

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO *342* OF 2006

BETWEEN: ROBERT WHITE

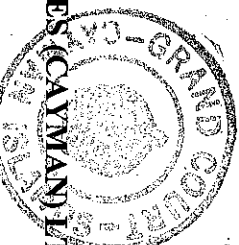
PLAINTIFF

AND: (1) DAVID MORRITT

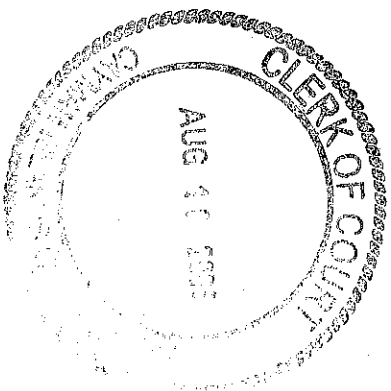
(2) MORRITT PROPERTIES (CAYMAN) LTD

(3) MORRITT'S SHOPPING CENTRE LTD

DEFENDANTS



WRIT OF SUMMONS



TO: Mr David Morritt
Morritt's Tortuga Club
PO Box 496 GT
Queen's Highway
Colliers
East End, Grand Cayman

AND TO: Morritt Properties (Cayman) Ltd
Truman Bodden and Company
PO Box 866GT
5th Floor - 1 Anderson Square Building
George Town, Grand Cayman

AND TO: Morritt's Shopping Centre Ltd
Trulaw Corporate Services Ltd
PO Box 866GT
5th Floor - 1 Anderson Square Building
George Town, 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 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 495G, 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 *18th* day of August 2006.

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. The Plaintiff, Robert White, is a US resident and a qualified accountant.
2. The First Defendant ("Mr. Morritt") is a UK citizen residing in Grand Cayman, Cayman Islands. Mr. Morritt is a director of the Second and Third Defendants.
3. The Second Defendant ("MPCL") is a company registered in the Cayman Islands, registration number 30736, carrying out the business of the provision and construction of guest and residential accommodations. Mr Morritt is the sole shareholder of DGM, Ltd which in turn is in the sole shareholder of MPCL. The Second Defendant is the sole shareholder of the Third Defendant.
4. The Third Defendant ("MSCL") is a company registered in the Cayman Islands, registration number 139440. MSCL was formed to take over the ownership, management and control of a development to be carried out by the Plaintiff, Mr. Morritt and MPCL known as Morritt's Shopping Centre (which was to be built in two phases).
5. By an agreement in writing dated 1st January 2003, signed by Mr. Morritt on behalf of MPCL, the Plaintiff agreed to provide his services to MPCL and to act as Chairman of the Board of MPCL, for reward.
6. Further, the Plaintiff also agreed to provide his services as Chairman of the Board of Global Resort Management Inc ("Global"). Global is a United States registered company carrying on the business of resort management.
7. In addition to the usual duties as Chairman of the Board of MPCL and Global, part of Plaintiff's employed duties was to organise, negotiate and manage the

development of all that property formally known as Registration Section Colliers, Block 73A, Parcel 21 ('the Property'), which was planned and approved by Mr. Morritt and MPCL as a two phase shopping centre and apartment development, which Plaintiff had already successfully begun.

8. The terms of the Plaintiff's engagement by the Defendants were contained in a hand written agreement between the Plaintiff and the First and Second Defendant, dated 2 October 2003 ("the First Agreement") containing the following terms:

- (a) It expressly superseded any previous written or oral agreement between the parties.
- (b) It was effective on 1 October 2003, expiring 31 December 2006, being automatically extended on an annual basis for years after 2006 unless either party, in writing, notifies the other party, not less than six (6) months (by 30 June of that year), that it does not wish to extend this agreement for the following calendar year.
- (c) In consideration for the Plaintiff's work undertaken in his role, as Chairman of the Board of MPCL and Global for the year 2003, Mr Morritt and MPCL agreed to pay to the Plaintiff US\$50,000.00 after 31 December 2003.
- (d) For 2004 and onwards, it was agreed that the Plaintiff would receive an annual bonus of 10% of the profit of MPCL and Global in excess of US\$2,600,000.00.
- (e) Throughout the operation of the First Agreement, it was agreed that the Plaintiff would continue in his role as Chairman of Board of MPCL and Global.
- (f) In consideration for organising the new development, known as the Morritt Shopping Centre Development ("the Development"), it was agreed

that the Plaintiff would receive 7.5% of the future cash flow from the Development, and that Mr Morrith and MPCL would pay for the construction of the Development. The Development was to comprise two phases, Phase I and Phase II.

