

IN THE GRAND COURT OF THE CAYMAN ISLANDS

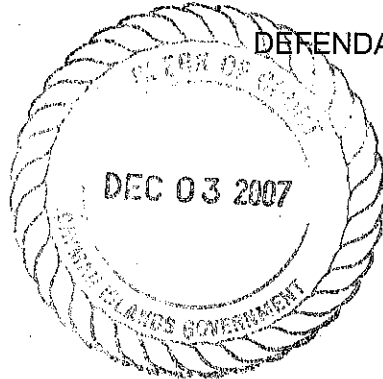
CAUSE NO: 583 OF 2007

BETWEEN: FIRSTCARIBBEAN INTERNATIONAL FINANCE CORPORATION (CAYMAN) LIMITED PLAINTIFF

AND: (1) LARRINGTON BROWN NICOLE BROWN DEFENDANTS



WRIT OF SUMMONS



TO: Larrington and Nicole Brown
PO Box 131
Spot Bay
Cayman Brac KY2-2401
Cayman Islands

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, PO Box 495GT, George Town, Grand Cayman, the accompanying Acknowledgment of Service stating therein whether you intend to contest these proceedings.

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

Issued this 29 day of November 2007

NOTE – This Writ may not be served later than 4 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

Background

1. The Plaintiff, First Caribbean International Finance Corporation (Cayman) Limited, is a bank carrying on business at FirstCaribbean House, 25 Main Street, P.O. Box 68GT, George Town, Grand Cayman, KY1-1102, Cayman Islands.
2. The Defendants are and were at all material times customers of the Plaintiff.

The Loans

3. On or about 14 April 2004 Barclays Finance Corporation of the Cayman Islands Limited formally merged its business with CIBC Bank & Trust Co. (Cayman) Limited to form the Plaintiff, FirstCaribbean International Finance Corporation (Cayman) Limited. Pursuant to the merger the Plaintiff inherited all rights and assets of Barclays Finance Corporation of the Cayman Islands Limited
4. In or around September 1991, Barclays Bank PLC and the Defendants entered into an agreement whereby the Plaintiff loaned the Defendants the sum of CI\$21,000.00 to enable the Defendants to purchase property shown in the Land Register as Cayman Brac East, Block 111 E, Parcel 70 ('the Property') (the "**First Loan**"). Security for the First Loan was given by way of first registered charge over the Property ("**the Charge**").
5. On or about 18 December 1992, Barclays Finance Corporation of the Cayman Islands Ltd entered into a second agreement by which the Plaintiff loaned the Defendants the sum of CI\$50,000.00 for mortgage finance to build a house on the Property (the "**Second Loan**"). The Charge was transferred to Barclays Finance Corporation of the Cayman Islands Ltd and security for the Second Loan was given by way of variation of the Charge, an increase in the principal sum secured by the Charge.

6. Following the advancement by the Plaintiff to the Defendants of the First Loan, on or about 18 December 1992, the Defendants repaid the First Loan.
7. In or about November 1995, Barclays Finance Corporation of the Cayman Islands Ltd and the Defendants entered into a further agreement by which Barclays Finance Corporation of the Cayman Islands Ltd loaned the Defendants the sum of CI\$59,046.00 for mortgage finance to continue building the house on the Property (the "Third Loan").
8. The terms of the Third Loan included terms that:
 - (a) the loan was repayable over 213 months in the sum of CI\$623 per month;
 - (b) interest was to accrue on the loan at the rate of 10.75% per annum;
 - (c) after the first anniversary date of the loan the interest rate could be varied either upwards or downwards by giving 3 months notice;
 - (d) security was to be granted by the Defendants to the Plaintiffs by way of a variation to the First Charge over the Property;
 - (e) all legal fees and costs and other expenses in connection with the loan were to be paid by the Defendants.
9. On 6 November 1995, security for the Third Loan was given by way of variation of the Charge, that is by an increase in the principal sum secured by the Charge.
10. In November 1995 the Defendants repaid the Second Loan with funds advanced from the Third loan.

