

WITNESS STATEMENT OF DEBTOR5

1. My name is DEBTOR5 and I am a businessman residing at [REDACTED]
[REDACTED] I am a businessman.
2. [REDACTED] and [REDACTED] were sister companies under my common management. Myself and these two companies began doing business with Century National Bank (CNB) around January, 1988.
3. Over the period, up to may 31, 1995 when we ceased doing business with CNB there were several types of banking products dealt with including he following

[REDACTED]

0. Around September, 1988, [REDACTED] obtained credit facilities as follows:

[REDACTED]

1. [REDACTED] and I guaranteed the aforementioned facilities for sister company [REDACTED]. In addition [REDACTED] mortgaged its premises at [REDACTED] and [REDACTED] registered at volume [REDACTED] Folio [REDACTED] and Volume [REDACTED] Folio [REDACTED] respectively.
- 6, Sometime in October, 1990, CNB wrote to [REDACTED] stating that the overdraft facility had been exceeded by approximately [REDACTED] and that the principal of the demand loan had not been reduced since the inception of that facility.
7. [REDACTED] applied for an extension of the overdraft limit in the sum of [REDACTED] in addition tot the [REDACTED] already used over the authorized limit and around December, 1990 CNB on the authorization of [REDACTED] upstamed the mortgage endorsed on the titles by [REDACTED],
8. At the end of December, 1990 [REDACTED]'s title was used to cover facilities totaling [REDACTED], being [REDACTED] for the demand loan and

[REDACTED] for overdraft facilities . This sum is reflected in the mortgage numbered [REDACTED].

9. Towards the end of 1990 [REDACTED] held hypothecated certificates of deposit (CDs) with CB with face values of [REDACTED]. These CDs also covered overdraft facilities and other facilities offered as follows:

[REDACTED]

10. Guarantees for these facilities were given by myself and [REDACTED] and the servicing of all the facilities was transferred to [REDACTED].
11. It was agreed in September, 1990 that [REDACTED] would accelerate pay down of the demand loan account then renumbered **260002542** such that the title to the properties of [REDACTED] would be freed so that this company could obtain its own mortgage to finance its manufacturing operations,
12. Between September, 1990 and June, 1991 [REDACTED], [REDACTED] and CNB initiated payments pursuant to the rapid pay down of the demand loan.
13. In March, 1992 CNB claimed that the demand loan was not fully paid off and gave [REDACTED] seven days to clear the alleged balance outstanding.
14. In the absence of up to date accounts, agreements were reached with another sister company, [REDACTED] ([REDACTED]) to pay out the alleged amount outstanding.
15. Inadvertently, payments of approximately [REDACTED] were made payable to [REDACTED] instead of being made payable to CNB for the account number [REDACTED]. With these payments and the accelerated payments the demand loan was overpaid by [REDACTED] by June, 1993.
- « Around the same time, **March, 1992** [REDACTED] instructed CNB to encash CDs to clear the overdraft incurred up to that date. CNB requested and was given promissory note for [REDACTED] [REDACTED] and identically supporting promissory notes from the guarantors to cover the following :

[REDACTED]

- [REDACTED]
16. At the end of March, 1992 the overdraft facility was cleared using the encashed CDs leaving a credit balance on current account number [REDACTED]. From March, 1992 to 31st May, 1995 when the group ceased banking relations with CNB this account maintained credit balances and at the latter date the credit balance in this account had the amount of [REDACTED].
17. With the overpayment of the demand loan of [REDACTED] and the credit balance in the current account of [REDACTED], CNB was indebted to the guarantors in the total sum of [REDACTED] with interest.
18. In June, 2007, a special investigative audit was carried out by a fellow of the Institute of Chartered Accountants, [REDACTED]. The report is attached with supporting evidence as per the list of exhibits.
19. Around December, 1991, [REDACTED] applied to Century national Merchant bank and Trust Company Limited (CNMBTC) for a mortgage in the sum of [REDACTED] to finance its expanding operations. Although approved in principle, [REDACTED] did not take up this mortgage.
20. Due diligence information provided pursuant to the mortgage application were used by CNB to amend the mortgage previously registered as per CNB's letter dated **June 9, 1992 -- "DEBTOR5 1"** to the Registrar of Titles. The mortgage application letter dated **December 4, 1991**, CNMBTC response dated **January 28, 1992** and Application to upstamp bearing miscellaneous # 710093 are exhibited herewith as **"DEBTOR5 2" - "DEBTOR5 4"**.
21. The mortgage endorsed on [REDACTED]'s title was upstamped for the amount of [REDACTED] in June, 1993.
22. By letter dated **October 9, 1992 - "DEBTOR5 5"** CNB claimed inter alia that amounts were outstanding against a fictitious demand loan bearing ale number [REDACTED] with a net balance of [REDACTED]. Investigations later showed that CNB had converted the promissory note to a demand loan and the approximately [REDACTED] paid between January, 1992 and March, 1993 which payment was later acknowledged by FINSAC in letter dated **November 23, 1999 "DEBTOR5 6"** was used to reduce the [REDACTED] to the [REDACTED] being claimed above. See CNB's letter dated **9th October, 1992**.

23. Around June, 1993, a Notice requiring repayment of mortgage - "DEBTOR5 7" was received from the attorneys for CNB. Among other things this notice claimed that [REDACTED] was due against mortgage numbers [REDACTED] and Misc. # 710093. In December, 1993, I received a demand letter dated December 23, 1993 - "DEBTOR5 8" (sent to me in my capacity as guarantor), claiming the said amount plus costs.
24. Discussions were held with the chairman of CNB and after agreement that there was an error, to the best of my recollection no further claim was made by CNB and court action was not taken as threatened until CNB was taken over by Financial Industries Services Limited (FIS).
25. During 1999, several discussions took place and correspondence was exchanged between FINSAC and myself and the error was pointed out by me. However, FINSAC persisted in its claim against [REDACTED] and me. See letter dated January 12, 1999 from FINSAC Limited to [REDACTED] - "DEBTOR5 9", letter dated January 19, 2000 from FINSAC Limited to Gabriel Edwards & Co. - "DEBTOR5 10", letter dated February 23, 2000 from Gabriel Edwards & Co. to FINSAC Limited -- "DEBTOR5 11"
26. in 2003, we were served with notification that FINSAC had sold the alleged debt to Jamaica Redevelopment Foundation inc. (JRF). Up until recently, JRF has been vigorously advertising [REDACTED]'s properties for sale under the powers of sale contained in the mortgage,
27. Attempts by [REDACTED] to free its properties and to prevent the sale by way of court proceedings have not been successful. Copies of court documents namely Fixed date Claim Form, Affidavit in Support, Defence of 2nd and 3rd Defendants, amended Defence of 2nd and 3rd Defendants, Affidavit of Errol Campbell and affidavit of Raymond McBride are attached -- "DEBTOR5 12".
28. I am contending before this commission that [REDACTED] and myself are not indebted to FINSAC and were not indebted to CNB at the time of its take over by FINSAC. In fact all liabilities incurred have been fully satisfied "and more" in that there was overpayment in respect of the demand loan ale # [REDACTED] and there was a credit balance in excess of \$400,000.00 in the current account at the time of the takeover.
- [REDACTED]
29. This company was incorporated in about 1987 . At this time in Jamaica there was a government sponsored slogan "Export or die". As a member of the

- business community I joined the drive of the Jamaican business community to get into the export market and earn and save foreign exchange,
30. In our quest to achieve this, we made contact and developed relationships with international agencies and consultancies, mainly working through JAMPRO, The Jamaica manufacturers Association (JMA) and Caribbean Association of Industry and Commerce - (LAIC)
 31. The objectives were to expand the productive capacity and the production methods of my companies and to attain quality standards all of which would equip us to enter the export market.
 32. Through the Commonwealth Fund for Technical Co operation (CFTC) and later the Centre for the Development of Industry (CDI) we obtained a short list of entities that would collaborate with us in meeting our stated objectives.
 33. We identified a company in England that would supply the required machinery and raw material and would give technical support in transferring the world standard technology manufacturing capability to Jamaica.
 34. We obtained the services of a consulting company based in England to prepare a business development plan. Working along with me, the international consultant developed a comprehensive business plan for the chalk and crayon operation.
 35. As group managing director I approached **Eagle Merchant Bank Limited (EMB)** to obtain funding for [REDACTED].
 36. At the time **EMB** had two funding programs for those in the manufacturing sector who had potential for export manufacturing and earning foreign exchange. These were **the international Finance Corporation Export Support Program (EMBIIFC)** and **the United States Agency for International Development (EMS/ USAID)**,
 37. On November 9, 1989 I signed an **EMBIIFC** agreement - ("DEBTOR5 13") for **EMB** to unlend to CCIAP the sum of [REDACTED] for
 1. The importation of machinery and equipment in the sum of [REDACTED] which converted at the time to [REDACTED] (converted at a rate of \$J6.50 to \$US 1.00 or \$J10.50 to £1.00
 11. A revolving raw material loan in the sum of approximately [REDACTED] converted at \$J 6.50 to \$US 1.00 totaling \$1,091,000.00.

38. On the 15th day of November, 1989 CCIAP signed a letter of commitment - "**DEBTOR5 14**" which included the terms and conditions of the IFC line of credit and a demand loan in Jamaican dollars broken down in two parts:

- a) Assistance in completing the purchase of real estate for [REDACTED] and
- b) Payment of duty on imported capital goods in (1) above -- i.e. [REDACTED] on the importation of machinery.

39. The grand total of the FFC facility was [REDACTED]

40. On 17th November, 1989 CCIAP applied to **EMB** to obtain letters of credit in the name of [REDACTED] in the United Kingdom for :

- [REDACTED] for the importation of chalk and crayon machines
- [REDACTED] for the purchase of chemicals (raw material for the manufacture of crayon)

41. The letter of credit for the machinery was established according to instructions and the machinery was shipped and arrived in Jamaica towards the end of April, 1990 after pre shipment inspection was done by me in Southampton in early March.

42. Up to the time I did the pre shipment inspection in March, 1990 the letter of credit for the chemicals was not established and only after I returned and made several urgings on **EMB** and **Eagle Trade Services (ETS)**, foreign exchange agent for EMB was the letter of credit established in May, 1990. However, because of errors made by ETC the final letter of credit to allow for the shipment was not perfected until July, 1990,

43. The chemical arrived in Jamaica in November, 1990.

44. This was at the end of the school season and **EMB** was fully aware that those materials were required for sales in the peak period of back to school between July to October.
45. Despite efforts on our part, **EMB** did not disburse the rest of the raw material loan (approximately [REDACTED]). As a result, the projected sales for the period was not met,
46. By the time the machinery arrived in April, 1990 we had obtained duty free status as manufacturers so we never required the portion of the loan [REDACTED] which was to be allocated to the payment of import duties.
47. A condition for disbursement of the amount of [REDACTED] was that the interest of **EMB** be registered against the title to the property being purchased. - [REDACTED].
48. A mortgage in the amount of [REDACTED] was secured .
49. By letter dated **September 7, 1990 "DEBTOR5 15"**, **EMB** wrote to CCIAP to say that the sum of [REDACTED] plus interest of over \$100,000.00 was outstanding. A meeting was sought with me with a view to settling the outstanding amount and to work out future settlement of the account . .
50. I went in some time in September, 1990 and made arrangement to pay up the amount being claimed and also made arrangements with respect to payments for the ensuing period. At that meeting we confirmed that interest rate on the **EMB** portion of the loan had been changed from 18% add on over five years (as per the letter of commitment) to 50% on the reducing balance. (The agreement allowed for the variation of interest on the **EMB** portion of the loan. But on the **IFC** portion interest had to accord with a set formula).
51. At the same time we had notification from **EMB** through its auditors Pete Marwick -- "**DEBTOR5 16**", which indicated that the applicable interest rate

on the IFC portion of the facility was 24%. That accorded with the IFC agreement.

52. Between September, 1990 and July, 1991 payments were made to accelerate the pay out of the loan.

53. Principal and interest were paid up to July, 1991 for the demand loan account [REDACTED]. It must be recalled that we did not draw down on the [REDACTED] for import duties.

54. In about February, 1991 we had notification directly from **EMB** of interest rate changes on the IFC portion of the loan indicating that the rate was changed from 24% to 28%. In the December, 1990 and as of the date of the letter of notification, the rate was changed to 34% - "**DEBTOR5 17**"

55. Based on the creeping escalation of interest costs, CCIAP and its guarantors resolved to pay out the revolving raw material facility in the same way it had arranged to pay out the demand loan.

56. Around February 26, 1991, [REDACTED] made further arrangements with CNB to pay out the amount drawn down to that date on the revolving raw material facility - that amount being [REDACTED] @ \$J 10.50 to £5£1 or the sum of [REDACTED] at 28% for a total of [REDACTED]. The transmittal letter accompanying the managers cheque from CNB was sent to EMB - See "**DEBTOR5 18**".

57. In October, 1991 Stationery Manufacturers limited (**SML**) paid to EMB the sum of [REDACTED] to bring interest payments on the capital facility up to date.

58. On or about December 16, 1991 **SMS** remitted to **EMB** the sum of [REDACTED] to pay out the capital facility as follows :

a. Cheque in the sum of [REDACTED]

b. Instruction to EMB to use funds held by ECB from part proceeds from the sale of assets of SML .

59. On receipt of the letter and payments mentioned above the chairman of EMB initiated discussions with me. [REDACTED], a consultant and former chief accountant at EMB led EMB investigations and presented financial projections to support a proposal for EMB to refinance CCIAP,. **"DEBTOR5 19"** The original business plan which was used in the application fro the credit package was relied on in the preparation of the financial projections for five years starting January, 1992.
60. In January, 1992 EMB unilaterally withdrew from SMLs account with EMB a sum In excess of [REDACTED] purporting to be paying debt, owed by EMS . **See letter dated January 22, 1992 from EMB to ECB -- "DEBTOR5" with related Customer Advice slip "DEBTOR5 21** . The amount thus paid largely used up funds that were intended to pay out the IFC capital facility.
61. in February, 1992 EMB wrote to CCIAP to say that the principal borrower was in default of its debts. While negotiations were taking place SML made further payments under protest as follows :

\$140,000.00
40,000.00
30,000.00
90,000.00
/60,000.00
60,000.00

360,000.00

62. Manufacturers Merchant Bank approached EMB on behalf of an associate company and EMB supplied a statement of debt owing by CCIAP. This statement included amounts subsequently identified to be an unrelated line of credit to Caribbean Cement Company limited . **See letter dated May 19, 1993 from EMB to Manufacturers Merchant Bank - "DEBTOR5 22"**.
63. On June 4, 1993, EMB wrote to the guarantor with statements claiming that CC1AP was in default - **"DEBTOR5 23 "** and on June 17, 1993 EMB filed

suit in the Supreme Court claiming outstanding debt owing to EMB. The guarantors were named as defendants.

64. The defendants named in the suit (including myself), followed a parallel course by continuing negotiation with EMB with the support of a representative from Manufacturers Merchant bank and on also applied to have EMB add CCIAP as a co defendant. The latter application lasted for over three years up to the Court of Appeal where it was finally ruled that EMB need not add the principal borrower,.
65. Around May, 1994, CCIAP gave EMB an agreement to sell its property at [REDACTED] for the sum of [REDACTED]. This property formed part of the securities offered by CCIAP. The deposit of [REDACTED] accompanied the agreement which had as a special condition that the seller and purchaser would pay all costs which meant that the gross proceeds would go to EMB . -- See *copy agreement dated 16th September, 1994 -- "DEBTOR5 24"* .
66. The chairman of EMB and his deputy executed a **Memorandum of Complete Satisfaction -- "DEBTOR5 25"** which was subsequently filed with the Registrar of Companies. Along with mortgage discharge documents - ("DEBTOR5 26") there was the holding out by EMB that the debt for which the mortgage stood as security (being [REDACTED] **plus interest**) was fully satisfied. A computer printout statement of account showing zero balance - "DEBTOR5 27" was given to us in about 1995,
67. In September, 1996 EMB filed judgment papers supported by an Affidavit of 2ge Debt ("DEBTOR5 27") asserting that since the filing of the claim nothing had been paid on account of the debt and that the full amount of the disbursed funds plus interest subsisted. The Judgment was not entered. (The matter eventually went to trial in 2007),
68. In about May, 2002 an affidavit attested by [REDACTED] ("DEBTOR5 28") was filed in response to our application to have the claim struck out, for want of prosecution and to have the Counterclaim heard . In this affidavit It was admitted that the proceeds of the sale of real estate was received by EMB but that the amount was only received by EMB against the debt and it was applied to interest.
69. We filed an Amended Defence and Counterclaim -- ("DEBTOR5 29") in July 2002 and EMI3 filed a Reply -- ("DEBTOR5 30") which essentially maintained the assertions made in its Statement of Claim and other documents filed on its behalf.

'70. FINSAC continued the suit by EMB despite the overwhelming evidence that EMB had issued a **Memorandum of Complete Satisfaction**, mortgage discharge documents and statement showing nil balances on the capital goods account and the raw materials account which all show that the debt has been settled.

71. Also, in light of the documentary data, the sustained assertions that nothing had been paid on account of the debt was wrong.

72. Mr. Martin Gooden in a Witness Statement filed in 2007 eventually accepted that amounts had been paid . These sums have however not been accounted for in the court's assessment of our indebtedness.

DATED THE

DAY OF

2011

[REDACTED]

LIST OF EXHIBITS DEBTOR5)

"DEBTOR5

1. Letter dated 9th June, 1992 from CNB to Registrar of Titles
Mortgage application letter dated 4th December, 1991 from DEBTOR5 to CNMB.
3. Copy letter dated 28th January, 1991 from CNMB to DEBTOR5.
4. Application (bearing miscel. # 710093) by CNB to upstamp mortgage
Copy letter dated 9th October, 1992 from CNB to DEBTOR5.
6. Copy letter dated November 23, 1999 from FINSAC to [REDACTED].
7. Notice Requiring Repayment of Mortgage dated 23rd June, 1993.
8. Copy letter dated 23rd December, 1993 from Livingston, Alexander & Levy to DEBTOR5.
9. Copy letter dated 12th January, 1999 from FINSAC to [REDACTED].
10. Copy letter dated 19th January, 2000 from FINSAC to Gabriel Edwards & Co.
11. Copy letter dated 23rd February, 2000 from Gabriel Edwards & Co. to FINSAC.
12. Copies of court documents filed at Claim No. HCV. 02209 of 2003.
13. Copy agreement dated 9th November, 1989 between **EMB** and CCIAP
14. Copy letter of commitment dated 15th November, 1989.
15. Copy letter dated 7th September, 1990 from EMB to DEBTOR5.
16. Copy letter to CCIAP endorsed "Received November 12, 1990.
17. Copy letter dated 17th December, 1991 from EMB to CCIAP.

18. Copy letter dated 26th February, 1991 from DEBTOR5 to EMB.
19. Financial Projection for CCIAP prepared by [REDACTED].
20. Copy letter dated 22nd January, 1992 from EMB to ECB.
21. Copy Customer Advice
22. Copy letter dated 19th May, 1996 from **EMB to Manufacturers** Merchant Bank Limited.
23. Copy letter dated 4th June, 1993 From **EMB** to DEBTOR5.
24. Copy agreement dated 16th September, 1994 between CCIAP and Cecil A. Bird.
25. Copy Memorandum of Complete Satisfaction dated 17th December, 1994.
26. Copy Discharge of Mortgage with Particulars of Mortgage attached
27. Computer *printout showing zero* balance
28. Affidavit of debt filed 16th May, 1996 in Suit No. C.L. E. 073 of 1993,
29. Affidavit of [REDACTED] filed 2nd May, 2002.
30. Amended Defence and Counterclaim filed 12th July, 2006. 31.
- Reply to Defence and Counterclaim filed 2nd August, 2006.

Mar 21 0 93

June 9, 1992

AS I

of Titles ;
s ' St " r6et

Andimde

Re tv 'at iDn S "edoilil rtlettiohe 6Ver 'De'itit 4et of Title
rMTig-istreoU. at :yq,14me: '1046 F01'lo 557 Volume o '822

to your office
April 14, 1992

, o .te sb'jeet-httid'.rO 'sib r d

r
'rlj.'14rie,fi but rw

i.....)
'a' to u' r'itl' ta6d' r' in g"

WeAre: flow .Wi ti.ldf.aw3Ig our'Po0d.'.fflonage and ,:s6bstlitutitag. it :by "

Enclosed are the following:

- (1) Certificates of Title registered
'Val me [redacted] . Follo [redacted];

(Attached

- (2) [redacted] document.

- (3) P..hotocopy of the-ntortgage. doc*ent which was 'prolously
semitted (for ease Of reference).

iiiipi our
transfer the 'registration fee of 1
963.00
April 7, 1'992, .to our
ijPst4llip'imj document.

180 orts av ""
i : d on ...,


In acknowledgement .of receipt of the enelosuv"es', kindly sign and i
return the attaChed cop, letter.

s faithfully,



L [redacted]

VYLss
Enclosures


Please phone me
in connection
with the matter
1/67

"r,

cif ,

F"-2 '" ,

R5

Decetabet 4., 1991

The t-tiu'L-ver,
Century National Merchant Jyank a n i' rust Compaw Limited .4 Port
Royal Eitrott
KI-NGSTON

a k r s *

We hers'by apply . a or a .r.1.6rtgae

Thou c'l llarS

lisitg our . real estate .at' 11.4... . tret .

as *04rity,

SecOrities section of you Ban

Shewi a value of: [REDACTED]

[REDACTED] pm.
urlose. o the illertgage is. as ollown:

ion..

(A) Pay out

Laid

Daiwa -fin

Rank

eAt if it Cv' veer Fa0iofis

, t a .62tin aPpr'okl-MteilY. .

03) .PIA. in tiolet,

and sinflow ,", and paints already .

bought or the4reoise

(C) Ta: ado tatho'abovo .llilzO by balding at 112 King

feet Of 'Space no. that .t1le.'thricto' .0) atry

t g.

,Stat ioner ManUfactas'ar'Limit ted,Zaibbeat flaks Lii)

Bcautifit Limited) can be acct mMod'ated ,at one lmat

Please note that: we are under pressure from the landlord 'at Ptationery'
Manufacturers Limited, 4 Bell Road, Kingston 11, to vacate the..'per.iees.

For' ease of management and the reduction 4E overheads by over [REDACTED]
monthly, we ,would very much like .to- fulfill our long held, atilhitio to.

rationalize our operations at one. location

We enolose aroup Cash. Flos Summary as wall as individual `Cash Flos
Statement with indioate that oomblned or individually, we would be able to
301-vice the Mortgage,,

Deoember 1991

The Manager
Century National berohant Bank and
Trust Company Limited

.....
Both [REDACTED] and [REDACTED],love
material foi' the'next eight (8) or nine (9) Monttr,-md [REDACTED] have
contraoU under negotiation to self-finance for the net few months,

We look forward to your usual prmpt response

Yma'e truly,

[REDACTED]

[REDACTED]

[REDACTED]/4m



Century National

ck nit

.F4 1 & Trw t Olin Fatij

AS 3

January 28, 1992.

Mr. DEBTORS



Kingston.

Dear



Re: Your Loan Application -



We acknowledge receipt of your letter of January 23, 1992 which came to hand on January 24, 1992.

We are very surprised that you feel disappointed that your loan application has not yet been formally approved. This delay is the fault of Century National Merchant Bank & Trust Co. Ltd., since the supporting documents and data upon which our decision would rest was not fully provided.

The circumstances surrounding your application are as follows:

- i) Your letter dated 4/12/91 for a Mortgage came to our hand on December 18, 1992.
- ii) The writer made an appointment for 23/12/92 with your goodself to attend our offices for us to complete some supporting documents and to obtain any pertinent information that was needed.
- iii) You did not keep that appointment; while at the same time you were in discussion with our [redacted] of Century National Bank:
- iv) I enquired of you whether you intended 'proceeding with this proposal with Century National Merchant Bank or Century National Bank, By that time the Christmas holidays came and we agreed to meet first week of January 1992 to discuss your needs to form the basis for packaging your proposal.
- v) We met on January 13, 1992, however, based on information I could extract from your file and or, from Miss Lorna Crawford, I prepared the loan forms while we awaited the supporting documents/information.
- vi) You are aware that the valuation and estimate came to hand on January 24, 1992, and the life insurance policies earlier in the same week.
- vii) We agreed that in order to expedite you would bring us the last 12 months Current Account statements since you advised that you could not provide us with audited financial data.

3arnnina Confarenw Centre, Ground Floor, Corner Port Royal & Duke Streets, G.P.O. Box 77, Kingston, Jamaica, W.I.

