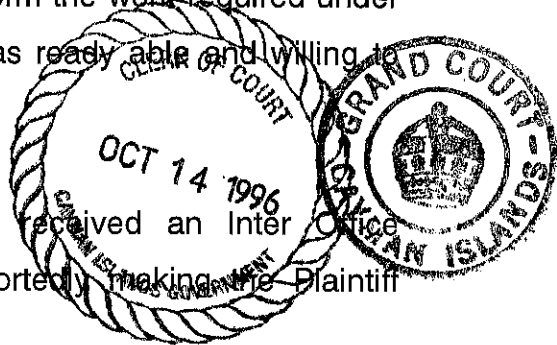
Insofar as the agreement was in writing it was partly confirmed by the Defendant Company's letter to the Plaintiff dated 2nd November, 1994. The Plaintiff does not accept however that the said letter sets out all the agreed terms and conditions of the contract. The said letter does not deal for instance with the term of the contract.

- 4. It was an express term of the agreement that the employment of the Plaintiff should continue for a fixed period of two years.
- 5. (a) In furtherance of the application for a loan referred to in paragraph 3(d) herein, the Defendant Company wrote to the Bank of Nova Scotia on the 6th December, 1994 confirming that the Plaintiff was employed under a two year contract at an annual salary of C\$36,000. The Plaintiff will assert that the Defendant's are accordingly estopped from denying that the term of the contract was for anything other than for a two year period.
- (b) On the 9th December, 1994 the Defendants entered into a Guarantee with the Bank of Nova Scotia guaranteeing the said loan between the Plaintiff and the Bank of Nova Scotia. At around the same time the Plaintiff entered into a loan with the Bank of Nova Scotia to purchase a

motor vehicle. The Plaintiff would not have undertaken such loan if he did not feel that he was in secure employment for at least two years.

6. In accordance with the usual practice of the Immigration Department of the Cayman Islands Government the initial work permit for the Plaintiff was granted for one year and it was well understood by both parties that the permit would have to be renewed with effect from November 1995. Accordingly in or around October/November of 1995 an application for the renewal of the Plaintiff's work permit was submitted to the said Immigration Department by the Defendant. The Plaintiff's work permit was renewed for a further period of one year. Accordingly at all times the Plaintiff was legally licensed to perform the work required under the fixed-term contract. At all times the Plaintiff was ready, able and willing to perform his assigned duties for the Defendant.

7. On or around 15th January, 1996 the Plaintiff received an Inter Office Memorandum from the Defendant Company purportedly making the Plaintiff redundant. The memorandum stated as follows:-



"This serves to confirm our conversation on the above date regarding a change in the job description of "the" your Department that will effect your employment.

1. Effective February 1st your position will be changed
2. The Qualification skills of the new position will allow it "(to)" be filled with a Caymanian trainee.

Your position because of these changes will be redundant.

We hereby tender notice to terminate your position and employment effective January 31st 1996. We will compensate you until the end of month and attached is your cheque calculated as follows:-

2 weeks pay in lieu of notice	\$1,384.62
1 week severance pay	\$ 692.31
Total	\$2,076.93

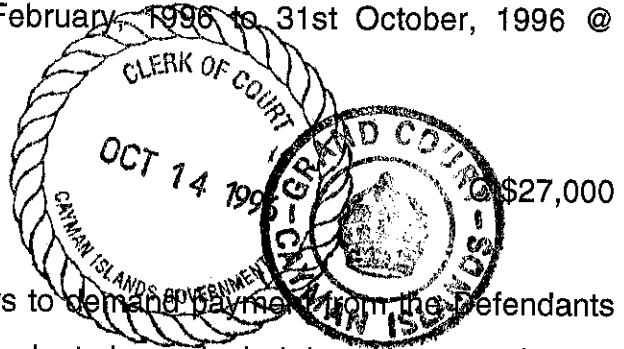
Thank you for your efforts and we wish you success in your future endeavours.”

8. By reason of the matters aforesaid the Plaintiff has been deprived of the salary he would otherwise have earned under the terms of the said agreement and he has thereby suffered loss and damage.

PARTICULARS OF DAMAGE

Loss of salary for the period 1st February, 1996 to 31st October, 1996 @ CI\$3,000 per month.

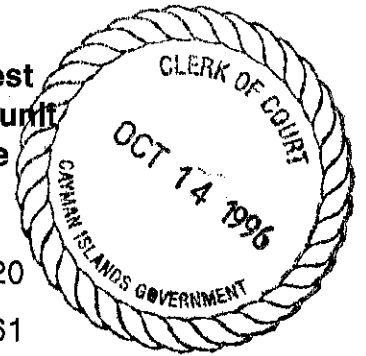
9 months @ CI\$3,000 per month.