Failure by Defendants to make payment

11. The Defendants failed to repay the Third Loan in accordance with the terms agreed.
12. By a letter dated 21 November 2002, the Plaintiff's attorneys made a written request for repayment of the Third Loan but the Defendants have failed to repay the whole or any part of the amount outstanding.

13. Accordingly, pursuant to Section 64(2) and 72 (1) of the *Registered Land Law*, notices were served on the Defendants by the Plaintiff's attorneys on 29 April 2003 and 2 September 2003 respectively.

Sale of the Property

14. Following the Defendants failure to make payment of the outstanding amount, the Plaintiff obtained valuations of the Property in the sum of CI\$75,000 and CI\$65,000 and it was offered for sale by public auction on 9 July 2004. The Property was not sold at the public auction.
15. On 2 February 2005 the Plaintiff made an application to the Grand Court for leave to sell the Property by way of private treaty. On 4 April 2005, the Grand Court granted the Plaintiff's application to sell the Property at a listing price of CI\$85,000.00. The Plaintiff subsequently listed the Property for sale in the sum of CI\$85,000.00. The Property was sold for the sum of CI\$85,000.00 on 30 September 2005.
16. On the sale of the Property, the Plaintiff received payment in the amount of CI\$76,425.00 representing the purchase price of CI\$85,000.00 less commission of CI\$8,500.00 paid to ERA Island Realty Ltd, and less transfer of charge fees of CI\$75.00.
17. The Plaintiff deposited the net amount of CI\$76,425.00 into the Defendants' account on 11 October 2005. This left a shortfall of CI\$31,406.24 (i.e principal sum CI\$6,235.53 together with interest of CI\$25,170.71) still owing by the Plaintiff to the Defendant.
18. Interest continued to accrue on the principal amount at the following fluctuating rates in accordance with terms on which the Third Loan was granted:
 - (a) from 12 October 2005 to 19 December 2005 interest accrued at the rate of 9.25% per annum or CI\$1.58 per diem;
 - (b) from 20 December 2005 to 6 February 2006 interest accrued at the rate of 9.50% per annum or CI\$1.62 per diem;
 - (c) from 7 February 2006 to 4 April 2006 interest accrued at the rate of 9.75% per annum or CI\$1.67 per diem;

- (d) from 5 April 2006 to 17 May 2006 interest accrued at the rate of 10% per annum or CI\$1.71 per diem;
- (e) from 18 May 2006 to 6 July 2006 interest accrued at the rate of 10.25% per annum or CI\$1.75 per diem;
- (f) from 7 July 2006 to 28 September 2006 interest accrued at the rate of 9.75% per annum or CI\$1.67 per diem; and
- (g) from 29 September 2006 to 10 September 2007 interest accrued at the rate of 10.25% per annum or CI\$1.75 per diem.

19. As at November 22 2007, the Defendants were indebted to the Plaintiff in the amount of CI\$32,844.55 being CI\$6,235.53 principal and CI\$26,609.02 interest from 16 October 1999 to 22 November 2007.

AND THE PLAINTIFF CLAIMS:

- (a) Payment of the principal sum of CI\$6,235.53 outstanding on the Third Loan;
- (b) Interest of CI\$26,609.02 from 16 October 1999 to 22 November 2007 pursuant to the terms of the Third Loan agreement;
- (c) Continuing interest pursuant to the terms of the Third Loan agreement at the rate of 10.25% per annum or CI\$1.75 per diem until payment or judgment;
- (d) Costs;
- (e) Further and other relief.

DATED this 29 day of November 2007



WALKERS

Attorneys at Law for the Plaintiff

This Writ is issued by Walkers, Attorneys at Law, Walker House, 87 Mary Street, PO Box 265GT, George Town, Grand Cayman, KY1-9001 for the Plaintiff whose address for service is care of its said Attorneys at Law.