Telephone: (809) 922-3105, 922 3106, 9223108, 922 3110. Km (809) 922.8276

DIRECTORS: D. Crawford, J.P., Chairman/Managing Director, N.S. Roche, Director/Secretary;

Ray Nadaed, K.E. If. Srown, V.C. Williams

National. rrrllant °i rust .. lb.

January 30, 1992

Mr. DEBTOR5 [REDACTED]
[REDACTED]

Page Two

viii) 'Tn. an effort to speed up the process, the writer approached the Credit Coaeiu, ttee and advised of your needs and what wasthe' situation at 'that.time. Subsequently, you were advised-of the Committee's decision and that you rieved to advise us about your Loan facilities at. Eagle Commercial Bank and, Scotia Bank Centre; Since then, you said. you could no longer provide the statements, we advised that we. would then proceed' to extract what information we can from the copy statements here.

ix) You loan proposal was typed from January 6, 1992, and helping the tall *in* of the supporting data which was requested of you.

The foregoing details will reveal that had the Bank got all that was requested from the first week of January a decision would have been taken at least two weeks ago.

x) . While' you have not addressed our queries about the loan facilities at Eagle Commercial and Scotia Bank Centre., we will formally present

You may diarise your files to have a response from us by Friday, January 31, 1992.

Yours truly, /
[REDACTED]
[REDACTED]

and re--present the application while we await your response.

THE REGISTRATION OF TITLES ACT

qs

THIS INSTRUMENT under the Registration of Titles' act is made the
27th day of March 1992. and is supplemental to the
Mortgage hereinafter mentioned, the particulars; whereof are set forth in
the Schedule hereto WHEREAS:

- 1) CENTURY NATIONAL BANK LIMITED, a Company duly
incorporated under the Laws of Jamaica' and
having its registered office at 14-20 Port Royal Street
in the City and Parish of Kingston
- (hereinafter called Century National Bank Limited is
registered as the proprietor of a mortgage the
date and registration-number of which, are set forth in the said
Schedule. hereto of the land comprised in the Certificate
of Title mentioned in the said Schedule
from the person described as the Mortgagor In the said
Schedule;
- 2) It was provided in the said Mortgage that in the first
instance stamp duty should be impressed thereon to cover an
aggregate mortgage indebtedness of the amount stated as
[REDACTED] for Stamp Duty Purposes in the said
Schedule but that Century National Bank Limited should be at
liberty (without any licence or consent on the part of the
Mortgagor) to impress additional stamp duty thereon
to cover any amount by which the mortgage indebtedness should
exceed the said sum [REDACTED] from Stamp Duty purposes;
- 3) There has been impressed on the said Mortgage at the date hereof
Stamp Duty to cover an aggregate mortgage indebtedness
- 4) The Bank is desirous of having impressed on the said Mortgage further
in the amount stated in the said Schedule as Present Amount
stamp duty to cover additional mortgage indebtedness in the amount
stated in the said Schedule as Additional Amount
on which Stamp Duty is to be Paid;

NOW THIS INSTRUMENT WITNESSETH that Century National Bank Limited
in exercise of t, and "iit that behalf conferred on it by the said Mortgage
S'
as hereinebre'recited HEREBY makes application to the Stamp Commissioner
far the'said Mortgage to be, iniprassed with stamp duty covering the Additional
Amvunt for Stamp Duty Purposes. '

THE SCHEDULE

Date of Mortgage

Registration Number
of Mortgage

September 22, 1988

Certificate of Title for
land mortgage

456452

Volume [REDACTED] - Folio [REDACTED]
Volume. [REDACTED] Folio [REDACTED]

The Mortgagor

Original Mortgage For
Stamp Duty Purposes

Present Amount'on which
Stamp Duty Paid

Additional Amount on
which Stamp Duty is to be
paid



THE COMMON SEAL OF CENTURY NATIONAL)

BANK LIMITED was hereunto put and) affixed and
these presents signed) by DONQVANE,
CRAWFORD, a Director) and NEVILLE
S'ROCHE,-Secretary) of the said Company in the
presence)

of: [REDACTED]

Justi e of the Peace
For the Parish of St. Andrew



T^Pniixrg Ntt#imtat ttnh

R5 5

October 9, 1992

Mr. DEBTOR5 [REDACTED]

Kingston

Dear Sir:

Re: 1) [REDACTED] in the name of
DEBTOR5
Overdrawn [REDACTED]

2) [REDACTED] in the name of [REDACTED]
Principal
Late Charges [REDACTED]

Total liabilities as at. October 9, 1992 [REDACTED]

2, t .7', 1

We write again in reference to the liabilities at caption. You will agree that we have gone beyond the normal call of duty to facilitate you and it is with deep regret that we advise that we must now move to protect our interest in this matter.

Accordingly, we have forwarded the account to our Legal Counsel for the appropriate action to be taken.

In consideration of the good relation which we have enjoyed over the period, we trust that good sense will prevail and you will take steps to settle the account expeditiously without us having to resort to the only option you have left us, that is, taking legal actions to recover the debt.

Yours truly,

[REDACTED]

orT E. Cra ford (Miss)
SIMM.' ASST. G, NERAL MANAGER CREDIT
LEG/SC

FINSAC LIMITED

"Financia • l SectorAdjustment Co. Ltd."
2 - 6 QXFORD ROAD
MUTUAL LIFE BUILDING, 4th FLOOR (NORTH TOWERS)
P.O. BOX 54, KINGSTON 5 JAMAICA,

PHONE: (876) 754-7053-67

FAX: (876) 754-7079

AS G

November 23, 1999

[REDACTED]

Kingston

Dear Mr. Williams

Re: [REDACTED] - Century National Lank Loan

In response to your letter dated July 21, 1999 listed below is the history of [REDACTED] from March 27, 1992 to May 29, 1998.

Opening Balance as at 27.03.92

Closing Balance as at 15.06.93

Interest accrued as at 16.06.93

Payment:

Interest 13.05.92

Interest 12.01.93

Interest 01.02.93

Interest 09.03.93

Principal 13.05.92

Opening Balance as at 16.06.93

Closing Balance as at 30.03.95

Interest accrued -

Payment:

Interest

Principal

Opening Balance as at 31.03.95

Closing Balance as at 29.05.98

Interest accrued as at 29.05.98

Payment:

Interest

Principal

2.

The balance outstanding as at November 23, 1999 is [REDACTED] detailed below:

Principal
Interest
Total

[REDACTED]

We apologize sincerely that we are unable to provide you with information from December 1991 as requested in your letter.

if there are any questions please feel free to contact the undersigned.

Yours sincerely,
FINSAC LIMITED

[REDACTED]
Credit Officer

[REDACTED]
Credit Manager

NO11CE REQUIRING REPAYMENT OF IIC]t. TG G

REGISTERED MAIL & ORDINAA IL

To:

Kingston

THE MORTGAGED PREMISES: 1) ALL THAT parcel of land known as [REDACTED], Kingston being the land comprised in Certificate of Title registered at Volume [REDACTED] Folio [REDACTED] of the Register Book of Titles

A N D

2) ALL THAT parcel of land known as [REDACTED], Kingston being the land comprised in Certificate of Title registered at Volume [REDACTED] Folio [REDACTED] of the Register Book of Titles.

THE MORTGAGE NOS.:

&

THE MORTGAGEE:

CENTURY NATIONAL BANK LTD.

MEMORANDUM OF MONEYS OWING ON THE ABOVE ,MORTGAGE:

Principal
Interest to 10/5/93
Late Charge

total:

Please mate that interest accrues as stated in the aforesaid Mortgage until settlement.

WE HEREBY GIVE YOU NOTICE that you have defaulted in the repayment of principal and interest under your Instrument of Mortgage Nos. [REDACTED] & [REDACTED] and you are HEREBY REQUIRED TO REPAY ALL MONEYS under the said Mortgage within **THIRTY (30) days** of the receipt of this Notice.

WE HEREBY GIVE YOU FURTHER NOTICE that if default in repayment of the said moneys shall continue for **THIRTY (30) days** after, the service of this Notice, the Mortgagee shall proceed to dell the mortgaged premises in exercise of the Power of Sale contained in the Registration of Titles Act and the said Mortgage.

DATED this 23rd day of June 1553.

LIVINGSTON ALEXANDER & LEVY
Attorneys-at-law and Agents for and on behalf of
the Mortggee, CENTURY NATIONAL BANK LTD.

for C. IAN MCCONNELL

cc: Century National Bank Ltd.
Attn: [REDACTED]

[REDACTED]

LIVE\ USTON ALEXANDER & LEVY
ATTORNEYS-AT-LAW & NOTARIES PUBLIC

W3

FI, PETER MY ELLS
R.N.A. HENRIQUESS, QC., LL.M.
D.I. BRANDON
J.A. LEO-RNYNIB, Q.C., B.A., LL.B.
PAUL G.W. COOPER
A.A. LAZARUS C.I.
McCONNELL
ANGELA M. FOWLER, LL.B.
WARRINGTON E. WILLIAMS, LL.B.
p jr **4+PIF C, Wluc FSA1'17,Y LL D

M ANGELA ROBERTSON, B L L B
ALLAN S. WOOD, LLB,

DAVID G. BAITS, LL.B. BASIL A.
FARMER, LL.E. ANNETTE L.
FRANCIS, LL.B. RANSFORD
BRAHAM, LL.B. PETER A.
OYPASS, LL.M. SHARON D.
NEIL, LLB

P.O. BOX 142,
72 HARBOUR STREET,
KINGSTON, JAMAICA, WI,
TELEPHONE: (809) 922-6310-9
CABLE & TELEGRAMS:
"LIVAL, KINGSTON, JAMAICA"
TELEX: 2353LIVALJA.
FAX: (009) 922 0713

PLEASE USE THIS REFERENCE

RB 'smp

December 23, 1993

By Registered Post

DEBTOR5

[REDACTED]

KINGSTON

Dear Sir


**Re: Indebtedness due from [REDACTED] to
Century National Bank Limited**

We act for Century National Bank Limited.

[REDACTED] is indebted to our client in the sum of [REDACTED]. Interest continues to accrue from May 11, 1993 until payment.

You have guaranteed payment to our client. Kindly let us have all sums due to our client forthwith.

Yours faithfully,
LIVINGSTON, ALEXANDER & LEVY

Per: 
RANSFORD BRAHAM

FINSAC LIMITED

"Financial Sector *Adjustment Co. Ltd*"
76 KNUTSFORD BOULEVARD
P.O. BOX 54, KINGSTON 5
JAMAICA, W.I.

AS 9

PHONE: (876 906-1809-12) FAX: x 76) 9b6 1822

12 January, 1999

[REDACTED]

Kingston

Attention: [REDACTED]

Dear Sirs:

[REDACTED]

We hereby make formal demand for full payment of your debt, which is onrrently non-performing. The balance as at January 12, 1999 is detailed below:

Principal
interest
Total

[REDACTED]

Please note that interest accrues at a daily rate of [REDACTED] until varied. Kindly tot us have the above payment in full within twenty-one (21) days to the date of this letter; failure to do so will result in the sale of the Bank's collateral and legal action, if necessary.

Kindly treat this matter with urgency.

Yours truly,

Directors: Dr. The Hon. Kenneth R. Tray, O.J., QC (Chairman), Hon. Shirley Tyndall, O.J., (Mee Chairman), Mr. Patrick Hyton (Managing Director),
Gladstone Aonick, Mr. Deimis Roadie, Hon. David Coorc, O.J., QC, Ma Hope Mallets, Mrs. Kethorine Millar, Mr. Las
Perry, Mr. Wiiber, In Persand, Arab. Funk Pringle, Mr. David Wan,



CREDIT OFFICER

7547060/7



CREDIT MANAGER

FIN AL LIMITED

"Financial Sector Adjustment Co. Ltd,"
2 - 6 QXFORD ROAD
MUTUAL LIFE BUILDING, 4th FLOOR (NORTH TOWERS)
EO. BOX 54, KINGSTON 5
JAMAICA, W.S.

PHONE; (876) 754-7053-67

FAX: (876) 754-7079

19u' January, 2000

[REDACTED]
KINGSTON

Mention: [REDACTED]

Dear Sirs:

Re: [REDACTED] -- Ce to National Bank Limited

We have for acknowledgement yours dated the 17th December, 1999. We take this opportunity to advise that this matter has been passed to the undersigned for future attention and request that all correspondence be directed accordingly.

Several issues have been raised in yours to us ebovementioned and therefore this writer will require further instructions before responding in a cohesive manner. As the required instructions and accompanying documentation are expected shortly, we anticipate being in a position to respond to you within the next seven (7) days,

Yours faithfully,

FJ ISAC LIMITED
(fo EFIN TRUST LIMITED)

[REDACTED]
ATTORNEY-AT-LAW

Directors; Or, The Hon. Kenner Rnttray, n.l., QC (Chairman), Hon. Shirley Tyndall, O.1., (Vice Chairman), Mr. Patrick Hylton (Managing Director), Or, Gtrndsona Sonnick, Hon. David Coere, O.3., QC., Ms. Hope Markel, Mrs. Keroorine Miller, Mr. Las Perry, Mr. Wilber= Persaud, Arab. Frank Pringle, Mr. David Wan,

922-6158

May 23, 2000

The President
 FINSAC LIMITED
 Road
 Mt. Royal Life Building
 4th Floor
 5
 Kingston

"Financial Sector Adjustment Co, 2-13 Oxford

Ltd."

ATTE@TIOrid: [REDACTED]

Dear Sirs,

Re: [REDACTED] *
 -- *Cec*try Kati c*na # dank Limited

One full month has passed since your letter of January 19, 1999, and two months have passed since my letter to you of December 19, 1999, to which your letter above referred, but to date, I have not received the detailed response promised in respect to the evidence sent to you in good faith.

Please note that in addition to the damage done to my clients' reputation, creditworthiness and the immobilization of principal asset by the two financial entities under your control; you do further damage by circulating adverse credit information and continue to maintain such adverse information in the public domain, in spite of the evidence you have been provided with.

I can no longer persuade my clients to exercise patience.

Yours truly,

[REDACTED]

[REDACTED]

Per:

[REDACTED]

(5)

S 12

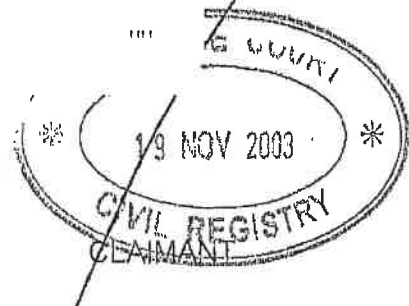
FIXED DATE CLAIM FORM

IN THE SUPREME COURT OF JUDICATURE OF JAMAICA

CLAIM NO. [REDACTED]

BETWEEN

[REDACTED]



A N D

FINANCIAL INSTITUTIONS
SERVICES LIMITED

DEFENDANT

A N D

JAMAICAN REDEVELOPMENT
FOUNDATION INC.

2ND DEFENDANT

[REDACTED]

A N D

DENNIS JOSLIN JAMAICA INC. 30 DEFENDANT The Claimant

[REDACTED]

Kingston claims against the
Defendants:

1. FINANCIAL INSTITUTIONS SERVICES LIMITED
76 Knutsford Boulevard
Kingston 5
2. JAMAICAN REDEVELOPMENT FOUNDATION IN
6 St. Lucia Avenue
Kingston 5
3. DENNIS JOSLIN JAMAICA INC,
6 St. Lucia Avenue Kingston 5

* . - ***CM*;H*; .y; .i
W1

* * _ * * i , \ . . . , =

[REDACTED]

,TOSLIN

DE 0 8 20p

Legal 1)

EDATE doc

the following orders:

- 1, That the claimant is not indebted to the First and/or Second Defendant;
2. That the First Defendant or in the alternative the second defendant execute a memorandum discharging the mortgage over lands of the claimant registered at Volume [REDACTED] Folio [REDACTED] and Volume [REDACTED] Folio [REDACTED] of the Register Book of

Titles;

,(p<

$-z_{,,}$

$"-2,$

3. That the First, Second and Third Defendants whether by themselves, their servants or agents be restrained from selling the lands of the claimant registered at Volume [REDACTED] Folio [REDACTED] and Volume [REDACTED] Folio [REDACTED] of the Register Book of Titles,
4. Damages

I certify that all facts set out in this claim form are true to the best of my knowledge, information and belief,

Dated the (day of p p),_12.),,,_A+ 2003

411,
”
for [REDACTED]

FILED by [REDACTED] of [REDACTED] Kingston, attorney-at-law for and on behalf of the claimant herein.

7

NOTICE TO THE DEFENDANT

The first hearing of this claim will take place at The Supreme Court Public Buildings,
King Street, Kingston on the 1st day of July, 2003 'Wt 10 00 a.m. & 1 set ..

if you do not attend at that hearing, judgment may be entered against you in
accordance with the claim.

If you do attend, the judge may

- (a) deal with the claim, or
- (b) give directions for the preparation of the case for a further hearing.

A Particulars of Claim or an Affidavit giving full details of the Claimant's claim should be
served on you with this Claim Form, if this has not been done and there is no order
permitting the Claimant not to serve the Particulars of Claim or Affidavit you should
contact the court immediately.

You should complete the form of Acknowledgment of Service served on you with this
Claim Form and deliver it to the registry (address below) so that they receive it within
FOURTEEN days of service of this Claim form on you. The form of Acknowledgment of
Service may be completed by you or an Attorney-at-Law, acting for you.

You should consider obtaining a legal advice with regard to this claim. See notes in form
2A served with this **Claim Form**.

**This Claim Form has no validity if it is not served within six months of the date
below unless it is accompanied by an order extending that time.**

SEAL

The Registry is at King Street, Kingston, telephone numbers (876) 922-8300 - 9, fax
(876) 967-0669. The office is open between 9:00a.m and 4:00p.m Mondays to
Thursdays and 9:00a.m to 3:00p.m on Fridays, except on Public Holidays.

Dated the 1st day of July, 2003

The Claimants address for service is that of their Attorney-at-Law, Randolph Williams of
No, 2 Duke Street, Kingston, telephone number 967-0501.

FILED by [REDACTED], Attorney-at-Law of No. [REDACTED], Kingston.

AFFIDAVIT IN SUPPORT

IN THE SUPREME COURT OF JUDICATURE OF JAMAICA

CLAIM NO. [REDACTED]

[REDACTED]
CLAIMANT

BETWEEN [REDACTED]

A N D

FINANCIAL INSTITUTIONS
SERVICES LIMITED

1ST DEFENDANT

A N D

JAMAICAN REDEVELOPMENT
FOUNDATION INC.

2ND DEFENDANT

A N D

~~DENNIS~~ JAMERICAN DEFENDANT

I, DEBTOR5 being duly sworn make oath and say:-

1. My true piece of abode and postal address is [REDACTED]
[REDACTED] Kingston. I am the [REDACTED] and [REDACTED] of the Claimant company and I am authorised to make this affidavit and the matters deponed herein are of my personal knowledge are true to the best of my knowledge and belief.
2. On 22nd September 1988 the Claimant mortgaged two parcels of land registered at Volume [REDACTED] Folio [REDACTED] and Volume [REDACTED] Folio [REDACTED] as security for a [REDACTED] and [REDACTED] facilities [REDACTED] from Century National Bank Limited, I am shown and now produce a copy of the instrument of mortgage marked Exhibit AS 1.
3. The first defendant, a company incorporated in Jamaica is the assignee of all claims and rights of the Century National Bank Limited and the mortgage referred to in paragraph 2 herein is vested in the first defendant, I am shown and now produce a copy of the duplicate certificates of title marked Exhibit AS 2.

4. The claimant is no longer indebted to the Century National Bank Limited, the loan referred to in paragraph 2 has been repaid. I am shown and now produce a copy of a letter dated 23rd September 2003 addressed to the second defendant marked Exhibit AS 3,

a. The third defendant, an agent of the second defendant has served notice of intention to sell the claimant's lands under a purported power of sale and despite the letter Exhibit AS 3 intends to proceed with the sale, I am shown and now produce a copy of the notice of intention to sell and a letter dated October 6 2003 from the third defendant marked Exhibit AS 4,

6. The promissory note referred to in Exhibit AS 4 was not executed by the claimant or in the alternative no money was disbursed by the Bank,

7. I fear that unless restrained the defendants will proceed with the sale of the claimant's land before the trial of the action herein and I make this affidavit in support of the application for an interim injunction. SWORN to at ? *Et na, !*)

in the parish of tC i o',LK,,)

this, -- K day of

2003, before me:-

DEBTOR5

~~JUSTICE OF THE PEACE FOR~~
THE PARISH OF:-

FILED by [REDACTED] S of [REDACTED] Kingston, attorney-at-law for and on behalf of the Claimant herein.

47



DEFENCE OF SECOND AND THIRD DEFENDANTS

IN THE SUPREME COURT OF JUDICATURE OF JAMAICA

CLAIM NO. [REDACTED]

BETWEEN

[REDACTED]

CLAIMANT

AND

FINANCIAL INSTITUTIONS
SERVICES LIMITED

DEFENDANT

AND

JAMAICAN REDEVELOPMENT
FOUNDATION INC.

2ND

DEFENDANT

AND

1. These Defendants admit paragraph I of the Particulars of Claim.
2. These Defendants admit that the Claimant executed an Instrument of Mortgage (the said mortgage) dated September 22, 1988, as security for a loan given by Century National Bank ("the Bank") in the sum of [REDACTED], with interest thereon at the rate of 27% per annum calculated as compound interest with monthly rests. The lands referred to in paragraph 1 of the Particulars of Claim filed herein were used by the Claimant as security for the said mortgage and the Certificates of Title therefor endorsed with Mortgage No. [REDACTED], registered on November 30, 1988.
3. By the terms of the said instrument of Mortgage the Claimant covenanted with the Bank to pay to the Bank on demand, "all such sums of money as are now or shall from time to time hereafter become owing to the Bank from the Mortgagor whether in respect of overdraft, moneys advanced or paid to or for the use of the Mortgagor or charges incurred on his account or in respect of promissory notes and other negotiable instruments drawn accepted or endorsed by or on behalf of the mortgagor These Defendants will rely on the said mortgage at the trial hereof for it full terms and effect
4. These Defendants further admit that the said mortgage was up-stamped in the first instance on December 6, '1990 to cover a further indebtedness of the Claimant to the Bank in the sum of [REDACTED] and thereafter on June 1, 1993 to cover the further sum of [REDACTED]
5. It is admitted that the 1st Defendant is a company duly incorporated under the laws of Jamaica and that the said mortgage was vested in the 1st Defendant by virtue of an Order of the Supreme Court of Judicature of Jamaica made in Suit No. M121 of 1997 and dated the 21st October, 1997, It is not admitted however, that the 1st Defendant is

-tr J/s...L [-*

O's e
'lam

50

We certify that all the facts set out in our Defence are true to the best of our knowledge information and belief,

Dated LA- day o f 1 - - o . , c 1 2 0 0 4

Signed

ASSETS MANAGER FOR 3n DEFENDANT

PER:
AITOR YS-AT-LAW FOR THE 15th
ND 2nd (DEFENDANTS

Filed by [REDACTED], of No. [REDACTED], Kingston, Attorneys-at-Law whose telephone numbers are [REDACTED] for and on behalf of the VI and 2nd Defendants herein.



AME• IDEP DEFENCE OF SECOND AND THIRD DEFENDANTS

IN THE SUPREME COURT

A'TURE OF ,*AIVIAiCA ""

CLAIM NO. [REDACTED]

wl

r

BETWEEN

[REDACTED]

'CLAIMANT

AND

a'k'oa

**FINANCIAL INSTIKUTIONS
SERVICES 111111171T***

1 s'

DI FEIIPNT

AND

**JAMAICAN REDEVELOPMENT
FOUNDATION INC.**

DEFENDANT

AND

DENNIS JOS.IN JAMAICA INC.