(g) It was agreed that the Plaintiff would receive 25% of any future development of all that Property.

(h) It was agreed that the Plaintiff will be entitled to a 30% interest in any future development in which Mr Morrith or MPCL was to be a participant,

(i) It was agreed that the Plaintiff was entitled to compensation of US\$120,000.00 per year beginning 1 January 2004 for his role as Chairman of the Board of MPCL and Global.

9. The First Agreement was signed by the Plaintiff and by Mr. Morrith on his own behalf and on behalf of MPCL.

10. By a series of 4 written agreements dated 12 October 2003, Plaintiff, Mr. Morrith and MPCL agreed to clarify and vary the terms of the First Agreement as follows:

(a) Mr. Morrith and MPCL agreed to pay the Plaintiff a bonus of US\$50,000.00 payable after 31 December 2003, in consideration for the Plaintiff's duties and work for the year of 2003.

(b) Mr. Morrith and MPCL agreed to increase the Plaintiff's compensation for his continued services to the Company and Global from US\$110,000.00 to US\$120,000.00 per year beginning 1 January 2004, continuing through 31 December 2006, the said amount to be paid monthly.

(c) The Plaintiff's employment was, thereafter, to be renewed annually, unless Mr. Morrith and MPCL gave notice of termination in writing otherwise of

not less than six (6) months (i.e. by 30 June of each year) for the next calendar year.

(d) Further, in consideration for organising the development of the Morritt's Shopping Centre, being Phases I and II of the Development and a payment of US\$10,000.00 by the Plaintiff to MPCL, Mr. Morritt and MPCL agreed to give the Plaintiff a 7.5% interest in the profits and capital of the Development, whether the Development was constructed and operated in MPCL or another entity.

(e) Mr. Morritt and MPCL agreed to pay for and contribute the construction of the Development.

(f) Mr. Morritt and MPCL agreed to give the Plaintiff a 25% interest in the profits and capital in any future developments of MPCL on and upon the Property, where additional development was already planned and agreed to by Mr Morritt and MPCL.

(g) Mr. Morritt and MPCL agreed to give the Plaintiff a 30% interest in the profits and capital of any future development in which Mr. Morritt and/or MPCL was to be a participant.

11. On the true construction of Paragraph 10(d) above, on payment of the sum of US\$10,000 (which was made on or about 19 January 2004), the services referred to having been provided already, the Plaintiff was entitled:

- (a) to be paid 7.5% of the net operating profit of the Morritt Shopping Centre,
- (b) to receive a 7.5% share of the share capital of MSCL, or a 7.5% equity share in any partnership or other business enterprise which owned and operated the Morritt Shopping Centre and

(c) to receive a 7.5% beneficial interest in the underlying real property.

12. Further, on the true construction of Paragraph 8(g) above, the Plaintiff was entitled:

(a) to be paid 25% of the net operating profit attributable to the further development of the Property;

(b) to receive a 25% share of the share capital of the company share capital of the company, or a 25% equity share in any partnership or other business enterprise which owns and operates and such additional development; and,

(c) to receive a 25% beneficial interest in the underlying real property.

13. By a written resolution dated 5 April 2005, Mr. Morrith, then the sole director of MPCL resolved as follows:

(a) to procure MPCL, as the sole shareholder of MSCL, to cause to be issued to MPCL 92.5 fully paid up shares in MSCL,

(b) to grant an option to the Plaintiff to purchase 7.5 shares at par value (US\$7.50) in MSCL and

(c) to transfer title in Morrith's Shopping Centre to MSCL on approval from the Trade and Licensing Board.