9. The Plaintiff has caused his Attorneys to demand payment from the Defendants for the sums due. However the Defendants have denied the existence of a two year fixed term contract [notwithstanding the letter to the Bank of Nova Scotia dated 6th December, 1994] and have failed to satisfy the Plaintiffs claim or answer satisfactorily such correspondence. It is clear that the Defendants regard all contractual relationships between the parties as being terminated.
10. The Plaintiff claims interest on the sums due to him pursuant to Section 34 of the Judicature Law at the rate of 7³/₈% from 1st February, 1996. As of the 14th October, 1996 the total amount of interest claimed is CI\$578.06. The total amount of interest accruing each day thereafter is CI\$4.24 up to the 31st October, 1996. Thereafter the amount of interest accruing each day is CI\$5.45.

PARTICULARS OF INTEREST

Date	Debt Outstanding for at least 30 days	Days debt due	Interest due at unit date
30th March 1996	3000	30 days	18.20
30th April 1996	6000	31 days	37.61
30th May 1996	9000	30 days	54.59
30th June 1996	12,000	30 days	72.79
30th July 1996	15,000	30 days	90.99
30th August 1996	18,000	31 days	112.82
30th September 1996	21,000	31 days	131.62
14th October 1996	21,000	14 days	59.44
			578.06



And the Plaintiff claims:-

- (1) The sum of CI\$27,000.
- (2) Pre-Judgment interest pursuant to Section 34 of the Judicature Law as of the date of the issue of the Writ being CI\$578.06.
- (3) Continuing pre-Judgment interest at the rate of CI\$4.24 per diem (after 31st October 5.45 \$ per diem) from the date of the writ until judgment or satisfaction of the debt.
- (4) Post-Judgment interest pursuant to s. 34 of the Judicature Law at the statutory rate.
- (5) Costs.

If within the time for returning the Acknowledgment of Service the Defendant pays the total amount claimed of CI\$29,578.06 (including interest and costs) further proceedings will be stayed. The money must be paid to the Plaintiff or his Attorney.

Dated this 14th day of October, 1996.


Quin & Hampson
Attorneys at Law for the Plaintiff



THIS WRIT was issued by Messrs. Quin & Hampson, Attorneys-at-Law for and on behalf of the Plaintiffs herein whose address for service is that of their Attorneys-at-Law, Harbour Centre, Third Floor, PO Box 1348, George Town, Grand Cayman. 960923A

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 if 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)

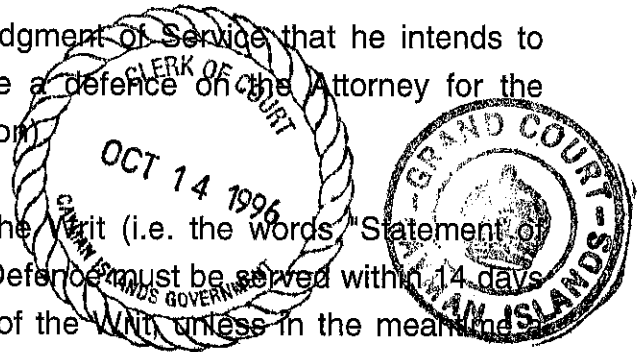
If a Statement of Claim is indorsed on the Writ (i.e. the words "Statement of Claim" appear on the top of page 2), the Defence must be served within 14 days after the time for acknowledging service of the Writ unless in the meantime summons for judgment is served on the Defendant.

If the Statement of Claim is not indorsed on the Writ, the Defence 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 defence within the appropriate time, the Plaintiff may enter judgment against him without further notice.

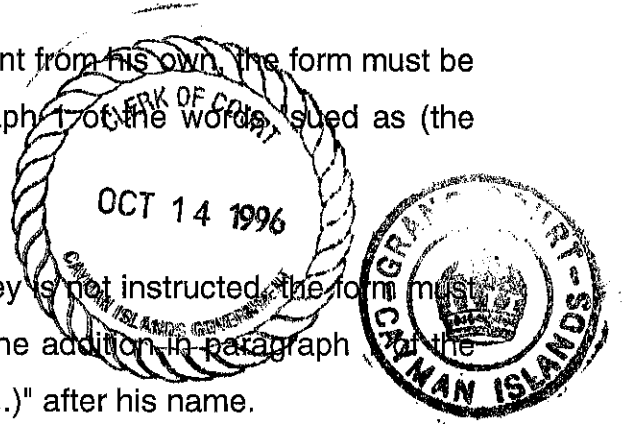
3. A Stay of Execution against the Defendant's goods may be applied for where the Defendant is unable to pay the money for which any judgment is entered. If a Defendant to an action for a debt or liquidated demand (i.e. a fixed sum) who does not intend to contest the proceedings states, in answer to 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 instalments or otherwise.

See over for notes for guidance



Notes for Guidance

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 NAME 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 authorised to act on behalf of the Company, but the Company can take no further step in the proceedings without an Attorney acting on his behalf.
7. Where the Defendant is 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 1996

BETWEEN: KENNETH MUIRHEAD PLAINTIFF
AND: HAMPSTEAD LTD. 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 the Defendants whereby they 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 Writ is being acknowledged.

- 2. State whether the Defendant intends to contest 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.

Messrs. Quin & Hampson
Attorneys-at-Law
Third Floor, Harbour Centre
P.O. Box 1348
George Town,
GRAND CAYMAN

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

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