3RD

DEFENDANT

1. These Defendants admit paragraph 1 of the Particulars of Claim.
2. These Defendants admit that the Claimant executed an Instrument of Mortgage (the said mortgage) dated September 22, 1988, as security for a loan given by Century National Bank ("the Bank") in the sum of [REDACTED] with interest thereon at the rate of 27% per annum calculated as compound interest with monthly rests. The lands referred to in paragraph 1 of the Particulars of Claim filed herein were used by the Claimant as security for the said mortgage and the Certificates of Title therefor endorsed with Mortgage No. [REDACTED], registered on November 30, 1988.
3. By the terms of Clause 1 {a}{i) of the said Wiortgac e the Claimant covenanted with the Bank to pay to the Bank on demand, "all *such sums* of money as are now or shall from time to time hereafter become owing to the Bank from the Mortgagor whether in respect of overdraft, moneys advanced or paid to or for the use of the Mortgagor or charges Incurred on his account or in respect of promissory notes and other negotiable instruments drawn accepted or endorsed by or on behalf of the mortgagor, ".
4. Clause 2(b) of t h e said m. r a e stipulated that "this security shall be a continuing
secures and shall wail the _ Bank in respect of all present _ and future indebtedness of he
mortgagor _ on arty accounts whatever and is in addition to any security which would be
!wiled or arise in the ordinary course from the business reati ons_ between_ the
mar fgag ,r rd. Bank and shall be deemed to continue notwithstanding any Paymnts
from time to, time made by the mortgagor or any settlement of aeCarant or other thing
whatsoever _ These Defendants will rely on the said mortgage at the trial hereof for it full
terms and effect..
5. These Defendants further admit that the said mortgage was up-stamped in the first instance on December 6, 1990 to cover a further indebtedness of the Claimant to the

Bank in the sum of [REDACTED] and thereafter on June 1, 1993 to cover the further sum of [REDACTED]

6. It is admitted that the 1st Defendant is a company duly incorporated under the laws of Jamaica and that the said mortgage was vested in the 1st Defendant by virtue of an Order of the Supreme Court of Judicature of Jamaica made in Suit No. M121 of 1997 and dated the 21st October, 1997. It is not admitted however, that the 1st Defendant is the assignee of all claims and rights of the Bank to recover debts, damages and other compensation from all persons, as is alleged in paragraph 3 of the Particulars of Claim or at all, as these Defendants are not privy to all arrangements made by the 1st Defendant with the Bank in respect of the Bank's rights against Third Parties.

7. In response to paragraphs 4 and 5 of the Particulars of Claim, these Defendants say that the 2nd and 3rd Defendants were duly incorporated in the United States of America and were subsequently registered as Overseas Companies with the office of the Registrar of Companies pursuant to the provisions of Section 346 of the Companies Act.

The 3rd Defendant was appointed by the 2nd Defendant as its agent, to service the debts and obligations assigned to the 2nd Defendant under an Agreement for Sale and Purchase of Assets dated January 20, 2002, between Finsac Limited, Refin Trust Limited, Financial Institutions Services Limited (the sellers) and the 2nd Defendant. The sellers under the said Agreement, absolutely assigned to the 2nd Defendant all of their rights, title and interest and all interest and other monies which are due or subsequently to become due to them as sellers, in the assets described in the said Agreement, one of which was the Claimant's debt to the Bank and the Mortgage given as security for same,

Further, it is admitted that by Notice dated August 11, 2003, the 3rd Defendant advised the Claimant of the 2nd Defendant's intention to exercise its power of sale under the provisions of the Registration of Titles Act, in the event that the Claimant failed to pay the sum of \$12,659,742.47 due and owing under the said mortgage, within one month of service of the said Notice on the Claimant.

In response to paragraph 6 of the Particulars of Claim these Defendants say that by registered letter dated June 17, 2003 and by the terms of the aforementioned Notice dated August 11, 2003, the Claimant was advised of the acquisition by the 2nd Defendant of the said Mortgage, which had previously vested in the 1st Defendant by Order of Court.

1. These Defendants deny paragraphs 7, 8 and 9 of the Particulars of Claim and in response thereto, say as follows:

- a) In or around the year 1988 [REDACTED] and the Claimant, all related companies, were customers of the Bank and were afforded loan facilities which included overdraft facilities as well as a line of credit for the importation of raw materials into the island;
- b) During September 1988 the Claimant requested and was afforded, loan facilities in the sum of [REDACTED] by the Bank, which said sum was secured by the said Mortgage referred to in paragraph 2 hereof. A further sum of [REDACTED] was subsequently requested by the Claimant and provided by the Bank and the said

Mortgage up-stamped on December 6, 1990 to provide additional security for the total sum then outstanding;

- c) Further security was subsequently requested by the Bank for the outstanding principal and interest due to the Bank and on July 9, 1991, the Claimant's principal, Mr DEBTOR5, duly executed an Instrument of Guarantee, the terms of which provided his unlimited guarantee to the Bank for the Claimant's liabilities;
- d) in or around March 1992, the sum due and owing to the Bank on the said loans amounted to [REDACTED] and the Claimant at the Bank's request, executed a Promissory Note on March 27, 1992, as further security. By the terms of the said Promissory Note the Claimant agreed to pay on demand, the outstanding sum due to the Bank;
- e) in or around May 1993, the Bank at the Claimant's request, advanced the further sum of [REDACTED] to the Claimant and on June 1, 1993 the said Mortgage was upstamped to cover this additional amount;
- f) *The 1st Defendant* subsequently assumed the Rights of the Bank to the Claimant's outstanding debt and by the Order of the Supreme Court referred to in paragraph 5 hereof, the said mortgage was vested in the 1st Defendant
- g) The 2nd Defendant under and by virtue of the Agreement for Sale and Purchase of Assets referred to in paragraph 7 hereof, subsequently acquired the rights to the Claimant's indebtedness to the Bank and the 3rd Defendant under the Notice referred to in paragraph 8 hereof, demanded that the Claimant settle the outstanding balance due under the said mortgage.

These Defendants therefore say that the payments made by the Claimant towards the liquidation of its outstanding indebtedness to the Bank, were insufficient and that the Claimant's indebtedness to the 2nd Defendant at the date of the Notice referred to in paragraph 8 hereof, was in the amount of [REDACTED]. No payments have been made by or on behalf of the Claimant towards the liquidation of the said sum and the amount of [REDACTED] is now due and owing from the Claimant to the 2nd Defendant.

12. These Defendants further contend that the Claimant has failed to account for the loan of [REDACTED] made by the Bank to the Claimant in May 1993, as paragraph 8 of the Particulars of Claim is limited to those loans made to the Claimant up to December 1990, Paragraph 9 of the *Particulars of Claim* is therefore denied and these Defendants contend that the 1st and 2nd Defendants were not obliged to discharge the said Mortgage as alleged or at all.

- 1 Paragraphs 10 and 11 of the *Particulars of Claim* are denied. In response thereto these Defendants say that in reliance upon the Claimant's instructions to loan the said Certificates of Title to Eagle Merchant Bank (EMB) for the registration of a second mortgage thereon, the Bank gave EMB its undertaking to so deliver the said Certificate of Title. The Bank thereby altered its position in a manner prejudicial to itself and the Claimant is therefore Estopped from now claiming that the Bank or any of these Defendants, breached the terms of the said Mortgage, or their duty to the Claimant.

14. These Defendants deny that the Claimant suffered the loss alleged in paragraph 12 of the Particulars of Claim as a consequence of their (the 2nd and 3rd Defendant's) acts or omissions as outlined in the Particulars of Claim or at all and refer to paragraphs 1 through 12 hereof.
15. Save as hereinbefore admitted, these Defendants deny each and every paragraph of the particulars of Claim filed herein as if the same were set out and traversed seriatim,

We certify that all the facts set out in our Defence are true to the best of our knowledge information and belief.

Dated day of 2004.

Signed,

[Redacted]

[Redacted] *Wiph Williams*
16. 2.04
3:45pm
Per: Richarda

Filed by [Redacted] of No. [Redacted] Kingston, Attorneys-at-Law
whose telephone numbers are [Redacted] for and on behalf of the 1st and 2nd
Defendants herein.

I PER: /
ATTORNEYS-AT-LAW FOR THE
1st AND 2nd DEFENDANTS

N.!

f (4-

(,,

Sworn on behalf of: 1st Defendant Sworn by

: [REDACTED]

Affidavit No.

1

Exhibits

none

Date Sworn

March 22, 2004

Date Pled

March 22, 2004



AFFIDAVIT OF [REDACTED]
IN THE SUPREME COURT OF JUDICATURE OF JAMAICA

CLAIM NO [REDACTED]

BETWEEN

[REDACTED] CLAIMANT

AND

**FINANCIAL INSTITUTIONS
SERVICES LIMITED**

1st DEFENDANT

AND

**JAMAICA REDEVELOPMENT
FOUNDATION INC.**

2ND DEFENDANT

AND

DENNIS JOSLIN JAMAICA INC. 3RD DEFENDANT

I, [REDACTED], being duly sworn make oath and say as follows:

1. My address for The purposes of this Affidavit is [REDACTED]
[REDACTED] and I am
[REDACTED] and duly authorized to
swear this Affidavit [REDACTED]
2. I have read the Further Affidavit of DEBTOR5 sworn to on the 5th day of
March 2004 (hereinafter referred to as "the said Affidavit") and crave
the leave of this Honourable Court to respond to it,

3. I have read the report of Senior Superintendent of Police Carl M. Major mentioned in paragraph 2 and attached as an exhibit to the said Affidavit and in response wish to say the following:

(i) I have visited the offices of Dennis Joslin Jamaica Inc. where the files relating to the accounts of Century National Bank ("CNB") with the Claimant are now held and have myself examined the security and credit files of CNB with the Claimant.

(ii) In the said files, I have seen only one (1) Promissory Note bearing the date 27th March 1992 with the duly embossed seal of the Claimant endorsed thereon, The signatures of the principals of the Claimant also appear on the said Promissory Note, including what appears to be that of DEBTOR5.

(iii) There is no other Promissory Note In the file resembling the note appearing as **Exhibit [REDACTED]** in DEBTOR5's Further Affidavit, that is, a Promissory Note dated March 27, 1992 number [REDACTED] duly signed but not bearing any seal of the Claimant.

(iv) I note where in paragraph 8 of the said Affidavit, DEBTOR5 states that he was given a copy of the Promissory Note dated the 27th day of March 1992 number [REDACTED] by [REDACTED] [REDACTED] shown as **Exhibit [REDACTED]**. Having read this, I

108a

attempted to myself make a photocopy of the Promissory Note bearing the embossed seal of the Claimant and found that *when copied* the duly embossed seal is not represented on the photocopy at all. This explains why the copy given to DEBTOR5 does not bear the duly embossed seal.

4. In relation to paragraph 9 of the said Affidavit, it is denied that at any time, FINSAC Ltd, who is not named as a party to this suit, fraudulently combined the purported loan against [REDACTED] with that of the Claimant to create a new debt. Nothing contained in the letter exhibited as Exhibit [REDACTED] shows in the least any combination of accounts as alleged.

5. Having perused the files of CNB, I see nothing contained therein demonstrating that the Bank combined any purported Claim against [REDACTED], with the account of the Claimant as alleged,

SWORN to at .2/)
in the parish of Kingston)
this 22nd day of March
before me : 4 F 'PA

[REDACTED]

[REDACTED]



7,0 ell
JUSTICE OF THE PEACE
PARISH OF ST. ANDREW, JAMAICA

SU

Filed by [REDACTED] & of [REDACTED] Attorneys-at-Law for the 1st Defendant, whose address for service is that of its said Attorneys-at-Law, [REDACTED]. Telephone # [REDACTED] Fax # [REDACTED].

(51)



AFFIDAVIT OF RAYMOND MC31 II E

IN THE SUPREME COURT OF JUDICATURE OF JAMAICA

CLAIM NO. HGV 2209 02003

BETWEEN

AND

BEAUTIFIT LIMITED

CLAIMANT

**FINANCIAL INSTITUTIONS
SERVICES LIMITED**

1st DEFENDANT

AND

JAMAICAN REDEVELOPMENT
FOUNDATION INC.

2ND DEFENDANT

AND

DENNIS JOSLIN JAMAICA INC.

3RD DEFENDANT

I, [REDACTED] being duly sworn make oath and say as follows:-

1. My address for the purpose of this Application is [REDACTED]

[REDACTED]. I am [REDACTED] employed to the Third Defendant and I am duly authorized by the Second and Third Defendants herein to make this Affidavit on their behalf,

2. My knowledge of the facts and matters deposed to herein is derived from by position aforesaid and my knowledge of the documentation relevant to these proceedings and such facts and matters in so far as they are within my knowledge are true and in so far as they are not within my knowledge are true to the best of my information and belief.

3. I crave leave of this Honourable Court to refer to the Affidavit of DEBTOR5 sworn to on support of the Claimant's application for an Injunction.

*Document received
4/2/06
2.10 pm*

December 2, 2003 (hereinafter referred to as "the said Affidavit") and filed herein in

4, In response to paragraph 2 of the said Affidavit, I say that the said mortgage referred to therein and exhibited thereto as "[REDACTED]" was executed by the Claimant to secure the sum of [REDACTED] in the first instance and it was agreed by the parties thereto that until its discharge, the said Mortgage would cover the indebtedness of the Claimant to Century National Bank ("the Bank") and would be in the nature of a continuing security. I crave leave of the Honourable Court to refer to the said Instrument of Mortgage.

5, Paragraph 3 of the said Affidavit is admitted in so far as It indicates that the said mortgage was vested in the First Defendant by an Order of the Supreme Court of Judicature of Jamaica made on October 21, 1997, in Suit No. M 121 of 1997

6. I deny that the Claimant's outstanding Indebtedness under the said mortgage has been liquidated as is alleged in paragraph 4 of the said Affidavit or at all and say as follows:-

a. In addition to the sum of [REDACTED] which was secured by the said mortgage on September 22, 1988, the Claimant requested and obtained additional loans of [REDACTED] and [REDACTED] from the Bank and the said mortgage was upstamped on December 6, 1990 and June 1, 1993 respectively, to cover the Claimant's further indebtedness;

b In or around March 1992, the sum due and owing to the Bank on the loans of [REDACTED] and [REDACTED] amounted to [REDACTED] and the Claimant at the Bank's request, duly executed a Promissory Note on March 27, 1992 as further security for the said sum;

c. The Claimant failed to properly service the said loans and by Registered Notice dated August 11, 2003 addressed to the Claimant, the Third Defendant advised the Claimant that the Second Defendant had acquired the said mortgage, detailed its indebtedness to the Second Defendant as at that date (the sum of [REDACTED]) and indicated the Second Defendant's intention to exercise its power of sale under the said mortgage in the event that the Claimant failed to pay the outstanding sum within the time stipulated.

d. The letter dated September 23, 2003 addressed to the Second Defendant and exhibited as "AS3" to paragraph 4 of the said Affidavit failed to address the further sums loaned to the Claimant which are referred to in subparagraph 6a hereof.

WFO
- under 7
- sum
- paid

e. The Claimant states in the said letter dated September 23, 2003, that the sum of [REDACTED] "does not relate to [REDACTED] but was charged to [REDACTED] in error. There was a demand note in respect of a line of credit to another company, [REDACTED] and this was secured by hypothecated Certificates of Deposits". That letter inferred that the indebtedness in issue was that of [REDACTED]. This however, contradicts the following assertion contained in letter dated February 11, 1999: "I have been instructed that there appears to be an error in that [REDACTED] is not indebted to FINSAC or to any of its subsidiary financial institutions. [REDACTED] is aware of the indebtedness of another of his companies to Century National Bank, but claims [REDACTED] is not indebted to you as indicated in your letter."

7, I admit paragraph 5 of the said Affidavit together with the documents exhibited thereto and repeat paragraph 6 hereof,

8. In response to paragraph 6 of the said Affidavit I say that the Promissory Note referred to therein was in fact executed by the Claimant under its common seal and that the same was given by the Claimant to the First Defendant for value received by the Claimant and as further security for the sum of [REDACTED] which was then due and owing. Exhibited hereto marked "PR-1" for identification is a copy of the said Promissory Note dated March 27, 1992 and the letter dated February 11, 1999, I also crave leave of this Honourable Court to refer to the Defence filed herein on the Second and Third Defendants' behalf.

9. The Claimant as at February 2, 2004 is Indebted to the Second Defendant in the sum of [REDACTED] 9 with interest accruing thereon at the daily rate of [REDACTED].

10, In the premises I do humbly pray that the Order being sought by the Claimant for an Interim Injunction be refused.

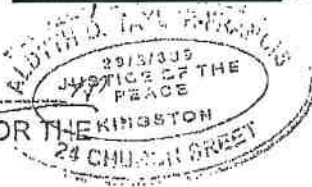
Sworn to by [REDACTED]
at [REDACTED]

in the presence of [REDACTED]

At [REDACTED] 20 At [REDACTED] MOND MCBRIDE before me.

Filed by [REDACTED], of No. [REDACTED], Kingston, Attorneys-at-Law whose telephone numbers are [REDACTED] for and on behalf of the First and Second Defendants herein.

JUSTICE OF THE PEACE FOR THE KINGSTON
PARISH OF: [REDACTED]



CS



EXHIBIT "PI^y-1"

I

N THE SUPREME COURT OF JUDICATURE OF JAMAICA

CLAIM NO, [REDACTED]

BETWEEN	[REDACTED]	CLAIMANT
A N	IJ FINANCIAL INSTITUTIONS SERVICES LIMITED	'17 DEFENDANT
A N	I) JAMAICAN REDEVELOPMENT FOUNDATION INC,	2 nd DEFENDANT
A N	D DENNIS JOSLIN JAMAICA INC.	3 rd DEFENDANT

I HEREBY **CERTIFY** that the following exhibit is included and referred to in the
Affidavit of [REDACTED] sworn to before me this _____ day of _____ 2004,

"PR-1" Copy Promissory Note dated March 27, 1992 and letter dated
February 11, 1999

Th _____ **A -4**
Dated the (**A** day of *February*, 2004
" 14th day of _____

F ALMOND MCBRIDE

[Signature]
w/21389

JUSTICE 4.

FOR THE

PARISH 0 Filed by [REDACTED], of No, [REDACTED] Kingston, Attorneys^{M1}
at-Law whose telephone numbers are 968-0865-7, 929-4727 for and on behalf of the First
and Second Defendants herein.

186

March 27 19 92

Or Demand after data for wait sa received LdC
ronitise o pay to the order of U'xlltitrj National 7itillk lrltnltcl the stsn of, Two Mil Lion, Four
H 1 • wenty Two Thousand Five 3lundred & Fifty Four Dollars Potty Cent m

tit
on
J'

lculated on a daily basis and pa ya(na as well for as before ri3sttr. ri alh.*d interest

t,ItMlrsf* 7

69% percentum per annum.

arest. The rate of

Interest

payabic

shall be at a !'ats ien

;Y ei?trl'to, "

um over and above the 'entury National Bank Liarjited'***r 'a l'ircr"j6'r4er Ilir from

ile cloy to day prevailing, At the data of ads note, the marltat rat. ai3f 3thvf*yy/Natrurial'Il'd+i +u•;Lirui4d is

11 1 • c.

6/29
7.1

Rando

W'da///Ji

&'Z'0(.

(57)

ATTORNEY•AT•LAW

)UKt' STREET (ROOM 5)
NGSTON

c.'re i'
TELEPHONE; 91:74E54
„9-245,38-3

February 11, 1999

FINSAC Limited
2 Oxford Road
Mutual Life Building
4th Floor
Kingston 5

ATTENTION: _____

Dear Sirs

Re; _____ Demand Loan Facility

Further to our telephone conversation today 11/2/99 I refer to your letter dated 12th January, 1999 addressed to _____ for the attention of Mr. DEBTOR5 signed by _____ and co-signed by _____.

DEBTOR5 has requested that I write on his behalf,

I have been instructed that there appears to be an error in that _____ limited is not indebted to FINSAC or to any _____ of its subsidiary financial institutions.

Mr. Smith is aware of the indebtedness of another of his companies to Century National-Bank, but claims _____ limited is not indebted to you as indicated in your letter. DEBTOR5's company has a claim against another of Tour financial institutions (Eagle Merchant Bank).

24 la. ATTORNEY IN LAW

(N

13 Xu
uOtaN4

Sheddy

3,

THIS LOAN AGREEMENT is, made the / , day of 'L, axcr...e.. ' /

19

7

BETWEEN: EAGLE MERCHANT BANK OF JAMAICA LIMITED of 24-26 Grenada
Crescent, Kingston 5 in the Parish 'of Saint Andrew
(hereinafter called "the Bank") of, the ONE PART
AND THE PARTY (OR PARTIES) whose name (es) and addresses
)
is (are) set forth in Item 1, of the Schedule hereto
(hereinafter called "the Borrower's be the 211-IER PART

WHEREAS

By an Investment Agreement dated March 14, 1989 and made
between INTERNATIONAL FINANCE CORPORATION ("IFC") and the Bank, IFC
agreed to make a loan to the Bank (hereinafter called "the IFC Loan").
(2) It is a term of the said Investment Agreement that the proceeds
of the IFC Loan *disbursed to the Bank would, by way of subloans*, be lent by
the Bank to Eligible Subborrowers (as that term is defined in the
Investment Agreement) for Permitted Purposes only,
(a) The Borrower has requested the Bank to make a subloan to the
Borrower and the Bank has agreed to do so on the following terms and
conditions;

NOW IT IS HEREBY AGREED as follows:

1. INTERPRETATION

7.1. In this Agreement, unless the context otherwise
requires, the following terms shall have the following meanings:

"Appendix of Financial

Terms",

means the Appendix attached hereto and
forming a part of this Agreement;

"Banking day"

means a day on which commercial banks in
Jamaica are open for business;

"Charge"

means any debenture, mortgage, charge,
pledge, encumbrance, lien, statutory
right (including any right of

forfeiture, confiscation or detention), right in rem, or any right of execution or attachment, or right created under any trust or any security interest of whatsoever kind;

"Foreign Currency" means any currency other than Jamaican currency;

"Interest Period" means the period commencing on an Interest Payment Date and ending on the day immediately before the next following Interest Payment Date; except in the case of the first Interest Period applicable to any disbursement of the Loan, which shall mean the period commencing with the date on which disbursement is made and ending on the day immediately before the next following Interest Payment Date;

"Permitted Purposes" means the purposes for which the Bank may lend the proceeds of the Loan, such purposes being to finance the purchase of fixed assets or working capital purposes (provided that such working capital expenditure payable in Foreign Currency); in each case with the object of enhancing or expanding the Borrower's export or foreign exchange saving capacity;

"Securities" means the securities and instruments specified in Clause 6.1 hereof;

"Security Party" means the Borrower or any other person, corporation or other juridical entity who is bound by any of the Securities;

"D'. Biro'. DS, scaunt Rate" means the discount rate at which the Bank of Jamaica sells three-month *Treasury Bills* from time to time, such sales at the date hereof, being conducted on a, monthly basis.

1.2 • In addition to the foregoing, certain financial terms referred to in Clause 12, 1(c) shall have the meanings set forth in the Appendix of *Financial Terms*,

1.3 If Date of Payment or Interest *is a mess* *De: e 1 alis* upon a day which is not a Banking Day, then the Date of Payment or Interest Payment Date; as the case may be, shall be deemed to be the next Banking Day immediately following,

1.4 In this Agreement unless the context otherwise requires, words denoting the singular include the plural and vice versa, words denoting persons include corporations and vice versa, and words denoting one gender shall include the other genders.

2. AGREEMENT FOR THE LOAN

Subject to the terms and conditions of this Agreement, the Bank agrees to lend to the Borrower and the Borrower agrees to borrow from the Bank the sum specified in Item 2 of Schedule hereto or such lesser sum as may actually be disbursed } hereinafter, called "the Loan",

3. PURPOSE OF THE LOAN

The Loan shall be used for the purpose described in Item 3 of the Schedule (hereinafter called "the Purpose") and for no other purpose whatsoever.

4. DISBURSEMENTS

Disbursement of the Loan all be made by the Bank, from time to time to the credit, ... - t L orrower at the financial institution s ecifi ed in Item 4 o

Otherwise as may be specified in Item 4 aforesaid,

4.2 The Bank may by written notice to the Borrower suspend or cancel the right of the Borrower to disbursement of the Loan or any part thereof:

- (a) at anytime after three (3) months from the date hereof;
- (b) if an Event of Default or any event which, with lapse of time and/or notice would become an Event of Default, shall have happened and be continuing;
- (c) if ~~IF~~ "shall for any reason whatsoever suspend or cancel disbursement" under the XV'C Loma;
- (d) if at anytime in the reasonable opinion of the Bank there shall exist a situation which indicates *that performance -by the Borrower of any of its obligations* under this Agreement or the *Securities* cannot be expected or that circumstances *have* occurred which makes it improbable that *the* Borrower will be able to fulfil any of its obligations under, this Agreement or under any o^o the securities,

5. INTEREST

5.1 Subject as hereinafter provided, the Borrower shall pay, interest on the balance *£ r Lhe mime 47 tl outstanding of th Loan at the rate per annum specified in Item 5 of the Schedule (hereinafter called the "On-lending Rated).

5.2 Interest shall accrue from day to day,, be pro-rated on the basis of a 360-day year for the actual number of days, in the relevant Interest Period and shall be due and payable on the days specified in Item 6 of the Schedule (herein called "Interest

S.

