

IN THE GRAND COURT OF THE CAYMAN ISLANDS

60231

CAUSE NO. OF 2008

BETWEEN:

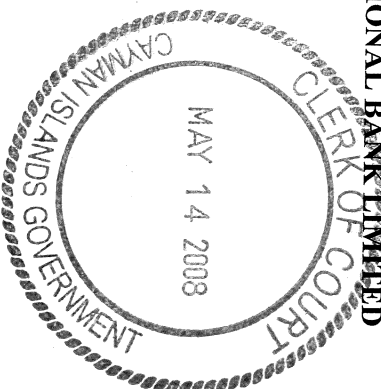
CAYMAN NATIONAL BANK LIMITED

PLAINTIFF

AND

KAREN SMITH

DEFENDANT



WRIT OF SUMMONS

TO: Karen Smith of PO Box 31331, Grand Cayman KY1-1206.

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 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 495, George Town, Grand Cayman KY1-1106, 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 Acknowledgement without stating therein an intention to contest the proceedings, the Plaintiff may proceed with the action and judgement may be entered against you forthwith without further notice.

ISSUED this day of May 2008.

NOTE – This Writ may not be served later than 4 calendar 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.

STATEMENT OF CLAIM

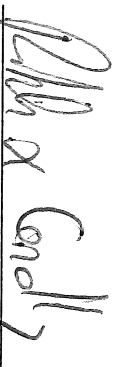
1. The Plaintiff is a Bank carrying on business at 200 Elgin Avenue, PO Box 1097, Grand Cayman KY1-1102 and the Defendant has, and at all material times has been, a customer of the Plaintiff. Furthermore the Defendant has, and at all material times has been a guarantor, principal obligor and surety to the Plaintiff under the terms of a Deed of Guarantee.
2. On or about 16th July 2007 the Defendant entered into and signed a Deed Of Guarantee whereby in consideration of the Plaintiff agreeing to give credit and/or banking facilities and accommodation to LeKay's Company Ltd (hereinafter referred to as "the company") the Defendant, guaranteed unconditionally and irrevocably to the Plaintiff as principal obligor, and not merely as surety, the due and punctual payment of all debts and liabilities, present and future, direct or indirect and of each and every liability of the company.
3. The liability of the Defendant was limited to an amount not exceeding the sum of CI\$30,000.00.
4. Furthermore the Defendant undertook to keep the Plaintiff fully and effectually indemnified against all losses, damages, costs, claims and expenses arising out of or in connection with any failure on the part of the company to pay any of the sums aforesaid as and when the same should the same should fall to be paid. The Guarantee given by the Defendant was a continuing guarantee and covered all debts and liabilities owed to the Plaintiff by the company and it would be applied to, and secure, any ultimate balance due or remaining unpaid to the Plaintiff.
5. The liability of the Defendant to make payment under the said Deed of Guarantee arose upon the Plaintiff giving notice in writing demanding payment.
6. The Deed of Guarantee provided that if there was default in the payment of any debt or liability owing to the Plaintiff by the company at any time the Plaintiff may treat the whole of the indebtedness secured as due and payable and may forthwith collect from the Defendant the total amount guaranteed.
7. In or about December 2007 there was default in payment to the Plaintiff and since that date no deposits to the account have been made.
8. Despite written demands made to the Defendant on the 22nd April 2008 and 8th May 2008 demanding payment the sum outstanding has not been repaid.
9. The Defendant is indebted to the Plaintiff in respect of the terms of the said Deed of Guarantee in the total sum of CI\$27,764.47, made up of CI\$27,639.37 by way of principal and CI\$125.10 by way of interest.
10. Interest on the above sum continues at a daily rate of CI\$8.34 until payment.

AND THE PLAINTIFF CLAIMS:-

1. Payment of the principal sum of CI\$27,639.37 together with interest on this sum as set out at paragraph 9 above in the sum of CI\$125.10 and continuing from the date hereof at the daily rate of CI\$8.34.
2. Fixed costs of CI\$500.00 together with the prescribed court fees of CI\$376.40, alternatively costs to be assessed.
3. Further or other relief.

If, within the time limited for acknowledging service of these proceedings, the Defendant pays to the Plaintiff's attorneys the total amount claimed (including interest and costs) further proceedings will be stayed.

Dated the 15th day of May 2008



RITCH & CONOLLY

Attorneys at Law for the Plaintiff

TO: The Clerk of the Court
AND TO: The Defendant of PO Box 31331, Grand Cayman KY1-1206

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. 40031 OF 2008

BETWEEN:

CAYMAN NATIONAL BANK LIMITED

PLAINTIFF

AND

KAREN SMITH

DEFENDANT

**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. Delay may result in Judgement being entered and notes for guidance carefully before against a Defendant whereby he may have to completing this form. If any information pay the costs of applying to set it aside. 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 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 judgement 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.

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: MB/CNB/#11265

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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