

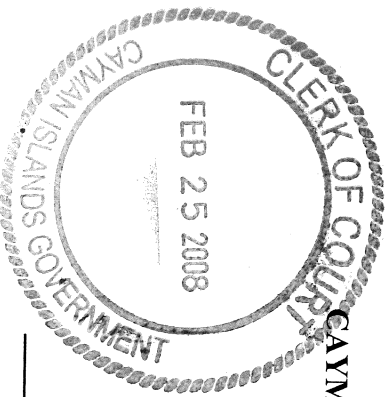
IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. ⁰¹¹⁴ OF 2008

IN THE MATTER OF THE REGISTERED LAND LAW (2004 REVISION)

AND IN THE MATTER OF SAVANNAH, BLOCK 27C, PARCEL 565

BETWEEN:

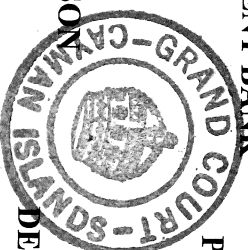


CAYMAN ISLANDS DEVELOPMENT BANK

PLAINTIFF

AND

KRISTA MARIE PATTERSON



DEFENDANT

ORIGINATING SUMMONS

TO: Krista Marie Patterson of PO Box 32199, Grand Cayman KY1-1208

LET THE DEFENDANT, Krista Marie Patterson, within 14 days after service of this Summons on her, counting the day of service, return the accompanying Acknowledgement of Service to the Court Office, PO Box 495, George Town, Grand Cayman KY1-1106.

BY THIS SUMMONS which is issued on the application of the Plaintiff, Cayman Islands Development Bank, the Plaintiff seeks relief pursuant to the provisions of the Registered Land Law (2004 Revision) as follows:-

1. The Defendant applied to the Plaintiff for a loan of CI\$119,000.00. This borrowing was to be repaid by monthly instalments of CI\$1,013.96 and was to be secured by a First Legal Charge over the property registered in the name of the Defendant at the Lands and Survey Department as Savannah, Block 27C, Parcel 565 ("Parcel 565").
2. Parcel 565 was at all material times registered in the name of the Defendant and on 25th April 2005 the Plaintiff as Chargee and the Defendant as Chargor executed a First Legal Charge ("the First Legal Charge") in respect of the Property.

3. The First Legal Charge dated 25th April 2005 provided that:-
 - 3.1 The Plaintiff would lend and the Defendant would borrow the principal sum of CI\$119,000.00 ("the Principal Sum").

Interest on the Principal Sum would accrue at the rate of prime plus 2.50% per annum.
4. In or about September 2005 the Defendant applied for, and was granted a further loan, in the sum of CI\$8,000.00 which increased the previous loan made to the Defendant, giving a total amount of borrowing of CI\$127,000.00. This borrowing was to be secured by a Second Legal Charge ("the Second Legal Charge") registered against Parcel 565 and dated 21st September 2005.
5. The Second Legal Charge dated 21st September 2005 provided that:-
 - 5.1 The Plaintiff would lend and the Defendant would borrow the principal sum of CI\$8,000.00 ("the Additional Sum").

Interest on the Additional Sum would accrue at the rate of prime plus 3.85% per annum.
6. The First Legal Charge dated 25th April 2005 also provided that:-

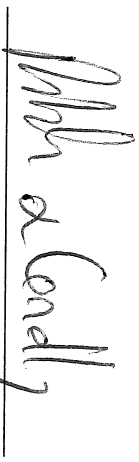
"Section 72 of the above Law shall be varied in respect of this Charge and of any instrument or variation executed pursuant to this Charge so as to entitle the Chargee immediately upon default by the Chargor in payment of the principal sum or any interest payable hereunder or in the performance or observance of any agreement expressed or implied herein to serve on the Chargor notice in writing to pay the money owing or to perform and observe the agreement as the case may be and further so as to provide that if the Chargor does not comply within one month of the date of service of such notice the Chargee may thereupon without further notice either:-

 - a) *appoint a receiver of the income of the Charged Property; or*
 - b) *sell the Charged Property by private treaty as well as by public auction; or*
 - c) *foreclose or enter into possession of the Charged Property; or*
 - d) *in the event that the chargee does appoint a receiver or enters into possession of the Charged Property, exercise its powers of sale or foreclosure or appointment of a receiver at any time thereafter without further notice."*