Payment *D a t e s* ") , *calculated as* aforesaid shall be compounded at monthly rests. '

5.3 If in any case the On-lending Rate is to be determined by reference to the T-Bill Discount Rate and for any reason whatsoever such determination cannot be made, then *in such event* the pa:-*J:ndi.na Rata (if (i) fixed by reference to the *T-sill* Discount Rate and (ii) is not subject to variation at the option of the Bank) shall be determined at the rate of five percentage (5) points per annum above the rate of interest payable *by the* Bank upon the IBC Loan respect of the corresponding *period*.

5.4 ' The *daternLnatiin* by the Bank, *feem* time to time of the On1A44Rate shall be final and conclusive and shall be ly ^ binding upon the Borrower unless shown by the Borrower to the *satisfactory of IBC* that *any* such determination has involved *erical er r..*

• 5.5 The *egreenent* as to *int event*, bank charges, legal costs and expenses (including in particular the *ciculation and payment* of *vinttres* \$, compounded aforesaid) shall continue notwithstanding the appointment of a receiver by any creditor (*inc],uding* the; Bank) , the commencement of *riquidation pr;ocedutngs* (whether voluntary or compulsory) with respect to the Borrower, any demand by the Bank for repayment, the termination of the 'banker/customer *relationship* between the Bank and the Borrower or, that any banking account *which the* Borrower has with the Bank may cease to be operated and, *for the*, avoidance of doubt, it is hereby declared that interest determined on the foregoing basis and compounded as aforesaid shall be payable before, as well as after, any demand is made or any judgment is obtained hereunder or under any of the Securities.

6. SECURITY

6.1 , As security for the repayment of the Loan and payment of interest and all other amounts owing by the Borrower

to the Bank under this loan Agreement or under any of the Securities, the Borrower shall issue 'to the Bank the securities, described in Item 7 of the Schedule, Such Securities all be valid, winding and enforceable against the Borrower or other Security Party and shall each be in a form satisfactory to the Bank,

6.2 The Borrower warrants that no Charge in favour of any person exists over the whole or any part of its assets or

undertaking other than the Charge(s) described in Item 6 of the Schedule and the Borrower undertakes that it will not after the date of this loan Agreement, without the prior written approval of the Bank, grant or establish or permit to arise or subsist any Charge in favour of any other person.

7. REPAYMENT

The Borrower, shall repay the Loan as follows;"

rk.

A; TERM TRAN OR VS [REDACTED] E UAL TO 7 1.1113000 AT EXCHANGE RATE
US\$1 - 3\$6 50

The loan is for a period of 5 years from date of first disbursement and is to be repaid by 54 consecutive monthly installments on the 30th day of each month in accordance with RMB/IFC repayment schedule following the expiry of the 12 Months moratorium on the principal sum.

B. REVOLVING DEMAND LOAN [REDACTED] AT EXCHANGE RATE OF US\$1 = J75.50
X [REDACTED]

The loan is to be repaid on demand or within 12 months from the date of first disbursement, subject to review and renewal within 12 months/ from date of first disbursement,



'For the avoidance of doubt, it is hereby declared that if less than the full amount of the Loan is disbursed repayment shall nonetheless be in the amount of, the above principal instalments and shall commence on the first Date of Payment specified above and shall continue in the above sequence until the amount of the Loan which was disbursed is fully repaid,

B. VOLUNTARY PREPAYMENTS

The Borrower shall be entitled from time to time, on giving not less than **forty-five** (45) days written notice *to the Bank to prepay the whole* or any part of the Loan then outstanding; PROVIDED that:

- (a) in either case, all accrued interest on the principal amount of the Loan, to be prepaid and other amounts (other than principal) due to the Bank shall be paid at the same time; and
- (b) in the case of partial prepayment such prepayment shall be for no less than the next instalment of *principal falling due for payment and, such partial prepayment* shall be applied to prepay the outstanding instalments of principal in inverse order of maturity.

Upon service by the Borrower of any notice of prepayment the Borrower shall be obliged to effect prepayment in accordance with the terms thereof. Any principal amount of the Loan that has been prepaid may not be re-borrowed,

9. LATE PAYMENT INTEREST

9.1 without prejudice to the remedies available to the Bank hereunder or under the Securities or otherwise, if the Borrower fails:

- (a) to make any payment of interest on the relevant Interest Payment Date; or
- (b) on the due date of payment, to make (i) any payment of instalment of principal; or (ii) any prepayment of principal of which notice has been

a

given to the Bank; or (JO) payment of any other amount payable to the Bank hereunder or under the Securities;

then, and in any such case, the Borrower shall, in respect of the said interest, instalment of principal, (including prepayment Of principal) or other amount (as the case may be), pay interest thereon at the rate of one percent (1%) per annum over and above the foregoing *Rate or above such* other rate of interest chargeable upon such sum. *Such interest* shall be due and payable on the next

9.2 In addition to the foregoing, if as result of any late or nonpayment of (i) any instalment or prepayment of principal; or (ii) any interest; or (iii) other sum payable hereunder, the Bank incurs any loss (such as the extra cost of funding any corresponding repayment, prepayment or payment of principal, interest or other sum payable to the Bank under the Investment

Agreement) they; the Borrower shall indemnify the Bank in respect of such loss. /,

10. 'REPRESENTATIONS AND WARRANTIES

In order to induce the Bank to enter into this ' Agreement, the Borrower represents and warrants that:

(a) It is duly incorporated under the laws of Jamaica and has the power to conduct its business as presently conducted;

(b) At least 51% of its equity capital is beneficially owned by individuals who are Jamaican nationals and/or corporations or other juridical entity registered or otherwise organised under the laws of Jamaica;

(c) No more than 25% of the Borrower's equity capital is owned directly or, indirectly by the Government of Jamaica, or any agency, authority, department, minister, or ministry of the Government of Jamaica;

(d) The Borrower has full power, capacity and legal right to enter into this loan Agreement and to

Interest Payment Date unless demanded beforehand.,

7

execute and deliver the .Securities and to perform' and observe all the provisions of this Loan Agreement and the. **Securities**;

- (e) The incurring of the Loan *or any respective* part(s) thereof, and the issue of the Securities, and the performance of the terms *and conditions* hereof and thereof, will not 'conflict with or violate or constitute a default or require any consent, under **any** indenture, debenture, mortgage, agreement or other instrument . by which the Harrower is bound or violate any of the terms of the Borrower's Memorandum and Articles of Association or, any Act of Parliame,n',. Jaw or regulation, by which the Borrower is bound
- (f) This Agreement constitutes the, legal,' valid and binding obligation of the Borrower enforceable in accordance with its terms;
- (g) As at the data of this Agreement, no Event of Default has occurred and *no event* which with the giving of notice and/or lapse of time might *constitute an* Event of Default, has occurred;
- (h) *There exiets* no Charge whatsoever over the whole or any part of the assets or undertaking of the ,Borrawsr other than the Charge(s) specified in Item B of the *chedule*;
- (i), The financial 'statements and other *documents* supplied to the Bank by or on behalf of the *Borrower are* true and correct in' all material respects and fairly represents *the* financial condition of the Dorrower and the results or bone fide projections of its operations for the period covered thereby and such financial statements have been prepared in accordance with accounting principles generally accepted .in Jamaica and applied on e consistent basis.

10.2 The rights ,and remedies of the Bank in' relation to any misrepresentations or' breach of warranty on the part of the Borrower shall not be prejudiced by any investigation by or on behalf of the Bank into the affairs of the Borrower, or by the 'execution or the performance of this Agreement or by any other act or thing which may be done by or on behalf of the Bank in connection with this Agreement and which might, apart from this ,provision, prejudice such rights or remedies.

11 . CONDITIONS PRECEDENT TO DISBURSEMENTS

17..3. *The obligation of the Bank to make any* disbursement of *the Loan* shall be subject to, the performance by the Borrower of all its obligations which are to be performed prior to disbursement and to the following further conditions, namely:

(a) the Securities shall have been entered into between the respective parties thereto and shall each have become unconditional and fully effective in accordance with their respective terms, and the Charge or Charges created by any of the

Securities shall have been duly perfected to the

satisfaction of the Bank; the Borrower shall have

arrangements satisfactory"

(b) obtaining any governmental, obtained or made corporate, creditors and other to the Bank for necessary consents or approvals

(c) for the carrying out of the Project, and the entering into and performance of this Agreement' and the Securities;

no Event of Default, and no event which, with lapse of time or notice would become an Event of Default shall have happened and be continuing;

the proceeds of such disbursement shall, at date of request, therefor, be needed by Borrower within a

(B) period of fifteen (15) days the purposes of the the Project; the for

- (f) the 'representations and warranties set forth herein under Clause 10.1 above shall be true on and as of the date of the disbursement with *the* same effect as , though, such representations and warranties had been made on and as of the date of such disbursement;
- (g) nothing *shall have* happened which might materially and adversely affect the carrying out of the Project or the business prospects or financial condition of the Borrower or *which* shall make it improbable that the Borrower will be able to fulfill its obligations to the Bank hereunder or under any of the Securities; nor shall the *Borrower have* incurred any material loss or *Liability*;
- (h) the requested disbursement is in relation to, and in step with the progress of the Project as described to the Bank, in proof whereof requests *for* disbursements shall be accompanied by *reports* and documents identifying the use made of previous disbursements and the intended use of the requested disbursement;
- (i) such additional conditions, if any, as may be set forth in Item 9 of the Schedule,

11.2 no course of dealing or, waiver by the Bank in connection with any conditions of disbursement under this *Agreement shall impair any right, power or remedy of the Bank* with respect, to any other condition of disbursement or be construed as a waiver thereof; nor shall the *action of the Bank* in respect of any disbursement effect or impair any right, power, or remedy of the Bank in respect of any other disbursement.

12. COVENANTS
 12.1 Positive Covenants

The Borrower hereby covenants with the Bank that so long as the Loan or any part thereof or any interest thereon or other sum payable hereunder is outstanding the Borrower will:

- (a) provide the Bank, with unaudited financial statements in respect of the Borrower's affairs within sixty (60) days *of the* end of each quarter and with audited financial statements within one hundred and twenty (120) days of the end of the Borrower's financial year;
- (b) carry on its business and undertaking in an efficient and businesslike manner;
- (c) after giving effect to the full disbursement of the Loan, maintain:
 - (i) a Current Ratio of not less than 1.0;
 - (ii) a Debt Service Coverage Ratio of not less than 1.5; and
 - (iii) a Debt to Equity Ratio no greater than 2.33 in each case determined in accordance with the provisions set out in the Appendix, of Financial Statements;
- (d) carry out and implement the Project in a timely and efficient manner;
- (e) permit representation, of the Bank to visit any of the premises of the Borrower to observe the progress of the Project and to have access to its records including those pertaining to the Project;
- (f) observe and perform all the terms and conditions of the Securities.

12.2 Negative Covenants

The Borrower covenants and agrees that so long as the *Loan or any part thereof or* any interest thereon or other sum payable hereunder is *outstanding*, the Borrower shall not, without the prior written consent of the Bank:

(d) use the Loan or any part thereof for^s any purpose other than the. Project and in particular shall not use *the* Loan or, any part thereof to refinance existing indebtedness or to effect reimbursement of expenditure, or to make expenditures in the territories of any country which is not a member of IFC *{other* then Switzerland or any country

which is ,a member of the **International**. Bank for

Reconstruction and ,Development) **or**, 'for goods produced in or services supplied from such territories;

- (b) **sell**, or transfer, or (other than in *ordinary* course of business) lease or otherwise *dispose* of all or substantial part of i t s capital assets (whether in. a single transaction or in .a series of *transactions; related or* otherwise);
- (c) Create or permit to' arise or subsist any Charge over the whole or any part' of its assets or und⁶rtakieg present or future;
- (d) undertake or permit any merger, consolidation or re-organisation.

13. EMI'S OF DEFAULT

13,1 If one or more of the events specified in this Clause (herein called 'Events of 'Default') *shall* have occurred and be continuing, *then* the Bank, *may* by notice to the Borrower (and without prejudice to any other, right which it may have hereunder or under the securities), declare the outstanding principal of the Loan and all accrued interest. and other sums owing to the *Bank*, *to* be, and all..the'same shall thereupon'become, immediately due and payable. (anything in this Agreement to the contrary *notwithstanding*), without any further notice and without presentment, demand, or protest *of* any kind, all of. which are hereby expressly waived by the Borrower:

- (a) default shall have occurred in the payment of any principal of the Loan '(including prepayment a

- which Notice was given by the Borrower to the Bank),
- (b) default shall have occurred interest on the Loan other sure payable shall have continued ~~for~~ in the payment of any days; or- in the payment of any hereunder, and such default
- (c) default shall have any a period of seven (7)

obligation of occurred in the performance of Agreement (other than the Borrower under this any obligation for the payment of principal, interest or other sum payable hereunder), and such default shall have continued for a period of seven (7) days, after notice thereof shall have been given to the- Sorrewer by the Bank;

- (d) ;default shall have occurred in the performance of any obligation of the Borrower or any Security Party under any of the Securities, and applicable, any requisite notice has been given to the Borrower by the Bank; were
- (e) any, representation or *warranty made in or in* connection with this Agreement, the Securities, in any accounts, certificate, statement or other document supplied by or on behalf% of the Borrower or to the Bank, shall be found to be incorrect in any material respect;
- (f) the Borrower or any Security Party shall have *convened a* Meeting for the purpose of making, or the Borrower or any Security Party shall have proposed or shall have entered into, any arrangement or composition with or for the benefit of its creditors; or the Borrower or any security Party shall have ceased, or shall have threatened to • cease to carry on its business or any substantial part thereof or- The Borrower or any Security Party shall have become unable to pay its

.fe

debts as they shall fall due or shall otherwise *have become* insolvent; or an encumbrance shall have lawfully taken possession or a receiver or trustee shall have been appointed, of the *whole or* any part of the undertaking or assets of the Borrower Or any Security *Petty*, or *any* distress or, execution (or analogous process) shall have been levied or enforced upon or issued out against any of the *property or* assets of the Borrower or any Security Party and, such distress *or execution or* other process shall not have been discharged within five (5) days; or an order shall *have been made* or an effective resolution passed or analogous proceedings taken for the winding up, bankruptcy or dissolution of the Borrower or any Security Party; or any other event shall have occurred which under, any law of Jamaica would have an effect analogous to any of those events listed above in this sub-clause; or

if any other indebtedness of the Borrower (whether owing to the bank or otherwise) or of any Security Party shall not be paid when due or shall become prematurely payable or capable of being declared prematurely payable or if steps are taken to enforce *any security for or in respect of* such indebtedness;

if the proceeds of the Loan are used otherwise than for the Project.

13.2 Upon the occurrence of an Event of Default or any event which, with lapse of time and/or notice would become an Event of Default, the Bank may (whether or not such Event of Default or prospective Event of Default, (g) has been remedied) by notice in writing to the Borrower elect to cancel any undisbursed portion of the Loan.

13.3 If *any* Event of Default or any event which, with lapse of time and/or notice, would become an Event of Default shall have happened, the Borrower shall immediately give the Bank notice in writing, specifying the nature of such Event of Default or such other event and any steps being taken by the Borrower to remedy the same,

14. SORSOWER'S UNDERTAKINGS WITH RESPECT TO THE PROJECT

The Borrower hereby agrees and undertakes that;

- (a) it shall not undertake any material change in the Project without the prior written consent of the Bank;
- (b) the Project, when completed, will have the capability of enhancing or expanding the Borrower's export or foreign exchange saving capacity.

15. MISCELLANEOUS MATTERS

15.1 No neglect, omission or forbearance on the part of the Bank to take advantage of, or to enforce any right or remedy arising out of a breach or non-performance of any covenant, condition or obligation herein contained, or hereby implied, and on the Borrower's part to be performed or observed, shall be deemed to be or operate as a general or specific waiver of such covenant, condition or obligation, or shall, in any way prejudice the right of the Bank, to take advantage of or to enforce such covenant, condition or obligation, whether in respect of the

above breach, non-performance or non-observance or any subsequent breach, non-performance or non-observance (as the case may be), and for the avoidance of doubt, it is hereby declared

that no waiver of any of the aforesaid covenant, condition or obligation or amending to this agreement shall be valid unless effected in writing and signed by both parties.

15.2 The Borrower agrees to pay all costs, charges, and expenses (including the Bank's Attorneys-at-Law fees) of and

✓

incident to the preparation of this Agreement and the Securities; and the enforcement thereof; and all stamp duties, registration and/or recordings, fees payable upon or in connection with this Agreement and the Securities.

15.3 If at anytime any provision of this Agreement is or becomes invalid, illegal or unenforceable in any respect, such *provision shall be severed from this Agreement* without affecting the validity, legality or enforceability of the other provisions of this Agreement.

15.4 All, notices, requests, demands, directions and other, communications under this Agreement shall, unless otherwise *stated herein*, be *in writing*, and mailed or hand-delivered or *sent by facsimile transmission or telex*, as to each party hereto, at the address ~~far~~ such party set forth below; or ~~et~~ such other address as shall be designated by the party in a written notice to the other party hereto:

(a) If to the Bank:

Eagle Merchant *wank of* Jamaica Limited
24-29 Grenada Crescent
Kingston 5 .
telex:
Facsimile: (809) 92-64729

(b) If to the Broker:


Kingston
telex:
Facsimile:

All such notices, requests, *demands*, directions and other communications shall, in the case of hand delivery, be effective *when received* and in the case of mail, *on the fifth day following the posting thereof*.

FIFTEEN THOUSAND, ONE HUNDRED & FORTY FIVE DOLLARS, TWENTY SEVEN
CENTS (\$15,745,145.27),

4. That the aforesaid sum still subsists and remains
unsatisfied and I therefore pray that Judgement be entered in

the Plaintiff's favour against the Defendants in the sum of
\$15,745,145.27.

SWORN to at ^{z.6}Grand)

in the Parish of St. Andrew)

this 10 day of April A.D. 19)

before me:

JUSTICE OF THE PEACE FOR THE
PARISH OF St. Andrew *

FIELD by [REDACTED] of No. [REDACTED]
Kingston, Attorneys-at-Law for and on behalf of the Plaintiff herein
whose address for service is that of the said Attorney-
at-Law.

THIS IS TO CERTIFY THAT THIS IS A TRUE AND CORRECT" COPY OF THE ORIGINAL
 "I"-LETTER OF COMMITMENT DATED NO BER 15, 1989 MENTIONED AND REFERRED TO
 IN THE DEHENTURE DATED THE DAY OF 1992 MhDE Ex'TwsEN
 " [REDACTED] AND EAGLE MERCHANT

ATTORNEY AT LAW
 2425 GRIFFIN AVE. S.W.
 ATLANTA, GA 30335

BANK OF JAMAICA LIMITED.



Eagle Merchant Bank of Jamaica Limited

24 28 Grenada Crescent, Kingston 6, Jamaica.
 Tel: (809) 828.838.8, 926-3167, 929-9017-8, 829.896088, 829.459302/4/0 Tlx
 Nn: 3648 EAGLE SA. Fax No: (609) 928.4728.

November 15, 1989

Montego Bay Branch
 18 Strand Street, Montego Bay.
 Tel: (1808) 962.7218, 952.722814

Mr. DEBTOR5

Kingston

Dear Mr. Smith:

This letter of commitment serves to confirm that Eagle Merchant Bank
 of Jamaica, (EMBJ) Limited is prepared to grant a loan of \$2,750,000
 to Caribbean Chalk Instruments & Art Products (CCIA) Limited in
 accordance with the terms and conditions of this
 letter of commitment and a Loan Agreement, to be executed in
 respect of [REDACTED] Aitouree
 portion of the loan.

1. Loan Amount

Term Loan under the EMBJ/IPC
 facility in the amount of
 [REDACTED] :71 at US\$1.00

2. Type of Loan

(a) J\$6.50

Revolving demand loan under the
 EMBJ/IPC facility to a limit of
 [REDACTED] at exchange rate of

(c) US\$1.00 J\$6.50

Loan EMBJ term loan

4/5,000

(a)

(b)

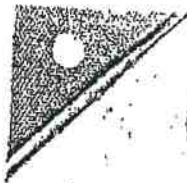
3. Purpose of the

[REDACTED] as set out in Clause 3 of the IFC Agreement.

(by [REDACTED])



P UHICTORSt Paul L. Chen-Young, BA, M.A., Ph.D. (Executive Chairman); Daisy M. Colo, D.A., M.A., P.I.A., A.S.A. (Deputy Chairman); Michele P. Chen-Young, M.P.A.; Alan Deana, LL.B.; Patrick Garef Brian L. Goldaon, O.D, Gaorgo B. Johnson, B.A.; Geoffrey B. Mosacedo, A E V., F.C.C.A., F., C.A.; D;A, Milling, P.O.C.A., F.O.A., Stanley B. Moore, I.A., B.Com,



November 15, 1989

(a)

[REDACTED] This amount is to complete the purchase of property located at [REDACTED]

To assist with the [REDACTED]

...r 2:00,000

., Interest Rate

(a) & (b) M*.fa*ci.3

., \24,0% per annum subject to review and adjustment on a quarterly basis with reference to the Government of Jamaica Treasury 8X.11 discount rate in accordance with Clause 5.0 of the FC Loan Agreement',.

(v) [REDACTED] per

annum add-on. Interest Variation
5.

Interest rate may be varied to reflect the commercial rate of interest charged by EMHJ from time to time,

6. Repayment, '

('a) [REDACTED]

This loan is for a period of 5 1/2 years with one year moratorium, on principal repayment. The principal sum to be repaid by monthly instalments on the 30th day of each month in accordance with FMS' repayment schedule following the expiry of the twelve-month moratorium. (See Clause 7 of the IFC Loan Agreement.).

[REDACTED]

54

Page 3
November 15, 1989

The principal sum and any unpaid interest thereon, is to be fully paid upon demand or, **within** a period of twelve months from the date of initial disbursement, subject to review and renewal within the twelve-month period. (See Clause of the IC Loan Agreement.)

(c) The EMB Term Loan

The loan is for a period, of [redacted] and is to be repaid [redacted] i.n accordance with EMS repayment schedule.

7. Commitment fee

2% on the loan amount of [redacted] payable on acceptance of the loan a [redacted]

Security

(a).

[redacted]
[redacted]
[redacted]
[redacted]
[redacted]



1183000
253
253
253

55

Page 4
November 15, 1989

(d)

[redacted] of [redacted]
These assets, consist
many of [redacted] machinery
(specialized equipment) and are carried in the books
of the Company
at a value of \$ [redacted] at December 31, 1988. a

(e) A collateral corporate, bil3S of sale ' over the
machinery and [redacted] sment to
s be purchased Exam the loan proceeds.
Acquisition. cost
is [redacted]

(f) The corporate guarantee of sister
company seautifit Limited supported by a first legal
mortgage over , premises located At 114 King Street 1
U and 21 and 21 1/2 Lave Lane, which is owned by
[redacted] and is to be transferred to CCIA? Limited
within 6 months of the signing of this
agreement. This property is
registered at;--

Volume

Polio

Land

X

3750 sq. ft.


1875 sq. ft.

The property consists of a 3 storey
multi-purpose building with a total area
of 12750 sq. ft. of which 10,360 sq. ft.
is rentable space. The building
presently houses the manufacturing
operation of [redacted] and
will also house C.C.P.P/ proposed crayon
making operation.

The property was valued at \$1,725,000
based on the income; approach by
Orville Grey & Associates on June 30,
1989. a 1,725,000

f

(g) The Corporate Guarantee of the parent /
company [redacted] ✓


November 15, 1989

56
[redacted] The Corporate Guarantee of sister company, [redacted]

(i) The assignment of Fire, & Allied Peril Insurance Policy on the assets of [redacted] which are the subject of EM8 debenture, mortgage and bill of sale.

(j) The personal guarantee of Mr DEBTOR5, Director; for the full amount of loan and an unpaid interest thereon,

(k) The assignment of insurance policies on the life of Mr DEBTOR5, Director, with face value of [redacted]

9. Disbursement

Upon completion of the above Security documentation to the satisfaction of EMT3's attorneys-at-law.

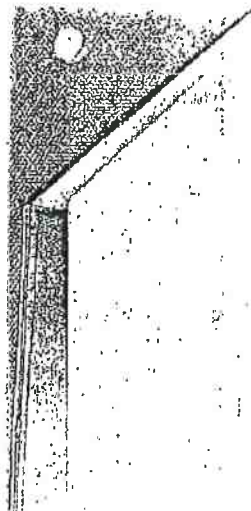
10. Insurance

Insurance policies suitable to the Eagle Merchant Bank, is to be taken out with Crown Eagle Exchange Company or placed through the Eagle Insurance Brokers Limited if an, a competitive basis

11. All stamp duties, registration fees and attorneys' fees in connection with the preparation and assignment of the securities noted above, will be for the account of [redacted]

12. Late Payment

(a) Any late payment of the EMBJ term loan of [redacted] will bear interest at [redacted] if payment is not received within the first 7 working days of the month.