14. Further, by a written resolution dated 5 April 2005, the directors of MSCL resolved as follows:

(a) To authorise MSCL to accept the transfer of title of Morrith's Shopping Centre from MPCL, subject to regulatory (i.e. Trade and Business Licensing Board) approval and

(b) to issue the shares referred to in Paragraph 13(a) above and

- (c) to recognise the Plaintiff's option, referred to in Paragraph 13(b) above, to purchase 7.5 of its ordinary shares.
15. It was the purpose of the resolutions referred to in Paragraphs 13 and 14 above:
- (a) to transfer the ownership of the Property and the Morrith's Shopping Centre to MSCL, and
- (b) to put in place the necessary arrangements for the transfer of the Plaintiff's 7.5% share in MSCL in accordance with the agreements between the parties set out above.

The Plaintiff's claims

16. The Plaintiff is and remains ready to exercise his option to purchase 7.5% of the shares of MSCL and to pay US\$7.50 in respect of those shares.
17. Accordingly, the Plaintiff is entitled to a declaration that he is entitled and on the approval of the Trade and Licensing Board to the transfer of title of Morrith's Shopping Centre to MSCL, to:
- (a) Receive, and be registered as the holder of, 7.5 ordinary shares in MSCL
- (b) Receive, and have his interest registered against the Property as the holder of, a 7.5% beneficial interest in the real property underlying Morrith's Shopping Center and
- (c) Receive 7.5% of the net operating profits and capital of Morrith's Shopping Centre.
18. The Plaintiff's rights to claim that the Defendant's have not exercised reasonable case in procuring the transfer of the Property, and the Trade and Business Licence, to MSCL, in breach of an implied term of the agreements between the Plaintiff and Mr. Morrith's and MPCL, which term would be necessary for the business efficacy of the Agreement, are fully reserved.

19. Further, the Plaintiff seeks and is entitled to interest, pursuant to section 34 of the Judicature Law (2004 Revision) at such rate from such date and on such amount as the Court thinks fit

AND THE PLAINTIFF CLAIMS:

- (1) A declaration that he is entitled and on the approval of the Trade and Licensing Board to the transfer of title of Morritt's Shopping Centre to MSCL,
to:
- (a) Receive, and be registered as the holder of, 7.5 ordinary shares in MSCL
- (b) Receive, and have his interest registered against the Property as the holder, a 7.5% beneficial interest in the real property underlying Morritt's Shopping Center and
- (c) Receive 7.5% of the net operating profits and capital of Morritt's Shopping Centre.
- (3) All necessary and proper accounts and enquiries, and payment of any sum found to be due to the Plaintiff on such accounts and enquiries
- (4) Costs;
- (5) Further and other relief as the Honourable Court deems just.

DATED this 18th day of August 2006.



CAMPBELLS

Attorneys-at-Law for the Plaintiff

THIS WRIT was issued by Campbells, Attorneys-at-Law for the Plaintiff whose address for service is PO Box 884GT, 4th Floor, Scotia Centre, George Town, Grand Cayman Tel: 949-2648 Fax: 949-8613 (Ref: AJW/BJH/sm/13480)

BETWEEN: ROBERT WHITE

PLAINTIFF

AND: (1) DAVID MORRITT

(2) MORRITT PROPERTIES (CAYMAN) LTD

(3) MORRITT'S SHOPPING CENTRE LTD DEFENDANTS

ACKNOWLEDGEMENT 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 Defendant whereby he may have to pay the costs of applying to set it aside.

2. State the full name of the Defendant by whom or on whose behalf the service of the Writ is being acknowledged -

3. State whether the Defendant intends to contest the proceedings (tick appropriate box) [] yes [] no

4. 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 [] no

Service of the Writ is acknowledged accordingly

(Signed) Walkers Attorney-at-Law for the Defendant

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 a any, in the box below.

CAMPBELLS
Attorneys-at-Law
4th Floor – Scotia Centre
P.O. Box 884
Grand Cayman KY1-1103
Tel: 949 2648
Fax: 949 8613
(Ref: AJW/BJH/sm/13480)

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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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 495, 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 a 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 installments 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.