7. Since or before February 2007 the Defendant has failed to pay the full amount of the monthly instalments due in respect of the Principal Sum loaned, the Additional Sum loaned, and in respect of interest.
8. By letters dated 23rd November 2007 and served on the Defendant on 23rd November 2007 Messrs. Rich & Conolly, as Attorneys for the Plaintiff, served notice on the Defendant pursuant to the provisions of Section 64(2) and Section 72(1) of the Registered Land Law (2004 Revision) indicating that the sum secured by the Legal Charges was repayable three months after the service of the Section 64(2) notice and indicating that pursuant to Section 72(1) unless the balance of the sum secured by the Legal Charges was repaid proceedings would be taken.
9. The Defendant has failed to make the required payments in respect of the Principal Sum or Additional Sum outstanding and/or interest.
10. The Registered Land Law (2004 Revision) provides that once a notice of demand has been served pursuant to Section 64(2) the total amount of outstanding principal and interest becomes due and payable three months after service of that notice. Therefore the Plaintiff avers that the letter dated 23rd November 2007 and served on the Defendant on 23rd November 2007 constitutes such a notice pursuant to Section 64(2) and that the total amount outstanding became due on 23rd February 2008.
11. The Registered Land Law (2004 Revision) by virtue of Section 72(1) provides that once there is a default in the payment of principal, or any other periodical payments and if such default continues for three months, the Chargee may serve on the Chargor notice in writing to pay the money owing, or to perform and observe the terms of the Legal Charges, as the case may be.
12. The Registered Land Law (2004 Revision) by virtue of Section 72(2) provides that if a Chargor has not complied, within three months after the date of service of the notice served on him under Section 72(1), the Chargee may sell the Charged Property. Therefore, on or since 23rd February 2008 there has accrued a right to the Plaintiff to sell Parcel 565 and the Plaintiff seeks an order that it may do so.
13. In the premises, the Plaintiff seeks an order pursuant to the provisions of the Registered Land Law (2004 Revision) that:-
 - (i) an order for possession be made;
 - (ii) the Plaintiff have leave pursuant to Grand Court Rules Order 45 Rule 3(1) and (2) to issue a Writ of Possession in respect of Parcel 565.

14. The Plaintiff also seeks an order that if after any sale of Parcel 565 there should be any shortfall in the amount due and owing to the Plaintiff, the Plaintiff be at liberty to enter Judgment for the said shortfall, together with interest and costs.

Dated this 25th day of February 2008



RITCH & CONOLLY
Attorneys for the Plaintiff

If the Defendant does not acknowledge service, judgement may be given, or made against, or in relation to her, as the Court may think just and expedient.

NOTE: This Summons may not be served later than 4 calendar months (*or if leave is required to effect Notice out of the jurisdiction, 6 months*) beginning with that date, unless renewed by Order of the Court.

IMPORTANT:

Directions for acknowledgement of service are given with the accompanying forms.

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BETWEEN:

CAYMAN ISLANDS DEVELOPMENT BANK

PLAINTIFF

AND

KRISTA MARIE PATTERSON

DEFENDANT

**ACKNOWLEDGMENT OF SERVICE
OF ORIGINATING 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.**

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

Service of the Originating Summons is acknowledged accordingly

(Signed).....

[Attorney] for

[Defendant in person]

Address for service:

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 principal office.

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

Messrs. Ritch & Conolly
PO Box 1994
Grand Cayman KY1-1104
Ref: MSB/CIDB-Patterson, Krista/
10980

Endorsement 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 ORIGINATING SUMMONS

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 KY1-1106.

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. If you wish to defend claims made in the originating summons, or intend to attend the proceedings and to participate in them so far as necessary (although not necessarily in an adversarial manner) you should tick the "Yes" box in paragraph 2 of the acknowledgment of service.
3. For the purpose of calculating the period of 14 days for acknowledgment service, a writ served on the Defendant personally is treated as having been served on the day it was delivered to him.
4. 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 Originating Summons)".
5. 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.
6. 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.
7. 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 its behalf.
8. Where the Defendant is a MINOR or a MENTAL PATIENT, the form must be completed by an Attorney acting for a guardian ad litem.
9. A Defendant acting in person may obtain help in completing the form at the Courts Office.