November 15, 1989

57

- (b) Late payment of loans under the [REDACTED] bears interest, as set, but in Clause 9 of the "ICC Loan Agreement".

13. Financial Statements

[REDACTED] shall submit its annual audited financial statements to the EMB within 120 days of each financial year end and quarterly draft financial statements within 60 days of the end of each quarterly financial period.

14. Special conditions

- (a) A formal valuation and signed sales agreement to support the EMB loan financing of [REDACTED] to complete the purchase of Lot [REDACTED] is to be presented to the bank prior to disbursement of this amount.
- (b) Audited or inhouse balance sheet of CCIAP Ltd. to be presented to the SMG within 6 months of the signing of the letter of commitment to verify the transfer of properties at [REDACTED]
- (c) The main operating bank account of CCIAP Limited is to be maintained with Eagle Commercial Bank during the continuance of the loan.

AXE
Mid'
ape
.. ate.....E
t4vian.



58

[Redacted]
Page 1
November 15, 1989

Acceptance

It not accepted beforehand this the letter of commitment expires on
24th November, 1989.

Yours faithfully,
EAGLE MERCHANT BANK

Paul /

[Redacted]
DEPUTY NPGER

(Signature)

[Redacted]
GENERAL MANAGER CORPORATE LOANS

We accept the above loan terms and conditions.

DIRECTOR
[Redacted]

[Redacted]
DIRECTOR
[Redacted]

A. SMITH 15

Eagle VlercYiaank of.Jamaica Limited

24 26 Grenada Crescent, Kingston 5, Jamaica,
Tel: (809) 926-6336, 926-3157, 929-3017-8, 928 3986-8, 929 39 0 214/8
Tblex No: 3648 EAGLE JA, Fax No: (809) 928-4729.

Montego Bay Branch
18 Strand Street, Montego Bay:
T1131: (809) 952-7212, 962-7223/4

September 7, 1990

15

[REDACTED]

Kingston

Dear Sirs:

Re: [REDACTED]
[REDACTED]

We hereby make formal demand upon you for liquidation of total arrears of Interest as at August 31, 1990. In addition, we require that, you be advised of your proposals in respect of meeting the monthly interest as it falls due.

The status of the account as at August 31, 1990 is shown below:

Principal -	[REDACTED]
Interest	[REDACTED]
TOTAL	[REDACTED]

Please contact us immediately upon receipt of this letter with your cheque in the amount of \$100,245.83 representing arrears of Interest and your proposals for monthly repayment.

We do hope we will have your full co-operation.

Yours truly

EAGLE MERCHANT BANK OF JAMAICA LIMITED

* n.

[REDACTED]

Loan Administration Officer

[REDACTED]

Loan Administration Office."

RECTORS Paul L. Chen-Young/B.A., M.A., Ph.D. (Executive Chairman); Dais M. Coke, B.A., M.A., F.I.A., A.S.A., (Deputy Chairman); the P. Chen-Yaisng, M.F.A.; Alan Deans, LL.B.; Patrick Garrel; Brian L. Goldson, G.D., F.P.I.C.S., F.J.S.Q.S.; George B. Johnson, B.A.; Jeffrey B. Messado, F.C.C.A., F.C.A.; D.A. Miller, F.C.C.A., F.C.A., Stanley B. Moore, B.A., B.Gorn,

Merrthant Bank
of Jamaica Limited

24-2131 GRENALIA CRESCENT, KINGSTON 6, JAMAICA*
Telec 13548 EAGLE JA.
Q28-530e, 028-1157, 929-3017, 929-9p18,
t 29-3930, 929-3931, 929 3832,

100

RECEIVED Mt:iv 1 2

'4g.O)

att
929,1934

t, .

J,

*f *v

Dear- Customero

Our independent auditorso Peat Marwick, P.O.. Box 76, 6 Duke Street, Kingstor
are performing their usual .udit of our financial statements. They wish to
determine'whether our records of your indebtedness to us at June *n*, 1990q
In respect of the loan indntifi,ed below,, is correct. Transactions *since* J(,kne a;00
1990 are not included. Please compare the information to your records, complete
the dtateme.nt below and send this ,letter tg_our- auditor-T, 6
,"address given t.)elpw

Enclosed is a prepaid envelope for your convenience. Your
prompt response would be very greatly appreciated, Thanking
you f6r your co"-operation in this matter.

Eagle Merchant Bank of Jamaica

Demand Loan No. ' 9267

Interest - Rate 24.00 %

Amount Owng

Confi

Principal

The balances owing as shown above are4

*(a) Correct

*(b) Incorrct, as detailed over

Amount p' aid for the period
1, 1.9? June 100 1990

Signature...:

Name in block capitals

or company tamp.....

Plse delete whichever is not applicable

Y'.:)urs

Position(if

.... " ... W' ... A A 1, . 4, 4 1, 4 . u

tr;uly'

„&..


Managaw

. 1o: Peat Marwi.ok

Eagle Merchant Bank
of Jamaica Limited

242 G.W. George Street, Jamaica (809) 926-5335, 926-3157, 926-1174, 926-3986, 926-3302, 48

T81gx, Na; "9 BAOL19A, Fax No; (809) 926-4729,
34, St. James Street,

Ntli Sharpe Square, Montego Bay,

--+

e ..12Y, 1-991

i-bla n Ch lk Instrument Ltd. K, ing s- r't'et
i t(x3

Anent ion [redacted] Dear'

Sirs:

s Credit aCi*.it - [redacted]

Newish to. advise you that the variable interest rate on the captioned loan
faciii .yr sourced from the [redacted], has be'i l
further

'This interest rate was previously adjusted to twenty-eight percent per
annum (28% p.a.) on December 1, 1990.

Yours truly [redacted] increased to thirty-four perpen4, per annum
(34% p.a.) as cif, February 1r 1991.

1-TL [redacted] AM A. EATON

Deputy General Manager

WAE: ar

DIRECTORS: Paul L. Chen-Young, BA., M.A., Ph.D. (Executive Chairman); Daisy M. Coke, B.A., M.A., P.I.A., A.S.A. (Deputy Chairman);
Michele P. Chen-Young, M.P.A.; Alan Deans, LL.B.; Patrick Garel; Brian D. Croidson, O.D., F.J.S.Q.S.; Georges, Johnson, B.A.; Geoffrey
E. Messado, A.T.T.I., F.C.C.A., F.Q.A.; D.A. Milling, F.C.C.A., F.C.A.; Stanley B Moore, B.A., B. Coln,

February 26, 1991

The Manager
Eagle Merchant Bank Jamaica Ltd,
Grenada Crescent Kingston 5.

ATTENTION MR WILLIAM EATON

Enclosed Please find managers cheque from Century National Bank *in the sum of* [REDACTED]
This sum is to be used to pay out EMB/1 C loan in the amount of [REDACTED] and our computation
of interest to date on *that account of* [REDACTED]

The escalation of the *interest rate on the IFC account* as indicated in your letter of February 12,
1991, is *very* troubling to us and if we cannot put a halt to it we would have to seek ways of
paying off the fixed asset account as well.

We must again point out that we have not received any statement on our account with you.

Yours Faithfully

[REDACTED]

JJ

Iyy*/

airman /



MANDEVILLE •

100

NOTICE:
SEE REVERSE SIDE
FOR IMPORTANT INFORMATION

BUSINESS CHECKING
YOUR PREVIOUS BALANCE
PLUS DEPOSITS & OTHER CREDITS
MINUS CHECKS & OTHER DEBIT
EQUALS YOUR NEW BALANCE

REALISATIONS

49, C, 3

L N @+ 1

'a - call 9x

1

1

67

☐ A

۵

54

13.

er...

U.S. L

12. 01. 2012

February 26, 1991

The Manager
Eagle Merchant Bank Jamaica Ltd.
Grenada Crescent Kingston 5.

ATTENTION MR WILLIAM EATON

Enclosed Please find managers cheque from Century National Bank in the sum of [REDACTED]
This sum is to be used to pay out EMBIIFC loan in the amount of [REDACTED] and our computation of
interest to date on that account of [REDACTED].

The escalation of the interest rate on the ITC account as indicated in your letter of February 12,
1991, is very troubling to us and if we cannot put a halt to it we would have to seek ways of
paying off the fixed asset account as well.

We must again point out that we have not received any statement on our account with you.

Yours Faithfully


[REDACTED]
[REDACTED]
Chairman /

nS

FINANCIAL PROJECTIONS FOR



Prepared by


Management Consultants


Kingston B

[REDACTED]

INTRODUCTION

The original proposal entitled [REDACTED]
[REDACTED] . market study" was prepared for [REDACTED]
[REDACTED] in December 1988 by [REDACTED] on behalf of
centre for [REDACTED]

These revised projections and supplementary notes are to be treated as an Appendix to the referenced proposal. Details of the requisite impute are similar to those highlighted in the previous document, however, the financial forecast has been updated in response to changes in the Marketing arrangements and other adjustments which have been effected in the financing package an ^{^ap±.tal} investment base, since the initial date of

preparations.

[REDACTED]

1. Loan amount [REDACTED]
2. Type of Loan Term;;
3. Duration [REDACTED]
4. Purpose of Loan To facilitate completion of chalks operations and working capital.
5. Interest on Loan 62% per annum interest rates may be varied to reflect the commercial rate of interest charge. by EMBJ from time to time.
6. Pay back period The loan plus interest must be liquidated in five-years.
7. Security
 - a. A pramissciry note signed and sealed by two Directors of
 - b [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]

e. A collateral corporate Bill of sales

over the existing axed assets of

d. A collateral corporate Bill of Sales over
the machinery and equipment to be
acquired from the loan.

8. , 'Insurance

Insurance policy suitable to the Eagle
Merchant Bank of Ja. Ltd. Is to be taken out
with Crown Eagle Insurance Company,

9. Pinanp,iai Statements

will submit audited Finan0..41
-: bta.t•eineni e to EMBJ within 120 days of
each financ-fal year.

[REDACTED]

The project entails the establishment of 15400 sq. ft. of building space to facilitate the quick and safe manufacturing of chalks. The financial appraisal contained in this report is, however, centred on the development of the chalks and crayons industries considering that these products are monopolies in Jamaica and indeed the Caribbean. There are very small pockets of competition in Barbados and Trinidad and Tobago which would be overcome by further development in Jamaica as is now planned. The Directors of the company are:-

1, Mr. DEBTOR5 (Manager)

2. [REDACTED] (Secretary)

[REDACTED]



EXECUTIVE SUMMARY

- (a) Demand for Jamaican manufactured anti--dust chalks waxed crayons and geometry sets in Jamaica is due to:-

high cost of these items which have traditionally been sourced from the US and UIP,

- ii. scarcity resulting from import licence and or hard currency availability.

extend delivery schedules.

- iv., complicated and time consuming customs clearance procedures on non-caricom imports.

- (b) Competition from low cost far-eastern imports in the caribbean region is on the incline, however, with strong development in Jamaica as planned, we should obtain our share in the market.

- (a) There is no Caribbean manufacturer of wax crayons or geometry set items. Caribbean chalks supplies the Jamaican chalks market only. To date we have not exported to any other Caribbean island, because mainly of the static development in Jamaica which we are trying to

overcome. Consequently upon the above, there has been a short fall of supplies within the caribbean region. The short fall has been met by imports from U.S., U.K and Europe.

(e)
Cont'd

Current restrictions on import licences etc are causing more shortages of chalks at the distribution points. Accordingly the need for bulk buying, extended delivery dated and many high administrative cost of imports procedures encouraged buyers to consider a Caribbean source of supply.

The quality of locally manufactured chalk are regarded as excellent and this price very competitive. Imports have only occurred when productions delays local manufactured goods due to shortages of imported raw material. This will be prevented by stock piles of raw material.

[REDACTED]

FINANCIAL POSITIVES

[REDACTED], is the recipient of a previous loan from Eagle Merchant Bank of Ja. Ltd for the development of the above named company which provided machines and raw materials for the operation of this, company. However, since the company had to relocate its operations to 114 King Street, Kingston, property which it now own the need for additional operating space has arisen to make available a further 15400 sq. ft of building space for drying chalks in a area free from dust, has created the strong need for further financial assistance. Needless to say that unless the additional space is .provided, the final development of the operations will be impeded. The existing loans with Eagle Merchant Bank are as follows:-

	LOAN BALANCE	INTEREST	RATE
1.	[REDACTED]	[REDACTED]	[REDACTED]
2.	[REDACTED]	[REDACTED]	[REDACTED]
3.	[REDACTED]	[REDACTED]	[REDACTED]

It is expected that this interest of [REDACTED] at least will be liquidated prior to the granting of a further loan, however, since the company has been relocated and still in its development stage of expansion that the interest of [REDACTED] be capitalized making the loan balance of [REDACTED] together with this new financing of [REDACTED] thus creating a total loan Of [REDACTED] repayable in a 5-year period as projected in financial statements.

The company may be in position to manage the new arrangements and simultaneously carry-out its developments.

The company's assets are realizable adequate to secure the loan in question,

CAPITAL RESERVE

The capital reserve of [REDACTED] - emanated from a wind-fall arising from the devaluation of the Jamaican Dollar shortly after the equipment imported from U.K. arrived in the island, EMBJ must consider the replacement cost and therefore upholds the appreciated value.



SIGNIFICANT ACCOUNTING POLICIES USED IN
COMPILING' FINANCIAL' DATE _____

- a. Depreciation is calculated on a straight line basis at such rates that will write off the fixed assets over their expected useful lives.
- b. The analysis does not incorporate any allowance for inflation or capital replacement expenses.
- c. Capital development cost are separate in the Financial Statements- aid will not occur after year one through year five.
- d. The projections from year two are based on a 25% increase over and above previous year for revenue and a 20% increase for expenses excluding capital expenditure and depreciation.



FINANCIAL RESULTS

1. The project incur a trading loss on the first year's operations owing to the fact that developments will continue throughout the first half of this year, thereafter, things will settle down and tolerated surpluses will be generated.

The cash-flow projections has also show a short-fall at the end of the first year operations this is largely, due to the timing of the in-flow of funds. In the following years the flow of funds have adjusted the situations.

[REDACTED]

SUMMARY OF CAPITAL EXPENDITURES
FIXED ASSETS

- a. The additional loan of [REDACTED] now required will be used as follows:

To procure materials, compensate
contractors re the additional
area of operations at [REDACTED]

- b. To procure additional chalks drying trays and packaging
material for chalks and crayons. [REDACTED]

TOTAL CAPITAL EXPENDITURE [REDACTED] Assumptions made in

interest calculation

1. The additional Principal sum of [REDACTED] will be drawn down in three installment (ie.) \$500,000 each) commencing the second month, the interest rate on the loan will be 62% per annum. This will now comprise four different types of loans with different rates thus:- 57, 58, 57, & 62 for the purpose of calculation for inclusion in these projections the rates are calculated on an average of 58% per annum.
2. It also assume that the composite loan of [REDACTED] will be regarded as a new loan thus allowing a moratorium of oneyear on principal pay back, but interest must be fully maintained- If the above is accepted by EMBJ then the loan will be repaid over a 4-year period.

1990 1991 1992 1993
 1/2 1/2 1/2 1/2

PROJECTED PROFIT & LOSS ACCOUNTS FOR FIVE (5) YEARS

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
	\$	\$	\$	\$	\$
7. es venue:					
	2,275,00	3,675,00	4,593,800	5,742,100	7,177,70
	4,045,00	6,442,50	8,053,10	10,066,4	12,583,
	336,000	455,000	569,000	711,000	889,000
Uzt	300,000	600,000	660,000	726,000	798,600
others	210,000	262,500	328,000	410,000	513,000
	7,166,000	11,435,000	14,203,900	17,655,500	21,961,300
Its cost of sales:					
Shck opening	2,190,700	1,000,000	1,500,000	1,800,000	2,500,000
E chases	1,700,000	2,304,500	2,813,400	3,377,100	4,051,300
	3,890,700	3,304,500	4,313,400	5,177,100	6,551,300
Los stock closing	1,000,000	1,500,000	1,800,000	2,500,000	3,000,000
	2,890,70	1,804,50	2,513,400	2,677,100	3,551,30
Qth,r purchases	65,000	78,000	93,600	112,300	135,000
Pa4aging	875,000	1,642,800	1,971,400	2,365,700	2,838,800
	3,830,700	3,525,300	4,578,400	5,155,100	6,525,100
GrQES surplus	3,335,300	7,909,700	9,625,500	12,500,400	1,884,700
sa General overheads:					
	195,000	234,000	280,800	337,000	404,000
1.e ^c krlici.tv	325,000	390,000	468,000	561,600	674,000
ter	39,000	46,800	56,200	67,400	81,000
Tollehone	15,600	18,800	22,500	27,000	33,000
Off'e Expenses	7,800	9,400	11,200	13,500	16,000
Fepaars & maintenance	50,000	60,000	72,000	86,400	104,700
Dep ^c eciation	0	451,300	451,300	451,300	451,300
General expenses	15,600	18,800	22,500	27,000	33,000
car(age outward	23,000	27,600	33,000	40,000	48,000
motor vehicle expenses	91,000	109,200	131,000	157,000	188,000
n Vir knce	97,500	117,000	140,400	168,500	202,000
A dvertising & promotion	65,000	78,000	93,600	112,400	135,000
statutory Payments	265,000	291,500	321,000	353,000	388,000
management fees	325,000	325,000	325,000	357,500	393,000
nterest on loans	3,419,000	3,419,000	2,375,000	1,331,000	287,100
	4,933,500	5,596,400	4,803,500	4,090,600	3,438,100
Net su plus/Deficit	-1,598,200	2,313,300	4,822,000	8,409,800	15,534,000
G.zca *i4n		307,493	2,073,500	3,616,200	6,680,000
Net Cumulative Profit	-1,598,200	407,607	3,156,100	7,949,700	16,803,700

PROJECTED BALANCE SHEET FOR 5 YEARS

PARTICULARS . . .	TABLE 2				
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
	\$			\$	\$
CAPITAL EMPLOYED					
Equity Capital	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
Capital Reserve	5,937,300	5,937,300	5,937,300	5,937,300	5,937,300
Retained Earnings	(1,598,200)	407,600	3,156,100	7,949,700	16,803,700
Long Term Loans	5,895,000	4,095,000	2,296,000	495,000	
	<u>11,484,100</u>	<u>11,689,900</u>	<u>12,638,400</u>	<u>15,632,000</u>	<u>23,991,000</u>
CAPITAL EMPLOYED					
Fixed Assets Less Dep.	12,042,300	11,591,000	11,139,700	10,688,400	10,237,100
CURRENT ASSETS					
Current Assets Inventories	1,000,000	1,500,000	1,800,000	2,500,000	3,000,000
Receivable	1,019,300				
Cash Balances	(407,500)	649,900	4,227,100	9,376,400	18,233,100
	<u>1,611,800</u>	<u>2,149,900</u>	<u>6,027,100</u>	<u>11,876,400</u>	<u>21,233,100</u>
CURRENT LIABILITIES					
Payable	2,170,000	2,051,000	4,528,400	5,932,800	8,728,200
	<u>2,170,000</u>	<u>2,051,000</u>	<u>4,528,400</u>	<u>5,932,800</u>	<u>8,728,200</u>
Working Capital	(558,200)	98,900	1,498,700	4,943,500	13,753,900
TOTAL	<u>11,484,100</u>	<u>11,689,900</u>	<u>12,638,400</u>	<u>15,632,000</u>	<u>23,991,000</u>

CAPITAL COST AND FINDING SOURCE FOR FIVE (5) YEARS

Particulars:	Cost \$	Eagle Merchant Bank \$	Equity \$
Loan Account No. 8556			
Interest at 58% (29/2/92)			
Loan Account No. 9267			
Interest at 57% (6/3/92)			
Loan Account No.10162			
Interest at 57% (6/3/92)			
Pending Loan			
Directors investments			
Total			

Schedule of Loan

repayment	Lon . : Balance	Interest	Principal Pay back	Total. Service
	\$	\$	\$	

Depreciation

Schedule	Balance
Fixed Assets:	\$
Land	500 000
Building	[5,300,000 1
Equipment	/6,242,300 1

Depreciation

Year 1	Year 2
\$	\$
Nil	

Year 5

year 3
\$

Year 4
\$

451,300

451,300

451,300

451,300

Piaft,01 AA		YEAR 3		YEAR 5	
2*;			4-,593,800	0,742,100	7,177,700
2 - n	4,045,000	6,442,500	8,053,100	10,066,000	12,583,000
2SZ Others	25,000	455,030	569,000	711,000	889,000
1 C ;	210,000	262,500	328,000	410,000	513,000
Loan. funds EMBJ	300,000	600,000	660,000	726,000	798,600}
	1,5C0,000				
	8,666,000	11,435,000	14, 203,	17,655,500	21, 961,300
Cash Gut Flows					
Raw Matetials					
2007 Cha71-5 - Materials	- 500,000	904,500	1,085,400	1,302,500	1,563,000
20% Packaging	800,000	960,000	1,152,000	1,382,400	1,658,800
20% Others	65,000	78,000	93,600	112,300	135,000
	1,365,000	1,942,500	2,331,000	2,797,200	3,356,800
Crayons					
te_fa	0.nn 00n	nn,	1,728,000	2,073,6030	2,488,300
Packaging	75 , 000	90,000	108,000	129,600	155,500
	127,,000	1,490,000	1,836,000	2,203,200	2,643,800
General Overhead					
Wages	'15,000	234,000	280,800	337,000	404,000
Electricity	"325,000	390,000	468,000	561,600	674,000
Later	39,000	46,800	56,200f	67,400	81,000
"c. .era0= e	15,600 -	18,800	22,50	27,000	33,000
O ice E: e,0es	7,800	9,40	11,200	13,50	16,000
10:drs Lan' eiance	=0, 000	60 , 003	72, C30'	86,b: 0	104,700
rc=al Lp:-	--	10,800-	22,500	27,C V:	33,000
0,;	05,000e}	27,603	33,030	40,C--	48,000
:oOr	01,000	109,2G0	13__005	157,0 0,	188,000
Iacutanc--	' 97.500	117,000	140,100 --,	168,507	202,000_
drert;0ag :zct:,tions	G5,000		23,CG0	112,1:0	135,000
Statutory Pajmants	205,000	291,500	321,000	353,100	388,000

--2-

Particulars	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Managements Fees	325,000	325,000	325,000	357,500	393,000
Loan Interest	3,419,000	3,419,000	2,375,000	1,331,000	287,100
Loan Repayment	341,900	1,800,000	1,800,000	1,800,000	495,000
	4,933,500	6,945,100	6,152,200	5,439,300	" 3,481,800
Building and ether Capital Asstes	1,500,000	-		*	*
Totals	9,073,500	10,377,600	10,319,200	10,438,700	9,482,400
Anticipated balances	(407,500)	1,057,400	3,884,700	7,216,800	12,478,900

Projected Cash Flow Table for Financial Planning as at 31/12/92

Particulars	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Total
Sales - [REDACTED]	189,60	189,600	189,50	189,600	189,600	189,600	189,600	189,60	189,600	189,600	6	129,44	2,275,000
Others	337,100	337,100	337,100	337,100	337,100	337,100	337,100	337,100	337,100	337,100	337,100	336,900	4,045,000
Rent	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	335,000
Loan Funds - FMR.I	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	210,000
			500,000	500,000	500,000		5,000	5,000	5,000	5,000	5,000	5,000	300,000
	572,200	572,200	1,072,200	1,072,200	1,072,200	572,200	622,200	622,200	622,200	622,200	622,200	681,200	8,666,000
Cash Out Flow	41,700	41,700	41,700	41,700	41,700	41,700	41,700	41,700	41,700	41,700	41,700	41,300	500,000
Dep. Material Chalt.	66,700	66,700	66,700	66,700	66,700	66,700	66,700	66,700	66,700	66,700	66,700	66,300	800,000
Packaging	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,600	65,000
Others	113,800		113,800	113,800	113,307	113,800	113,800	113,800	113,800	113,800	113,800	113,200	1,35,000
			113,50							133,380	313,800		
[REDACTED]	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,200,000
Packaging	6,200	6,200	6,200	6,200	6,200	6,200	6,200	6,200	6,200	6,200	6,200	6,800	75,000
	106,200	106,200	106,200	106,200	106,200	106,200	100,200	106,200	106,200	106,200	106,200	106,800	1,275,000
GENERAL OVER-HEADS													
Wages	16,200	16,200	16,200	16,200	16,200	16,200	16,200	16,200	16,200	16,200	16,200	16,800	195,000
Electricity	27,100	27,100	27,100	27,100	27,100	27,100	27,100	27,100	27,100	27,100	27,100	26,900	325,500
Water	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,800	39,000
Telephone	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	15,600
Office Expansion	600	600	600	600	600	600	600	600	600	600	600	1,200	7,600
Repairs & Maintana	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	3,800	50,000
General Repairs	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	15,600
Carriage Outwards	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	1,900	2,100	23,000
Motor Vehicle Car	7,600	7,600	7,600	7,600	7,600	7,600	7,600	7,600	7,600	7,600	7,600	7,400	91,000
Insurance	4,900					48,500							97,500
Advertising & Prom	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,400	5,600	65,000
Statutory Payments	22,100	22,100	22,100	22,100	22,100	22,100	22,100	22,100	22,100	22,100	22,100	21,900	265,000
Management Fees	27,100	27,100	27,100	27,100	27,100	27,100	27,100	27,100	27,100	27,100	27,100	26,900	325,000
Loan & Interest Re	284,900	284,900	284,900	284,900	284,900	284,900	284,900	284,900	284,900	284,900	284,900	285,10	341,900
TOTALS	451,900	402,960	402,900	402,900	402,900	402,900	451,400	402,900	402,900	402,900	402,900	404,10	4,933,500
Building & Cptl Co				500,000	500,000	500,000							1,500,000
Grand Total	671,900	622,900	622,900	1,122,900	1,122,900	1,122,900	671,400	622,30	622,900	622,900	622,900	624,100	9,073,500

Anticipated Balance (99,700) (50,700) 449,300 (50,700) (50,700) (\$50,700) (49,200) (700) (700) (700) (700) (2,300) (407,500)

Eagle Merchant Bank
of Jamaica Limited

amalea.

J
529-8017-8, 9293958-B, 9291 9S(3-
/4J8:0-"

J 1.(O)

" Fax Na., (809)99 4729,

Montego Bay Br&nci'
'Itj S Ja Sea Sty' 'a3u_Seia;Squaie; Montego Bay, 52r849O- "" ..11
Fax No.: (809) 9524218.

20

January 22, 1992

Eagle Commercial Bank Ltd.
6--8 Grenada Way
Kingston 5

Dear [REDACTED]

Re: -- [REDACTED]

With regard to our discussion of today's date, enclosed is Cheque No. 015793 in the amount of \$529,275.33, which is to be deposited to the account of [REDACTED]

----- (f)-"ay7C9
The funds are to be used to purchase, US\$23,264.85 for transmittal to Domtar International in discharge of *the Commercial Bank's* liability to that Company.

[REDACTED]
Manager Corporate Loans

BW/re

23.1.92

9/1/92

Yours truly,
EAGLE MERCHANT BANK OF JA. LTD.

DIRECTORS; Paul L. Chen-Young, B.A., M.A., Ph.D. (Executive Chairman); Daisy M. Coke, B.A., M.A., PIA., A.B.A. (Deputy Chairman);
Michele P. Chen-Young, M.P.A. Brian L. Godtsrn, O.D., U.O. Harding, B.A., LL.B., George B. Johnson, B.A.;
Geoffrey B. Messado, A.T.TI., F.C.C.A., F.C.A.; D, A, Milling, P.C.C.A., F.C.A.; Stanley B. Moore, B.A., B.Com,



BRANCH

YOUR

EAGLE

IAL BANK LIMITED

CURRENT
ACCOUNT NUMEER
IS

ACCOUNT NUMB

	TRA	NT	PARTICLIL S	AMOUNT
			T 'S+W61191	
LOAN PROCEEDS	MI	11	rr/ 211W Adil/W Ar	1111.111
		I		
			w7	

Ta: [REDACTED] prepared by: [Signature]
Checked by: [Signature]
Authorized by: [Signature]
IL [Signature] CUSTOMER ADVICE

		8	5	
--	--	---	---	--

"A. SMITH 22"

Nagle merchant bank Limited
of Jamaica Limited

S 22

24 26 Grenada Crescent, Kingston 5, Jamaica,
'9;l. (809) 929-3017-8, 829-3986--8, 929-3980-214/8.
Fax No.: (809) 9264729.

Montego Bay Branch
34 St. James Street, Sam Sharpe Square, Montego Bay,
T131: (809) 952 8490-1..
Fax No.: (809) 952-7213,

Manufacturers Merchant Bank Limited 15
Trinidad Terrace
Kingston 5,
Attention: - [REDACTED]

, RECEIVED MAY 20 19 3

Dear Sirs,

Re: [REDACTED]

As requested, we outlined hereunder, the accounts of subject borrower:-



Principal
Interest to 31.5.93
A/C Receivable
TOTAL:



• ' Principal
Interest to 31.5.93
TOTAL;



Principal
Interest to 31.5.93



~~*~~

Withdrawal fee

Re: Auction sale of
buildings and equipment
and Advertisement Costs



Legal Fees



TOTAL INDEBTEDNESS ...



Yours Sincerely,
EAGLE MERCHANT BANK OF JAMAICA LIMITED
.tel'

[Handwritten signature]



TOTAL:

Principal
Intcreet to
'1`uTAL :





DTREG'ITPi.S M*W-Cil Mu`hg, , M.A, Ph D, (Executive Chairman); Daisy M. Coke, B.A., M.A., FX.A., A.S.A. (Deputy Chairman); Michele P. Chen-Young, M.P.A.; Brian L. Goldson, O.D., F.R.I.G.S., F.I.S.Q.S.; O.O. Harding, B.A., LL.B., Q.C.; George B. Johnson, B.A.; Geoffrey F. Messadc, A.T.T.E., F.C.C.A., F.C.A.; D.A. Milling, F.C.C.A., F.C.A.; Stanley B. Moore, B.A., B.Com,

Eagle Vlerc Zant Bank of Jamaica Limited

S 24.28 Grenada Crescent, Kingston 6, Jamaica,

• (809) 929-3017-8, 929-3986--8,
929-3930-2/418. Fax No.: (409) 9264729.

Montego Say Branch
34 St, James Street, Sam Sharpe Square, Montego Bay.

• (809) 952-8400-1.

REPLY TO: LEGAL, , DEPARTMENT Fax .No.: (809) 952-721.S.

30 '
GRENAD•*ACRESCENT
KINGSTON 5.
PH: 929-8917-8; 929-4174

June 4, 1993'

Mr. DEBTOR5

Kingston.

Dear Sir,

Re:

The above captioned borrower has defaulted in payment of its account
with this Bank, which at May 31, 1993 showed a balance of

, outlined as hereunder:

Principal

sub-total

Interest continues to accrue at 50% per annum

Principal

Interest to 31,5.93

sub-total



Interest continues to accrue at 50% per annum Con

DiCTORS; Paul L. Chan-Young, BA, MA, Ph.D, (Executive Chairman); Daisy M. Coke, BA., MA., FJA., A.S.A. (Deputy Chairman);
Michele P. Chen-Young, M.P.A.; Brian L. Geldson, OD., F.R.I.C.S., Hard' L-B., Q.C.; George B. Johnson, B.A.;
GcoCfrey B. Mossado; A.T.T., F.C.CA, F.C.A.; D.A. Milling, F.C.C.A., J, C. A.; tanley, Moore, BA., B.Com.

2/

June 4 . 1993

Mr. DEBTOR5


 Principal
Interest to 31,.5.93
sub-total 

'A'OTAL;  at 55% per
annum

Interest continues to accrue

Under the terms of the Personal Guarantee issued by you, we hereby make formal demand upon you for 'full settlement of the account *within five (5) days from the date hereof*. Failure to comply with this demand within the time specified herein, will leave us with no alternative but to enforce our rights under the said Guarantee.

Yours sincerely,


LEGAL OFFICER

CEE;svo

cc; 

A SMITH 24

HS 24

THIS AGREEMENT is made this 12 day of September 1974, BETWEEN the Vendor(s) and the Purchaser as defined in the Schedule hereto WHEREBY IT IS AGREED that the Vendor(s) will sell and the Purchaser will purchase All parcel of Land more particularly described in the Schedule hereto for the consideration and on the terms and conditions as set out therein.

SCHEDULE

VENDOR(S):

PURCHASER:

DESCRIPTION OF PROPERTY:

CONSIDERATION:

HOW PAYABLE:

POSSESSION:

PURCHASER'S ATTORNEYS-AT-LAW:

VENDORS' ATTORNEYS-AT-LAW:

SPECIAL CONDITIONS:

[REDACTED] registered office at Kingston.

CHCII. A. BIRD Businessman of P.O. Box 8 Reading, in the parish of St. James,

ALL THOSE PARCELS [REDACTED]

BOOK OF TITLES.

[REDACTED]

in completion.

[REDACTED] Attorneys

1. Costs of this Agreement for Sale to be shared equally between the parties in the sum of SIX THOUSAND DOLLARS and payment in a condition precedent to the completion of this Agreement.
2. No incumbrances, restrictions and encumbrances (if any) and relevant Certificates of Title.
3. Consent of the mortgagee is to be obtained by the Vendor(s) mortgagee, Marchmont Bank of Jamaica Limited, 24 Crescent, Kingston 5.

ALL amounting to has been paid by Certificate No. 241652

Notary

MEMORANDUM OF COMPLETE SATISFACTION OF A
REGISTERED MORTGAGE OR CHARGE Pursuant to Section 98 of the
Companies Act

[REDACTED]
EAGLE MERCHANT BANK OF JAMAICA LIMITED
NAME OF COMPANY 24-26 Grenada Crescent
Kingston 5

EAGLE MERCHANT BANK OF JAMAICA LIMITED, a
Company incorporated under the Laws of Jamaica and having its
registered office at 24-26 Grenada Crescent, Kingston 5 in the
Parish of Saint Andrew HEREBY GIVES NOTICE that the registered
charge created by a MORTGAGE dated the 9th day of January 1990
and made between [REDACTED]
[REDACTED] and EAGLE MERCHANT BANK OF JAMAICA LIMITED the particulars
whereof were registered with the Registrar of Companies on the
29th day of January,
1990 was wholly satisfied on the day 01 01 1994 the debt for which
the charge was given having been paid or satisfied.

It
DATED the 1 day of *tl.*CQ **-*e

SIGNED *on behalf of* EAGLE MERCHANT BANK OF JAMAICA LIMITED
by HUGH CROSKERY xxxxxxxxxxxx
and PAUL CHEN-YOUNG xxxxxxxx.xxx two of its Attorneys under
and by virtue of the Power of Attorney entered in the Island
Record Office on the 8th day of January 1993 at Liber New Series
252 Polio 225 in the presence of:-

WITNESS;

CARMEN .VANS

LEGAL O> rscee

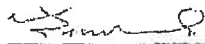
EAGLE M RCHANT BANK Ug", J*, LTd+ 24 26 Cs

IENADA Cl=CEN-0

KINGSTON CJ

) HUGH CROSKERY

) *.. r.. 1
PAUL CEEN-YOUNG



DISCHARGE OF MORTGAGE

EAGLE M4RC9AWP BANK Or JAMAICA LIM,L'ri;c, a Company ineorporated under
late Companies Act oC Jamaica ciic hiving itc fegistefed orrice at 24-26 (3lw tidia
t'refs: nt., Kingston 5 /n the ph r,ieh rif S11,itt Andrew being r.'egi.mherQd es the
proprietor of a hlmtuargr"+ Liis Hate, Date CC Ragietrtitl,nri and ilcirflal:rehLon
NUMtin,r of which are set forth in the Schedule hereto of the land naml,ic'iv,od ,iii,cter l.
il,laut.tA(ei) ur ttLie
mentioned In the :old Schedule from the described as "the
Mortgagor" in the eoi.i '3t hclluie e :aec,ui,c the suer also mentioned in the said
Sciiodule UOTil Iliattl;f3'1 Dt.RCHART; the said land iron the caid• Mortgage all
iney9 r.ocur'ud by the Raid Mortgage having been fully pall and srtL',ir i'ir;ri,

DATED the

clay ci is

1991

0 C_11,, G,U. ILL E

LATE Or MOR'FOJ O (@i }

Thn 9th Day c)f January 1990

DATE OF REGISTRATION OP
MORTGAGE

The 20th D4y :1.990.

RIGISTRA'ILCM 14'DCM 47k"
MORTGAGE(I)

CERTIFICATE(S) Or 1TELN
FOR LAND MORTc:AC*3;ll

Voluw- Folio
Vo1ui Polio

THE MORTGAGOR (S
FOR LAND MORTGAGED

Volume, Folio

AMOUNT(:) tIF URLD

inter.erot and further upeLainped to cover pari 4ddit3unal
}nll Onl,Larc
with l ille)rrs;i,

7

8XGNI'D on behalf e C iSAWra:f
MERCHANT }31\9' OP dAl'in1CA T,INIT'12L'

ditri

two t).C Its Attorneys 'incte.a; and 4y virtue of Attorney entered in
" t h e Office of Titles eu the 29th day of January, 1991 and numbered
63202 in the proaeci of:

*** Nfer oiiANr 8a rir

L'i

;4.26

4NADA CFIROC riT

o JA•

PARTICULARS OF A MORTGAGE OR CHARGE CREATED BY A COMPANY
IN JAMAICA

of Company: [REDACTED]

R- leg Pursuant to section 93 (1)

Name of Company: [REDACTED]

Presented by- EAGLE MERCHANT BANK OF JAMAICA LIMITED 24-25 GRENADA CRESCENT, KINGSTON 5

Particulars of a Mortgage or Charge created by CARIBBEAN CHALKS INSTRUMENTS . ART PRODUCTS LIMITED

a company registered in Jamaica_

(1) Date & Description of the instrument creating or evidencing the charge or mortgage	(2) Amount secured by the mortgage or charge	(3) Short particulars of the property charged or mortgaged	(4) Names, addresses and descriptions of the mortgagees or persons entitled to the charge	(5) Amount or rate percent of the commission allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his subscribing or agreeing to subscribe whether absolutely or conditionally, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any of the debentures included in this return
Collateral Mortgage dated the 917 day of	[REDACTED] WITH INTEREST THEREON. P	ALL THOSE parcels of land formerly known as Nos [REDACTED] but now together known as [REDACTED] in the parish of Kingston and being the land comprised in Certificate of Title registered at Volume [REDACTED] Folio [REDACTED] of the Register Book of Titles. ALL THAT parcel of land known as number [REDACTED] in the parish of Kingston and being the land comprised in Certificate of Title registered at Volume [REDACTED] Folio [REDACTED] of the	EAGLE MERCHANT BANK OF JAMAICA UNITED a Company - incorporated under the Laws of Jamaica with registered office at 24-26 Grenada Crescent, Kingston 5 in the parish of Saint Andrew	NONE.

DATED the 29 day of January.

1972

er :00x a *t es.

gist

Signature: [REDACTED] t % :A

PAMELA V. F- TL! IPS

24-26 GeeNA, 'r,LSel-Sa-
Kl:sc_ rR rz

PARTICULARS OF A MORTGAGE OR CHARGE CREATED BY A COMPANY
IN JAMAICA Pursuant to

of Company: [REDACTED]

section 13 (1) Name of Company [REDACTED]

Presented by: EAGLE MERCHANT BANK OF JAMAICA LIMITED
24-26 GRENCAD.A CRESCENT,
KINGSTON 5

o. C

Particulars of a Mortgage or Charge created by [REDACTED]

a company registered in Jamaica-

(1) Date & Description of the instrument creating or evidencing the charge or mortgage	(2) Amount secured by the mortgage or charge	(3) Short particulars of the property charged or mortgaged	Names, addresses and descriptions of the mortgagees or persons entitled to the charge	(5) conditional, for any of the debentures included in this return
Collateral Mortgage dated the 1 st day of 7 9 f t l e - e e e	[REDACTED] WITH M. P. U. IN TEST THEREON.	ALL THOSE parcels of land formerly known as Nos [REDACTED] and [REDACTED] but now together known as [REDACTED] in the parish of Kingston and being the land comprised in Certificate of Title registered at Volume [REDACTED] Folio [REDACTED] of the Register Book of Titles. ALL THAT parcel of land known as number 19 Love Land in the parish of Kingston and being the land comprised in Certificate of Title registered at Volume [REDACTED] Folio [REDACTED] of the	EAGLE MERCHANT BANK OF JAMAICA LTN TKD a Company NONE incorporated under the Laws of Jamaica with registered office at 24-26 Grenada Crescent, Kingston 5 in the parish of Saint Andrew	

DATED the day of

14811

Signature: [REDACTED]
register Book of

Titles.

24-28 GRE, eA;;A i.F:;Cefe-
KiF:Fc r, o 5

38185-68

[illegible]

'rrTT' 74-

8^u

AFir"IIJAVIT' OF DEIST



SUIT NO. C.L. E. 073 OF 1993
IN THE SUPREME COURT OF JUDICATURE OF JAMAICA IN
COMMON LAW

BETWEEN EAGLE MERCHANT BAS OF JAMAICA LTD. PLAINTIFF

A N P	[REDACTED]	1ST DEFENDANT'
A N D	[REDACTED]	2ND DEFENDANT
A N D	[REDACTED]	SED DEFENDANT
A N D	DEBTORS	4TH DEFENDANT
A N D	[REDACTED]	5TH DEFENDANT

I, DERRICK MARKLAND, being duly sworn make oath and say as follows:

1', That I reside and have my true place of abode and postal, : address
at [REDACTED]
and [REDACTED] f EAGLE MERCHANT BANK

OF JAMAICA LIMITED and I am duly authorized to make this Affidavit anits
behalf.

2, That the Defendants at the date of the issue of the Writ ,of
Summons herein justly and truly indebted to the Plaintiff in

the sum of [REDACTED]
[REDACTED] plus interest
as set, out in the particulars contained in the Statement of Claim endorsed on
the Writ of Summons,

3. That since the issue of the Writ of Summons and Statement of Claim,
interest and penalty, as agreed between the parties, have, accrU on the
outstanding debt in the amount of [REDACTED]
[REDACTED] and
the Defendants have paid nothing on account of its debt and there is now
bona fide *due and owing* by the Defendants to the Plaintiff the sum of [REDACTED]
[REDACTED]

[REDACTED]

4. That the aforesaid sum still subsists and remains unsatisfied and I therefore pray that Judgement be entered in the Plaintiff's favour against the Defendants in the sum of [REDACTED].

SUBSCRIBED and sworn to before me, the undersigned, a Justice of the Peace for the Parish of St. Andrew, on this 14th day of April, 1914, at the City of Kingston, Jamaica, in the presence of the following persons, who are duly sworn, and who are competent to depose to the truth of the foregoing facts, to-wit: [REDACTED]

JUSTICE OF THE PEACE FOR THE PARISH OF ST. ANDREW

IN THE SUPREME COURT OF JUDICATURE OF JAMAICA
IN COMMON LAW

BETWEEN

EAGLE MERCHANT BANK OF
JAMAICA LIMITED

PLAINTIFF ^{FO}

A N D

J.' DEFENDANT

A N D

2 " DEFENDANT ('

A N D

3 DEFENDANT

A N D

DEBTOR5

4 a DEFENDANT

I, [REDACTED] being duly sworn make oath and say as follows:

1. That for the purposes of this Affidavit my address is 76 Knutsford Boulevard, P.O. Box 54, Kingston 5 in the parish of Saint Andrew and I am [REDACTED] of the Plaintiff Company and am duly authorised to make this Affidavit on its behalf,

2, That my knowledge of the facts and matters deposed to herein is derived from my conduct of this matter [REDACTED] of the Plaintiff Company and that such facts and matters insofar as they are within my knowledge are true and insofar as they are not within my knowledge are true to the best of my knowledge, information and belief.

I. That I have read the Affidavit of DEBTOR5 in support of the Defendant's Summons to Strike Out Statement of Claim sworn to on the 29th day of January, 2002 and I crave leave of this Honourable Court to respond thereto.

That I have perused the records and files of Eagle Merchant Bank of Jamaica Limited, the Plaintiff

herein, in respect of loans disbursed during the year 1990 and am

4.

aware that on or about the 9th day of February 1990, [REDACTED]

[REDACTED] (hereinafter referred to as [REDACTED])

[REDACTED] obtained a loan from the

Plaintiff Company for approximately [REDACTED]

That as consideration for the disbursement of the aforementioned loan, [REDACTED], executed mortgages in favour of the Plaintiff Company in respect of five (5) properties, namely; [REDACTED] situated in the parish of Kingston.

6, 7. That, additionally as security for the aforementioned loan amount being disbursed to Caribbean Chalks, the First, Second and Thirdnamed Defendants executed a Joint Guarantee in favour of the Plaintiff and the Fourth Defendant gave a personal guarantee in favour of the Plaintiff and I exhibit hereto marked with the letters "[REDACTED]", copies of the aforementioned Guarantees dated 9th January, 1990,

7. That by Notice dated the 14th day of August, 1992, the Plaintiff Company notified Caribbean Chalks of their default in repayments of the Debenture loan and sought repayment of the entire sum owing, forthwith, and I exhibit hereto marked with the letters "[REDACTED]" for identity, a photostat copy of the said Notice dated August 14, 1992.

8. That a Notice Requiring Repayment of Mortgage dated August 14, 1992 was issued to Caribbean Chalks in respect of premises situated at [REDACTED] in the parish of Kingston and registered at Volume [REDACTED] Folio [REDACTED] Volume [REDACTED] Folio [REDACTED] and Volume [REDACTED] Folio [REDACTED] of the Register Book Of Titles respectively, and I exhibit hereto marked with the letters "[REDACTED]" for identity, a photostat copy of the said Notice dated August 14, 1992,

9. That the aforementioned Notice Requiring Repayment of Mortgage dated August 14, 1992 was never complied with by [REDACTED] and attempts were then made by the Plaintiff Company to dispose of the properties mentioned by Public Auction and retained auctioneers DC Tavares Pinson & Company Limited to effect same and I exhibit hereto marked with the letters "[REDACTED]", a copy of the letter dated March 4, 1993 to DC Tavares Pinson & Company Limited,

10. That the Plaintiff Company received communication dated February 4, 1993 from manufacturing Merchant Bank Limited in which the 4th Defendant herein, the principal of [REDACTED] and the First, Second and Thirdnamed Defendants herein acknowledged that the 4th Defendant herein was indebted to the Plaintiff Company for approximately [REDACTED], and no offer was made by the Fourth Defendant to settle the outstanding amounts owed by Caribbean Chalks, but by letter dated February 16, 1993, the Bank rejected the said proposal for

settlement and I exhibit hereto marked with the letters "[REDACTED]", photostat copies of the said letters dated February 4, 1993 and February 16, 1993,

11. That by letters dated June 4 1993 the Plaintiff Company wrote to the Defendants, individually, advising them of the default in payment by [REDACTED] and demanding that the Defendants settle the outstanding amount inclusive of interest pursuant to the aforementioned Guarantees and I exhibit hereto labelled "[REDACTED]" photostat copies of the said letters dated June 4, 1993,

[REDACTED] That the Defendants herein failed to respond to the aforementioned letters in time or at all and the Plaintiff thereafter retained the services of Attorneys-at-Law, Messrs, Nunes, Scholefield, DeLeon & Co. (hereinafter referred to as "our said Attorneys") and I am advised by our said Attorneys and do verily believe that Writ of Summons and Statement of Claim was filed on behalf of the Plaintiff Company on the 17th day of June, 1993 to recover the sum of [REDACTED] plus Interest on, the said sum at the rate of 50% per annum from the 1st day of June, 1993 pursuant to the Instrument of Guarantees executed by the Defendants herein, and I exhibit hereto labelled "KW-7" a photostat copy of the aforementioned Writ of Summons and Statement of Claim, ,

13, That during the currency of the suit a purchaser for three of the mortgaged premises situated at [REDACTED] in the parish of Kingston was identified and an Agreement for Sale was executed by [REDACTED] and the aforementioned purchaser, Cecil Bird, who retained the services of [REDACTED] Attorney-at-Law, to act on his behalf in respect of the purchase of the aforementioned premises, and I exhibit hereto labelled "[REDACTED]", a photostat copy of the Agreement for Sale and letter

dated March 10, 1994 from Roger A. Davis, Attorney-at-Law,

14, That negotiations proceeded between the Plaintiff Company and [REDACTED] Attorneys-at-Law resulting in the sale of the aforementioned premises to Cecil Bird on or before the 19th day of May, 1994, By letter dated [REDACTED] day, 1994 the Plaintiff Company forwarded [REDACTED] Discharge of Mortgage in respect of the premises along with a Memorandum of Satisfaction and I exhibit hereto marked with the letters "[REDACTED]", photostat copies of letter dated the 19th day of May, 1994, Discharge of Mortgage in respect of the said premises and Memorandum of Satisfaction.

15, That by letter dated the 22nd day of August, 1994 the Plaintiff Company wrote to our said Attorneys informing them of the sale of the premises mentioned and referred to at paragraph S herein and indicating that the sum of the [REDACTED] was thereafter applied to the amount owed by [REDACTED] to reduce its indebtedness to the Plaintiff Company and I exhibit hereto labelled "[REDACTED]" a photostat copy of the said letter dated the 22nd day of August, 1994.

16, That to the best of my knowledge, information and belief no further sums have been received by the Plaintiff company on account of the sums owed from any of the Defendants herein or from the principal debtor, [REDACTED]

17, That the sale of the premises aforementioned reduced the Defendants' indebtedness to the Plaintiff [REDACTED] so that the Memorandum of Complete Satisfaction issued by the Plaintiff to [REDACTED] was in all the circumstances mistaken

medlar erroneously issued as the sums realized by the sale of the mortgaged premises was not enough to satisfy or extinguish the Defendant's liability and as such the said amount would have merely been a partial satisfaction of the Defendants' indebtedness to the Plaintiff-

18. That further there was no waiver by the Plaintiff Company of the outstanding balance owed to it by the Defendants herein nor was there any consideration provided by the Defendants herein that would have caused the Plaintiff Company to write off the remaining sums owed to it by the Defendants,

19. That I am informed by our said Attorneys and do verily believe that Judgment papers were filed in respect of the suit herein on the 16th day of May, 1998 and that despite their several letters to the Registrar requesting that same be entered, the said Judgment was not entered and we exhibit hereto labelled [REDACTED] photostat copies of letters dated 14th day of May 1996, 27th day of January 1997, 12th day of May, 1997, 18th day of August, 1998 and 8th day of February, 2000 addressed to the Registrar.

20, That I am informed by our said Attorneys and do verily believe that they received from the Registrar letter dated the 22nd day of February, 2000 responding to their aforementioned letter dated the 8th day of February, 2000 and that by letter dated the 27th day of May, 2000 the said Attorneys wrote the Registrar's setting out its response and I exhibit hereto labelled [REDACTED] photostat copies of the said letters.

21. That I am informed by our said Attorneys and do verily believe that they wrote a further letter to the Registrar dated the 18th day of October, 2000 requesting that the Judgment filed herein be perfected and [exhibit hereto labelled [REDACTED] a photostat copy of the said letter and letter received from the Honourable Chief Justice in response.


22, That I am informed by our said Attorneys and do verily believe that they were in constant dialogue with the Registrar of the Supreme Court to have the aforementioned Judgment perfected until the Defendants' application for leave to file Defence was heard and granted on or about the 16th day of January, 2002.

That In the circumstances I humbly ask that the court refuse the Defendants' application to Strike out the Writ of Summons and Statement of Claim herein.

SWORN to at 4*1*GUoe [*)

in the parish of
this *- day of 2002

before me:


JUSTICE OF THE PEACE FOR THE
PARISH OF

FILED by *Nunes, Sciotefted, DeLeon & Co. of No. 6a Holborn Road, Kingston 10, Attorneys-at-Law for and on behalf of the Plaintiff whose address for service is that of its said Attorneys-at-Law*

I*ny G. Ue'ldfdrd//
XS Sayers Road
- l luguun 10.
'Z arvt* * * /

(*S,?)v

IN THE SUPREME COURT OF JUDICATURE OF JAMAICA
SUIT NO, C.L.E 073 OF 1993

BETWEEN EAGLE MERCHANT BANK OF JAMAICA LTD, PLAINTIFF
AND [REDACTED] 1ST DEFENDANT
AND [REDACTED] 2ND DEFENDANT
AND [REDACTED] 3RD DEFENDANT
AND DEBTOR5 4TH DEFENDANT

DEFENCE

1. The Defendants admit paragraphs 1 and 2 of Plaintiff's statement of Claim.
2. As to paragraph 3 of the Plaintiff's statement of Claim the Defendants admit that the Borrower executed a Debenture on 9th January 1990 as security for loans by the plaintiff to the Borrower, but do not admit that the amount loaned was [REDACTED]. At the trial the defendants will refer to and rely on the loan agreement of 9th November 1989 between the plaintiff and borrower for its full terms and effect, Pursuant to the loan agreement of 9th November 1989 the Borrower applied on 17th November 1989 to establish irrevocable letters of credit chargeable to its account at the plaintiff's bank in favour of a beneficiary in the United Kingdom in the sum of [REDACTED] (for equipment) and [REDACTED] (for raw material) amounting to [REDACTED].

respectively in Jamaican currency. No further drawings were made under this loan agreement,

4. Further by a letter of commitment dated 15th November 1989 the Plaintiff agreed to lend the Borrower [REDACTED]. Of this sum, [REDACTED] was to complete the purchase of land to house the manufacturing process for the [REDACTED] and [REDACTED] to pay custom duties on the importation of raw material for [REDACTED].
5. Pursuant to the letter of commitment of 15th November 1989 Defendants state that on or about 7th April 1990 the amount of [REDACTED] was disbursed by the Plaintiff to the Borrower but no further disbursements were made to the Borrower,
6. The Second Defendant will say further that on the 9th day of January 1990 it mortgaged two parcels of land known as [REDACTED] Kingston and respectively registered in its name in Volume [REDACTED] Folio [REDACTED] and Volume [REDACTED] Folio [REDACTED] of the Register Soak of Titles to the Plaintiff as additional guarantee for the loan which the Plaintiff had by letter dated 9th November 1989 agreed to make to the Borrower,
7. In response to paragraphs 4 - 12 of the statement of claim, the Defendants state that the debt due by the Borrower to the Plaintiff was repaid with interest at the agreed rate between November 1990 and March 1992

PARTICu ARB

With respect to the reYalving'demand loan for raw material ([REDACTED]), the raw material referred to in paragraph 3 of this defence arrived in November 1990 instead of the expected date of April 1990, The loan was repaid by manager's cheque drawn by Century National Bank in favour of the Plaintiff in the sum of [REDACTED] to cover the principal and interest at the agreed rate. The managers cheque was forwarded to the Plaintiff in letter dated February 26, 1991 by the Borrower,

.. bL. Due to the late arrival of the raw material the business plans of the Borrower were aborted. The term loan for the equipment ([REDACTED]) in the sum of [REDACTED] or [REDACTED] in Jamaican currency referred to in paragraph 3 of this ejefonce was repaid, after expiry of the moratorium on principal repayment, by the 3rd Defendant (Guarantor) as follows:-

[REDACTED] Cheque No, 288669 [REDACTED]
Letter to William Eaton, Faille
Merchant Bank Jamaica Ltd. [REDACTED]

...c._ With respect to the loan referred to in paragraphs 4 and 5 of this defence ([REDACTED]), this was a term loan with interest at 18% p,a add on, and repayable over 60 months, The Plaintiff changed the loan arrangements to a rate of 55% p,a payable on the reducing balance. The Borrower and Defendants (Guarantors) made payments from 14th

November 1990 to cover principal and interest from April 1990 to July 3, 1991, when the debt of [REDACTED] was fully repaid, Particulars of these payments are shown in the Schedule in subparagraph (d) of these Particulars.

d. Interest in respect of the Loan of [REDACTED] ([REDACTED]) was paid from 15th November 1990 for the period beginning May 1990 at the rate of 24% p.a. The rate was subsequently raised from 24% to 28% and finally 34% per annum, Particulars of payments are shown in the following schedule.

SCHEDULE OF PAYMENTS

DATE	REFERENCE	INTEREST	PRINCIPAL	INTEREST	TOTAL
14/11/90	Letter to Plaintiff	[REDACTED]			[REDACTED]
14/11/90	Letter to Plaintiff	[REDACTED]			[REDACTED]
15/11/90	Letter to Plaintiff			[REDACTED]	[REDACTED]
14/12/90	Letter to Plaintiff			[REDACTED]	[REDACTED]
3/1/91	Letter to Plaintiff	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
26/2/91	Letter to Plaintiff	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
15/4/91	Letter to Plaintiff	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
16/5/91	Letter to Plaintiff	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
21/6/91	Letter to Plaintiff	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
3/7/91	Letter to Plaintiff	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

(7660.00 " 34-35 n v 7 5) 02, g ' n

6/ / 6-06 & -6
60° O ' C O _
` s s / s b b

.29/10/91	Cheque [REDACTED]			[REDACTED]	[REDACTED]
6/3/92	Cheque [REDACTED]			[REDACTED]	[REDACTED]
19/3/92	Letter from Plaintiff			[REDACTED]	[REDACTED]
		[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

e. Further three properties registered in Volume [REDACTED] Folio [REDACTED], Volume [REDACTED] Folio [REDACTED] and Volume [REDACTED] Folio [REDACTED] of the Register Book of Titles which had been mortgaged by the Borrower by mortgage instrument doled 9,th January 1990 as collateral to the Debenture issued by the Borrower on 9th January 1990 to,the Plaintiff were sold with the consent of the Plaintiff, and the proceeds of sale of [REDACTED] were received by the Plaintiff from the purchaser during the period March to May 1994, The loans from the Plaintiff to the Borrower had by that date been fully repaid but the Plaintiff had not discharged the mortgage,

8. Further the defendants state the plaintiff executed a memorandum on 19th December 1994 In which it is stated that the debt of the Borrower had been paid and completely satisfied, In the circumstances the plaintiff is estopped from denying the content of its memorandum.
9. Further or in the alternative the Defendants state that it was a term of the contract between the Plaintiff and the Borrower dated 9th November 1989 that the Plaintiff would exercise all reasonable care, skill; diligence and competence as a banker in performance of its obligations under the agreement.

10, In the alternative the Plaintiff owed a duty to the Borrower to exercise reasonable care, skill, diligence and competence in performing its obligations as a banker to the Borrower.

11. The Plaintiff or its servants or agents breached the aforesaid term of the contract or in the alternative performed its obligations as a banker negligently.

PARTICULARS

- (a) Failing to issue diligently the letter of credit for raw material requested on 17th November 1989.
- (b) Failing to exercise the necessary care and competence in issuing the letter of credit for raw material in that it was negotiable only at a bank in New York, United States of America instead of London as requested,
- (c) Failing to amend the letter of credit for raw material diligently to make it negotiable in London after the need to do so was brought to its notice
- (d) Failing to amend the permitted last date of shipment in the amended letter of credit to give adequate time for shipment.
- (e) As a result, the raw material only arrived in Kingston in November 1990, instead of April 1990.

12, The Plaintiff at all material times knew that the Borrower required the raw material to be used with the machinery and equipment for the manufacturing of chalk and crayons for the school market in Jamaica and the Caribbean.

13, In the premises the Borrower suffered loss and damage and the Defendants will seek to set-off such damages against their liability, if any, to the Plaintiff.



REPLY TO THE DEFENDANTS' DEFENCE AND

COUNTERCLAIM

IN THE SUPREME COURT OF JUDICATURE OF JAMAICA IN THE
CIVIL DIVISION



CLAIM NO. C.L. [REDACTED]

BETWEEN	EAGLE MERCHANT BANK OF JAMAICA LIMITED	CLAIMANT
AND	[REDACTED]	1 st DEFENDANT
AND	[REDACTED]	2 ND DEFENDANT
AND		STATIONARY
MANUFACTURERS LIMITED		3 Rd DEFENDANT
AND	DEBTOR5	4 TH DEFENDANT

1. The Claimant joins issue with the Defendants upon their Defence, save for any admissions contained therein.
2. That in response to paragraph 2 of the Re-Amended Defence and Counterclaim, the Claimant repeats paragraph 142 of the Statement of Claim.
3. That paragraphs 3 - 6 of the Re-Amended Defence and Counterclaim are not admitted.
4. The allegations contained in paragraph 7 of the Re-Amended Defence and Counterclaim are denied and the particulars alleged at paragraph 7 are specifically denied.
5. The allegations contained in paragraph 8 of the Re-Amended Defence and

Counterclaim are denied and in response thereto the Claimant will seek to rely on the Affidavit of [REDACTED], sworn on the 1s of May, 2002 and filed on *the* 2^d of May 2002.

6. Paragraph 9 - 16 of the Re-Amended Defence and Counterclaim are specifically denied, In particular the Claimant denies that it was in breach of any term of the contract between itself and the Defendant, and the particulars of breach at paragraph 11 are specifically denied,

DEFENCE TO COUNTERCLAIM

7. By way of Defence the Claimant denies the allegations contained in paragraph 9 -- 15 of the Re-Amended Defence and Counterclaim.

8. The Claimant denies that the Defendant has suffered any loss and or damage as a result of its breach of contract and the particulars of special damages alleged, at paragraph 16 of the Counterclaim are denied,

9. The Claimant intends to contend that the Counterclaim herein ought to be struck *out on the* ground that same was filed without the permission of the Court pursuant to Rule 18.5 of the Civil Procedure Rules.

10. Save as is hereinbefore expressly admitted the Plaintiff denies each and every allegation contained in the Re-Amended Defence and Counterclaim herein as if same was specifically set out and traversed seriatim.

Time: 2:56PM
Date: 3.8.06
Per: Richard

I, [REDACTED], Attorney-at-Law of [REDACTED], Attorneys-at-Law of [REDACTED], hereby certify that:

- a) The facts stated in this Reply to Defence and Counterclaim are true to the Claimant's information, knowledge and belief and;
- b) This Certificate is given on the Claimant's instructions. The Claimant could not *give this* certificate within the time limited for filing this document.

Dated _____ day of _____ 2006 Signed _____ C

r't. `-----a' - ts, _____
FOR r l) ON snE11ALr 01 THE CLAIMANT

PILED by [REDACTED] of [REDACTED] Attorneys-at-Law for and on behalf of the Second and Third Defendants herein.

[REDACTED]

[REDACTED] KINGSTON, JAMAICA, W.I. [REDACTED]

November 14, 1990

The Manager
Century National Bank Limited 2
Duke Street
KINGSTON

ATTENTION: Mrs. Lowe

Dear Sirs:

In order to meet a commitment we made to Eagle Merchant Bank on behalf of our sister Company -- [REDACTED] - we are requesting that you loan to Eagle Commercial Bank the title to [REDACTED] for them to register a second mort^e., -

As explained to you, we have done considerable improvement to the property since the valuation, therefore, it should have market value well in excess of [REDACTED]. Your charge of [REDACTED] should be well secured.

Thank you for your usual co-operation.

Yours truly,
[REDACTED]

[REDACTED]

DEBTOR5
CHAIRMAN

AS/dm

*is to provide w:**
It req's us to up **av** *K,t /9-00*
before sending to

 t's
(t'ufury atal &xuk f h.

Q f

September 10, 1992

The Mortgage Manager
Eagle Merchant Bank of
Jamaica Limited
24-26 Grenada Crescent
Kingston 5.

Dear Sir:

Re: Upstamping of Century National Bank
Limited's Mortgage to [REDACTED]

[REDACTED], our mutual customer, has been granted a further advance of funds, and as such, it has become necessary to upstamp our mortgage.

It is noted that a Caveat is recorded, protecting your interest, and as such your consent is being sought to upstamp Mortgage No. [REDACTED], by the sum of [REDACTED], subject to your interest.

Kindly let us have the appropriate form of Consent in order that the upstamping may take place, as a matter of urgency.

Your usual co-operation is anticipated.

Yours faithfully,

/ [REDACTED]
LEGAL COUNSEL YS:MMc

c.c. [REDACTED]
[REDACTED]
[REDACTED]

15/9/92



(gntu*g National Bank Etinttrb

4 . \$ 31-1-

May 30, 1997

Eagle Merchant Bank of
Jamaica Limited 24
Grenada Crescent
Kingston 5

Attention: [REDACTED]

Dear Sirs,

Re: [REDACTED]

We place on record our telephone conversation, ([REDACTED]) of May 15, 1997.

Essentially, these are the matters of importance.

- A) [REDACTED] received a loan of [REDACTED] from your Bank to [REDACTED]. The Security was a [REDACTED]

The loan was split between the following institutions:

[REDACTED]

- B) We were told that the machines arrived in April 1990, but the raw materials and packaging did not arrive until November 1990. In the interim, no production took place but interest costs were mounting.

While this was happening, [REDACTED] bought [REDACTED] (18%) and subsequently rebooked it at 61%. [REDACTED] called for [REDACTED] to provide additional security and a second mortgage was taken on a sister company's ([REDACTED]) property over which CNB has a first mortgage. Of course, we have non-performing loans in the name of [REDACTED] and we have tried to dispose of that property to repay this loan. However, our attempts to sell has been frustrated by ECMB refusing to discharge its lien on the title which fetters the process of providing prospective purchasers with a clean title.

We would be *prepared* to sit down with you to review a work-out position to bring some order to our mutually aggrieved situation.

Yours truly,

[Redacted signature block]
[Redacted name]
:cad

Rec'd H.E. 7
[Handwritten signature]

AS 36

ews,0144 ar/f/d/ia/im.

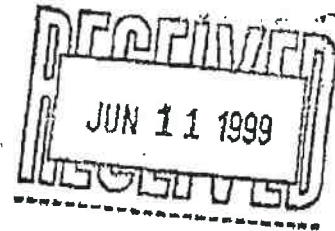
f/

ATTORNEY-AT-LAW

ti

KINGSTON

TELEPROIE: (96701



4

June 10, 1999

Mr. Patrick Hylton
Managing Director
Finsac Limited
2-6 Oxford Road
Mutual Life Building
4th Floor, (North Towers)
Kingston 5

Dear Sir

'n

I write on behalf of [REDACTED] on the above captioned matter; and I refer to a letter dated 4th June 1999 signed by [REDACTED], Credit Manager and [REDACTED] Credit Officer.

I am instructed to bring to your attention the following circumstances surrounding the indebtedness of my client [REDACTED] to Finsac Limited and to request that you authorize a stay in the efforts to recover the debt until the issues raised are satisfactorily resolved.

1. Century National Bank Limited (CNB) held the title to a property 114 King Street. belonging to [REDACTED] since about 1988 as security for a debt
2. [REDACTED] guaranteed a debt of [REDACTED] to Eagle Merchant Bank (EMB) and agreed to grant a second mortgage on [REDACTED] to EMB as security
3. [REDACTED] authorized CUB by letter to forward the title to EMB
4. Subsequently the arrangement between EMB and [REDACTED] broke down and [REDACTED] by letter revoked the authority to C NB to forward the title to EMB

[REDACTED]
Attorney-at-Law

Mr. Patrick Hylton.
Finsae Limited
Re: [REDACTED]

-
- B. Notwithstanding the revocation of the authority CNB delivered the title to EMB and as a result EMB registered its security
- &. My client claims NB has acted negligently and in disregard of its fiduciary duty to my client
7. The indebtedness to EMB by [REDACTED] has *been* satisfied and I enclose a copy of . a memorandum of satisfaction filed by EMB. EMS has not however registered the discharge of the security
8. Because of the negligence and breach of duty by CNR my client has experienced difficulty **in** disposing of the property or refinancing its debt and has not been able to meet its obligation to CNB.

In addition to the above my client claims that there is disagreement about the amount of the debt to CNB and requests that the account be reviewed with a view of arriving at a reconciliation.

In the *light of the* above my client requests that Finsac Limited refrain from taking steps to liquidate the debt to enable the matters referred to above to be resolved.

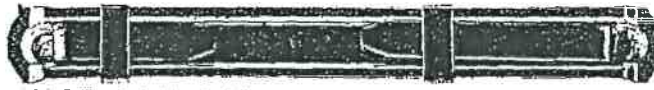
Yours faithfully

[REDACTED]
Enc

[REDACTED]

[REDACTED]

Marin



AS 36

July 1, 1999

[REDACTED]

Attorney-at law

[REDACTED]

Kingston

[REDACTED] - Century National Bank Loan

Dear Sir:

We refer to your letter dd. June 10, 1999, and advise that to properly assess the issues raised within we need for you to provide us with the following:

- 1) Documentary evidence that [REDACTED], had instructed CNB not to forward the title for the property at [REDACTED], Kingston to Eagle Merchant Bank Ltd.
- 2) A copy of the Memorandum of Satisfaction referred to in your letter (this appears not to have been forwarded to us).

We thank you for your cooperation in this matter.

Yours sincerely

[REDACTED]

139 [REDACTED]
Credit Officer

[REDACTED]
Credit Manager

[REDACTED]

The Managing Director
Century National Bank Limited
14-20 Port Royal Street
KINGSTON

Dear Sir:

In consideration of the Bank granting me/us a loan of [REDACTED]
[REDACTED] I/we confirm having executed a Legal Mortgage of
[REDACTED] in favour of the Bank and have deposited with the you
the Mortgage documents and Certificate of Title registered at Volume [REDACTED] & [REDACTED]
Folio [REDACTED] & [REDACTED] respectively.

The Bank is hereby authorised to complete the security at any
time.

Yours very truly,

[REDACTED]
.....
[REDACTED]
.....

~~D~~ T J O S L I N *JNA Al, r' , c' 7 C'n " ' * * . * . .*

2nd FLOOR ISLAND LIFE CENTRE
6 ST. LUCIA AVENUE
P.O. BOX 54, KINGSTON 5, JAMAICA W.I.
TEL (876) 754-7053 FACSIMILE: (876) 754-7079

Regn.
899

(overseas)

late Yf'

BY REGISTERED MAIL June 17, 2003

DEBTOR5
clo
Kingston, Jamaica

DEBTOR5
Jamaica

Dear :

Re; Indebtedness of to Refin Trust/Century National Bank Limited

Dennis Joslin Jamaica Inc. has been appointed by Jamaican Redevelopment Foundation, Inc. to service the debts and obligations it acquired from Refin Trust Limited, a wholly owned subsidiary of FINSAC Limited, which includes the captioned account. We write on behalf of Dennis Joslin Jamaica, Inc.

1. As at June 15, 2003, is indebted to Jamaican Redevelopment Foundation, Inc. in the sum of .
2. You have guaranteed the liability of said under and by virtue of an Unlimited Instrument of Guarantee dated July 9, 1991.
3. is in default of its obligations to Jamaican Redevelopment Foundation, Inc.

We hereby make formal demand upon you for payment of the sum of in accordance with the said Instrument of Guarantee, within 14 days of the date hereof. In the event of your failure to comply, we shall have no alternative but to refer the matter to our Attorneys-at-Law for recovery of the debt without further reference to you.

Yours truly,

DENNIS JOSLIN JAMAICA
INC.

LOAN RECOVERY OFFICER

ASSET MANAGER

Directors: J. Gibson Joslin • W.T. Burnett • J. Welch

BY REGISTERED MAIL

June 17, 2003

[REDACTED]
Kingston, Jamaica

[REDACTED]
Kingston, Jamaica

[REDACTED]
Kingston, Jamaica

Dear Sirs:

Re: Your indebtedness to Refin Trust/Century National Bank Limited We

write on behalf of Dennis Joslin Jamaica, Inc.

Dennis Joslin Jamaica, Inc. has been appointed by Jamaican Redevelopment Foundation, Inc. to service the debts and obligations it acquired from Refin Trust Limited, a wholly owned subsidiary of FINSAC Limited, which includes the captioned account. As at June 14, 2003 your indebtedness amounts to [REDACTED]

[REDACTED] with interest accruing at the rate of thirty percent per annum (30%) as set out hereunder:

Principal	[REDACTED]
Interest	[REDACTED]
Misc	[REDACTED]
Total	[REDACTED]
Per Diem	[REDACTED]

I hereby make Formal Demand upon you for the payment of all sums owing within 14 days of the date hereof.

In the event of your failure to comply, we shall have no alternative but to refer the matter to our Attorneys-at-Law for recovery of the debt without further reference to you.

Yours truly,
DENNIS JOSLIN JAMAICA INC.

SUN J M A I C A INC. *FIR*
BLANKET LTD
CNB

Rego'. # 899 (overseas)

2nd FLOOR ISLAND LIFE CENTRE
6 ST. LUCIA AVENUE
P.O. BOX 54, KINGSTON 5, JAMAICA W.I.
TEL: (876) 754-7053 FACSTh41LE: (876) 754-7079

[REDACTED]
LOAN RECOVERY OFFICER

[REDACTED]
ASSET MANAGER

Directors: J. Gibson Joslin • W.T. Burnett • J. Welch

[REDACTED]

AS 46
COPY

DAJ: mal DJJ 13/03

March 21, 2006

The Bailiff
Resident Magistrate's Court
Corporate Area
Kingston

ATTENTION: MR. AUGUSTUS SHERRIAH

Dear Sirs:

Re: Claim No. [REDACTED]
[REDACTED] vs. Financial Institutions Services Limited,
Jamaica Redevelopment Foundation Inc. & Dennis Joslin Jamaica Inc.

=====

Please find enclosed a sealed copy of the Order for Seizure and Sale of Goods against the Claimant dated the 15th March, 2006 and filed February 9, 2006.

Kindly take the relevant steps to execute the said Order as a matter of urgency and thereafter provide us with your report detailing the progress made.

Kindly acknowledge safe receipt of the aforementioned enclosures by signing, dating and returning the enclosed copy of this letter.

Yours faithfully,
PIPER & SAMUDA

PER: [Signature]
DAVID A. JOHNSON

Encl.

cc. Jamaica Redevelopment Foundation Inc.
Attention: Ms. Nadia Sinclair



March 21, 2006

The Bailiff
Resident Magistrate's Court Corporate Area
Kingston

ATTENTION: MR. AUGUSTUS SHERR1AH

Dear Sirs:

Re: Claim No. [REDACTED]
[REDACTED] vs. Financial Institutions Services Limited,
Jamaica Redevelopment Foundation inc. & Dennis Joslin Jamaica Inc.

Please find enclosed a sealed copy of the Order for Seizure and Sale of Goods against the Claimant dated *the "15th March, 2006 and filed February 9, 2006.*

Kindly take the relevant steps to execute the said Order as a matter of urgency and thereafter provide us with your report detailing the progress made.

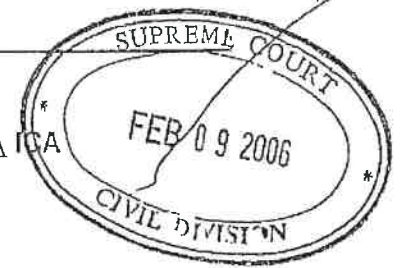
Kindly acknowledge safe receipt of the aforementioned enclosures by signing, dating and returning the enclosed copy of this letter.



ORDER FOR SEIZURE AND SALE OF GOODS
Form 18 [Rule 46.1 (a)]

IN THE SUPREME COURT OF JUDICATURE OF JAMAICA

CLAIM NO. H. C. V. 2209 OF 2003



BETWEEN	[REDACTED]	CLAIMANT
AND	FINANCIAL INSTITUTIONS SERVICES LIMITED	1st DEFENDANT
AND	JAMAICA REDEVELOPMENT FOUNDATION INC.	2nd DEFENDANT
AND	DENNIS JOSLIN JAMAICA INC.	3rd DEFENDANT

The SECOND and THIRD DEFENDANTS on the 14th day of December, 2005 having obtained an Order to pay costs against the CLAIMANT in this action for the sum of \$505,834.07

that the CLAIMANT has failed to satisfy the said Order to pay costs

and that the said Order to pay costs

And it having been made to appear to the satisfaction of the Court that the said Order to pay costs having remained wholly unsatisfied

The Bailiff of the Resident Magistrate's Court for the Corporate Area IS HEREBY ORDERED to seize and sell such of the goods and chattels of the CLAIMANT [REDACTED] of [REDACTED] [REDACTED] Kingston in the parish of Kingston as shall be subject to execution and apply the proceeds of such sale in satisfaction of the said Order under the further order of the court.

Dated the 5 day of [REDACTED], 2006

REGISTRAR (C)

FILED by [REDACTED], of [REDACTED], whose telephone numbers are [REDACTED], fax number [REDACTED], attorneys-at-Law for and on behalf of the SECOND and THIRD DEFENDANTS herein.

No. 781

N. 101 -- Notice of Non Execution of Warrant

No. of Plaint

Claim No. [REDACTED]

No. of Warrant

hn the Resident Magistrate's Court for the Corporate Area, Holden at Sutton
Street.

BETWEEN [REDACTED] PLAINTIFF
AND [REDACTED] Financial Institutions Services Limited et al DEFENDANT

TAKE NOTICE, that this Warrant of Execution*

In this cause has not been executed within one calendar month from the day
of delivery to me for the following reasons:

"Nulla Bona".
Please see the annexed Monthly Report and Kindly remit Two Thousand
Dollars (\$ 2,000.00) for travel and work done.

Dated the 29th day of April 2006

[Signature] Bailiff of the Resident Magistrate's

Court for the Corporate Area.

BAILIFF
R. M. COURT
CORPORATE AREA
Holden at Sutton Street, Kingston.

x'Or order of Commitment

01133-20.000-6.60

To: [REDACTED]

Kingston 5

RM BAILIFF KINGSTON



DATE: April 27, 2006

TO: The Bailiff

Corporate Area RM Court
Sutton Street Kingston

R1 SUIT; Claim No. [REDACTED]

[REDACTED] PLAINTIFF

Financial Institutions Services Limited et al

DEFENDANT

EXPIRY DATE:

BAILIFF-ASST. /BAILIFF: NORMAN BROWN

E1 WRIT 1(FIRLD

[i DEFENDANT EVADING

POLICE PROTECTION NEEDED

f I

DEFENDANT NOT FOUND AT GIVEN ADDRESS

DEFENDANTS ASSETS BOLTED TO FLOOR

DEFENDANT NOT FOUND AT NEW ADDRESS

DEFENDANTS ADDRESS CANNOT SE LOCATED

I DEFENDANT HAS REMOVED

DEFENDANTS ADDRESS INCORRECT

IX I DEFENDANT VISITS ADDRESS OCCASIONALLY

I-i PLAINTIFFS ASSISTANCE NEEDED

DEFENDANT HAS NO ASSET ON WHICH TO LEVY

~~II DEFENDANT'S BUSINESS NO LONGER OPERATING AT GIVEN ADDRESS~~

DEFENDANT'S BUSINESS NO LONGER OPERATING AT GIVEN ADDRESS

COMMENTS: ,

I visited the defendant's address but absolutely nothing was found to levy, the defendant also seized from operating years ago. Notwithstanding, enquiries were made and as a consequence I visited the Urban Development Corporation Apartments, Kingston Mali where the defendant's manager lives. Mr. DEBTOR5 claimed that his business is closed and that he has no money to settle the debt.

/ r / r71 / 9 Y E '

No. 30/01

540,000

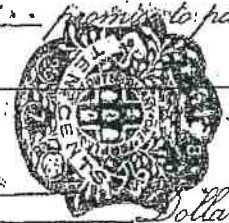
6 4 4

Certlturtt aDtmk

On Demand after date We promise to pay

Binh attlur? tt * National. 'Bank

linitt^{PO}



Dollars

Gh* a

t* /97e

Try

IG*;L ci 44 rc* a 2cre o* . 6 4 4 . 6 r y * * 1 * r c c r r . , , 0 7 r r * , , ,

[Handwritten signature]

[Handwritten signature]

Cred.

On Demand after date for value received WF

No. (1 / 4 W S j

..March 27. 1y_92

promise to pay to the order of Ortltlr'l) National %tth fitmiteli the sum of Centymp_x,



calculated on a daily basis and payable as well after as before maturity and interest on Crest. The rate of interest payable shall be at a rate per firm*crn equivalent to.

7%

Prin

[Redacted signature area]

um over and above the Century National Bank Limited's market rate for 'ending from
day to day prevailing. At the date of this note, the market rate of Century National Bank Limited is 6.9% percentum per
annum,

Exec . _ . ** :x Li, ...,rn; _ :cos for and on
behalf of CenLury Lyarioua.....,y. virtue of C'ouxt
Order under Suir M. 123 of .,, '9 ua.Led 21st Octobgx9
19,97.

Financial Institutions Services

Per



*9' *utea"

behalf or Y Pi-nancf_a

*e:ztu_r , xk'ltlterfi

hal of C

3 National Dank Se r e ...

199

7,

uzlly LI. 3 ul

date yniC vi d of03{

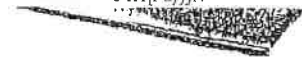
uiiiaiar..

*'izaanci*I.I

Per

... 21st c3. uuQz• Snstztutio_{ns}

Se_Vices. n e'tl1[r tyyl]iV



INSTRUMENT OF GUARANTEE

To: (Beneficiary Minima Vault iGtutfrt*)

- FN p4*g; *

276 CL7

WSEfTCRdCTpP
AffY

trial "CONSIDERATION of CENTURY NATIONAL BANK" La called the "Bank")
agreed that the, it Lue t, of, it LLL'te (Inscribed and each of them it more than one to cleat with or to cntlnpc to, deal with
(11 (ticein called hic "Custor her") In the way of its business as a bank the undersigned and
facti of intent, If more than one, hereby jointly and severally guarantee(s) payment to the Bank of au dc* l e's t'l'iah
Blies, pced*or future, dlrct or indirect, absolute or contingent matured or not at any time awing by the Custdmer to the
fink o r remaining unpaid to the Bank, whether arising from dealings between the Bank and tLq Cus, omFe any frog other
dealirry or proceedings by which the Bank may beor become in any manner whatever a creditor of the Customer, and wherever
incurred, and whether Incurred by the Customer alone or with another or others and whether as principal or surety, including
all interest, commissions, legal and other costs, charges and expenses
(such debts and liabilities being herein called the "guaranteed liabilities"), the liability of the undersigned hereunder
being limited to the sum of Unlimited Dollars with interest from
the date of demand for payment at the rate or rates mentioned in paragraph 5 hereof.

AND Tliff UNDERSIGNED and each of them, if mora than one, hereby jointly and severally agrees with the
Bank as follows;

I, In this guarantee the word "Guarantor" shall mean the undersigned and, if there is more than one guarantor,
it shall mean each of them, and their liability hereunder shall be a joint and several liability.

2. This guarantee shall be a continuing guarantee of all the guaranteed liabilities and shall apply to and secure any
ultimate balance due or remaining unpaid to the Bank; and this guarantee shall not be considered as wholly or partially
satisfied by the payment or liquidation at any time of any sum of money for the time being due or remaining unpaid to the
Bank.

3. The Bank shall not be bound to exhaust its recourse against the Customer or others or any securities or other
guarantees it may at any time hold before being entitled to payment from the Guarantor, and the Guarantor renounces all
benefits of discussion and div'plea.

4. The Guarantor's liability under this guarantee shall arise forthwith after demand for payment has been made in writing on the
undersigned, or if more than one, on any one of them, and such demand shall be deemed to have been effectually made on the
day following that on which an envelope containing such demand addressed to the undersigned or such one of them at the
address of the undersigned or such one of them last known to the Bank is posted, postage prepaid, in the post office, and the
Guarantor's liability shall bear interest from such date at the rate or rates
mentioned in paragraph 5 hereof.

5. The rate of interest payable by the Guarantor from the date of a demand for payment under this guarantee shall be at the
rate or rates payable by the Customer at the date of such demand and on the several items of indebtedness constituting the
guaranteed liabilities.

6. Upon default in payment, of any sum owing by the Customer to the Bank at any time, the Bank may treat all guaranteed
liabilities as due and payable and may forthwith collect from the Guarantor the total amount hereby guaranteed and may
apply the sum so collected against and in reduction or settlement of the Customer's debt or may place it to the credit of a
special account.

7. A written statement of a Manager or Acting Manager of any branch of the Bank at which an account of the Customer
hereby guaranteed is kept or of a General Manager or Assistant General Manager of the Bank as to the amount
remaining unpaid to the Bank at any time by the Customer is, if agreed to by the Customer, a conclusive evidence and
shall, in any event, be prima facie evidence against the Guarantor as to the amount remaining unpaid to
the Bank at the time by the Customer.

B. This guarantee shall be in addition to and not in substitution for any other guarantees or other securities which the Bank
may now or hereafter hold in respect of the guaranteed liabilities and the Bank shall be under no obligation to marshal in
favour of the Guarantor any other guarantees or other securities or any moneys or other assets which the Bank may be
entitled to receive or may have a claim upon, and no loss or unenforceability of any other guarantee or other securities
which the Bank may now or hereafter hold in respect of the guaranteed liabilities, whether occasioned by the fault of the
Bank or otherwise, shall in any way omit or lessen the Guarantor's liability.

9. Without prejudice to or in any way limiting or lessening the Guarantor's liability and without obtaining the
consent of or giving notice to the Guarantor, the Bank may discontinue, reduce, increase or otherwise vary the credit of the
Customer, may grant time, renewals, extensions, indulgences, releases and discharges to and accept compositions from or
otherwise deal with the Customer and others, including the Guarantor and any other guarantor as the Bank may see fit, and
the Bank may take, abstain from taking or perfecting, vary, exchange, renew, discharge, give up, realize on or otherwise deal
with securities and guarantees in such manner as the Bank may see fit, and the Bank may apply all moneys received from the
Customer or others or from securities or guarantees upon such parts of the guaranteed liabilities as the Bank may see fit and
change any such application in whole or in part from time to time.

10. All dividends, compositions, proceeds of securities, securities valued or payments received by the Bank from
the Customer or What's or from estates in respect of the guaranteed liabilities shall be regarded for all purposes as payments
in gross without any right on the part of the Guarantor to claim the benefit thereof in reduction of the liability under this
guarantee.

11. Until repayment in full of all the guaranteed liabilities, the Guarantor shall not claim any set-off or counter claim against
the Customer in respect of any liability of the Customer to the Guarantor, claim or prove in the bankruptcy or insolvency of
the Customer in competition with the Bank or have any right to be subrogated to the Bank.

12. This guarantee shall not be discharged or otherwise affected by the death or loss of capacity of the Customer, by any
change in the name of the Customer, or in the membership of the Customer, if a partnership, or in the objects, capital
structure or constitution of the Customer, if a corporation, or by the sale of the Customer's business or any part thereof or by
the Customer being amalgamated with a corporation, but shall, notwithstanding any such event, continue to apply to all
guaranteed liabilities whether theretofore or thereafter incurred, and in the case of a change in the membership of a Custo-
mar which is a partnership, this guarantee shall apply to the liabilities of the continuing partnership.

13. All advances, renewals and credits made or granted by the Bank purportedly to or for the Customer after the death, loss of capacity, bankruptcy or insolvency of the Customer, but before the Bank has received notice thereof shall be deemed to form part of the guaranteed liabilities; and all advances, renewals and credits obtained from time Bank purportedly by or on behalf of the Customer shall be deemed to form part of the guaranteed liabilities, notwithstanding any lack or limitation of power, incapacity or disability of the Customer or of the directors, partners or agents thereof, or that the Customer may not be a legal or viable entity, or any irregularity, defect or informality in the obtaining of such advances, renewals or credits, whether or not the Bank had knowledge thereof; and any such advance, renewal or credit which may not be recoverable from the undersigned as guarantor(s) shall be recoverable from; the undersigned, and if more than one from each of them jointly and severally, as principal debtor(s) in respect thereof and shall be paid to the Bank on demand with interest at the rate or rates set out in paragraph 5 hereof.

1

14. - All debts and liabilities, present and future, of the Customer to the Guarantor are hereby postponed to the guaranteed liabilities and the postponement is independent of the guarantee and shall remain in full force and effect until repayment in full to the Bank of all the guaranteed liabilities notwithstanding that the liability of the undersigned or any of them under this guarantee may have been discharged or terminated.

15. The undersigned, or if more than one of them, each of them on his or her limit by giving thirty days' notice writing to the branch of the Bank at which the main account of the Customer is kept, may terminate this guarantee in respect of liabilities of the Customer incurred or arising after the expiration of such thirty days, but not in respect of any guaranteed liabilities incurred or arising before the expiration of such thirty days even though not then matured; provided that notwithstanding receipt of any such notice the Bank may within such period of thirty days fulfil any requirements of the Customer based on agreements express, or implied made prior to the expiration of such thirty days and any resulting liabilities shall be covered by this guarantee; and provided further that in the event of the termination of this guarantee as to one or more of the undersigned, if more than one, it shall remain a continuing guarantee as to the other or others of the undersigned.

16. This guarantee embodies all the agreements between the parties hereto relative to the guarantee and postponement and notice of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein; and it is specifically agreed that the Bank shall not be bound by any representations or promises made by the Customer to the Guarantor. Possession of this instrument by the Bank shall be conclusive evidence against the Guarantor that the instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any condition precedent or subsequent has been complied with and this guarantee shall be operative and binding notwithstanding the non-execution thereof by any proposed signatory.

17. This guarantee shall be governed in all respects by the laws of Jamaica.

18. This guarantee shall not be discharged or affected by the death of the undersigned, or, if more than one of them, of any of them and shall ensure to the benefit of and be binding upon the Bank, its successors and assigns, and the Guarantor, his heirs, executors, administrators, successors and assigns as if they had been throughout expressly named herein.

AS WITNESS the hand of the Guarantor at 14-20 Port Royal Street,

Kingston ----- this 9th day of July 19 97

SIGNED in the presence of

[Redacted Signature]

SIGNATURE

[Redacted Signature]

MORTGAGE UNDER THE REGISTRATION OF TITLES ACT

THIS INSTRUMENT OF MORTGAGE under The Registration of Titles Act is made on the date set out in Item I of the Schedule hereto BETWEEN the party described in Item 2 of the said Schedule as "The Mortgagor" (which expression shall, where not repugnant to the context, in the case of an individual include his and each of his Executors, Administrators and Transferees and in the case of a corporate body include its Successors and Transferees) of the ONE PART AND CENTURY NATIONAL BANK LIMITED a Company duly incorporated in Jamaica having its registered office at 14 • 20 Port Royal Street in the City and Parish of Kingston (hereinafter called "the Bank" which expression shall, where not repugnant to the context, include its Successors and Transferees) of the OTHER PART

WHEREAS the Mortgagor is registered as the proprietor of an estate in fee simple in the lands comprised in the Certificate(s) of Title referred to in Item 6 of the Schedule hereto (hereinafter referred to as "the mortgaged lands") subject to the restrictions and incumbrances (if any) endorsed or noted on the said Certificate(s) of Title or mentioned in Item 7 of the schedule but otherwise free from incumbrances AND WHEREAS the Mortgagor has requested the Bank to extend to him such financial and banking facilities or such further financial and banking facilities as the Bank may from time to time think fit or to allow him further time for liquidation of his existing indebtedness (as the case may be) which the Bank has agreed to do upon receiving the security hereinafter appearing and upon the conditions hereinafter contained

NOW THIS INSTRUMENT WITNESSETH as follows:-

I. In consideration of the premises the Mortgagor COVENANTS with the Bank:-

- (a) To pay to the Bank on demand -
 - (i) all such sums of money as are now or shall from time to time hereafter become owing to the Bank from the Mortgagor whether in respect of overdraft, moneys advanced or paid to or for the use of the Mortgagor or charges incurred on his account or in respect of promissory notes and other negotiable instruments drawn accepted or endorsed by or on behalf of the Mortgagor and discounted or paid or held by the Bank either at the Mortgagor's request or in the course of business or otherwise and all moneys which the Mortgagor shall become liable to pay to the Bank under any guarantee indemnity undertaking or agreement or in any manner or on any account (including all sums which have become immediately due and payable under the terms of any Scotia Plan Loan) whatsoever and whether any such moneys shall be paid to or incurred by or on behalf of the Mortgagor alone or jointly with any other person firm or company and whether as principal or surety together with interest at the rate per annum stated as the Original Rate of Interest in Item J of the said Schedule with such rests as are stated in Item 4 of the said Schedule as Rests At Which Interest Payable or at such other times as the Bank shall from time to time specify or at such other rate or rates of interest as the Bank shall from time to time charge which interest may be computed as simple interest or compound interest as the Bank shall require together also with all usual and accustomed Bank charges.
 - (ii) all costs charges and expenses incurred or to be incurred by the Bank in relation to the preparation stamping perfecting and discharge of this instrument or any collateral security or any default hereunder or thereunder and for the protection or enforcement of the Bank's right and interest hereunder on an Indemnity basis.

PROVIDED HOWEVER THAT notwithstanding any direction by the Mortgagor to the Bank at the time of payment the Bank shall have the right to appropriate all moneys paid by the Mortgagor to the Bank as it may deem expedient.

- (b) To insure and at all times keep insured in the name of the Bank against fire, lightning, earthquake shock, volcanic eruption, hurricane, cyclone, tornado and windstorm, riot and strike, and fire and or damage arising therefrom respectively and such other perils as the Bank may reasonably stipulate all buildings, erections, plant, machinery, dead stock and other chattels now or hereafter on the mortgaged lands to their full insurable value in such Insurance Office as the Bank may from time to time direct, and on demand to deliver to the Bank all such Policies of insurance and all receipts and vouchers for the payment of premiums.
- (c) At all times during the continuance of this security to keep up preserve and maintain in good order and condition upon the mortgaged lands all and singular the buildings now or that hereafter may be erected thereon and all lawns, gardens, wells, ponds, drains, gales, walls, fences, plant, machinery, fixtures, fittings, dead stock and things that are now or may hereafter be thereon and to keep up and maintain in good order and condition according to the best and most approved methods of pen-keeping and planting in this Island all and singular the cultivations, canes, bananas, guinea grass, coconuts, pastures, commons and other pastures thereon and to do all things necessary and proper for keeping up the value of the said hereditaments and chattels in order that the security hereby given may not be depreciated or lessened in value,
- (d) Not to lease let or demise or part with the possession of the mortgaged lands or any part or parts thereof during the continuance of this security without the express consent in writing of the Bank first had and obtained.
- (e) To pay regularly and punctually all taxes rates and assessments outgoings and Impositions whatever now or during the continuance of this security to become payable in respect of the mortgaged lands and on demand to produce to the Bank all receipts and vouchers in proof of such payments.
- (f) In addition to the mortgagor's covenants implied and powers on mortgagees conferred under the Registration of Titles Act the Bank shall be entitled by its officers, servants or agents at all times during the continuance of this security with or without workmen agents or servants to enter upon the mortgaged lands or any part or parts thereof and to

- view search and see the state and condition thereof and the condition and order of the buildings, lawns, gardens, wells, ponds, drains, gates, walls, fences, plant, machinery, fixtures, fittings, dead stock, things and cultivations and pastures thereon and the several appurtenances thereof respectively with full and free power of ingress egress and regress for such purposes and of all decays defects and wants of reparation amendment maintenance upkeep and cultivation found upon seclinspection to give notice in Writing. to the Mortgagor and the Mortgagor will faithfully make good repair cultivate and supply according to any notice given hereunder so as at all times to keep up/maintain and pre- serve the said buildings; lawns, gardens, wells, ponds, drains, gates, walls, fences, plant, machinery, fixtures, fittings, dead stock, things and cultivations and pastures thereon to good order and condition,
- (g) That the mortgaged lands are not now mortgaged, charged or incumbered in any manner whatsoever, save as appears in Item 7 of till mid ltheduc as "Inansbar,=as" and duly and faithfully to observe and perform all and singular the covenants obligations and agreements on the part of the Mortgagor contained in each of such Incumbrances.
 - (h) Not after the date hereof to create any mortgage or charge over or affecting the mortgaged lands or any part or parts thereof without the previous consent in writing of the Bank which consent the Bank may give or refuse in its absolute and uncontrolled discretion.
 - (i) Not to create or give or make any charge pledge or lien under the Agricultural Loans Act or in any way charge or encumber the crops from Bette to time passing on the mortgaged lands without first obtaining the consent of the Bank in writing and every such charge pledge or lien if made given or created without the consent aforesaid shall be void against the Bank.
 - (j) To observe and perform all restrictive covenants and stipulations (if any) affecting the mortgaged lands,
 - (k) (i) Without prejudice to and in addition to any other remedy of the Bank in respect thereof, on demand the Mortgagor will pay to the Bank the amount of all the Bank's expenses incurred by the Bank in relation to the security hereby constituted with interest thereon from the date when the Mortgagor becomes liable therefor until payment thereof at the rate, for the time being payable hereunder payable in the manner hereby provided with regard to the interest on the principal moneys hereby secured and
(ii) The expression "Bank's expenses" abovementioned includes not only all such expenses as would otherwise be allowable on the taking of an account between a mortgagor and a mortgagee but also (and in so far as they are allowable) includes all moneys costs charges and expenses paid and all liabilities incurred by the Bank (including legal costs charges and expenses ascertained as between Attorney-at-Law and own clients), on or in connection with or incidental to the mortgaged lands and this security and without prejudice to the generality of the foregoing shall include all moneys costs charges-expenses paid and all liabilities incurred by the Bank in or in connection with or incidental to, amongst other things:-
 - (a) effecting any insurance whatever on or in connection with the mortgaged lands or any part thereof;
 - (b) inspecting surveying or obtaining any report of any nature or kind whatsoever on or in relation to the mortgaged lands or any part thereof or repairing rebuilding or reinstating any building or other erection or engineering work thereon or any part or parts thereof;
 - (c) considering, or enforcing or attempting to enforce any of the rights and powers hereby or by Law vested in the Mortgagor in relation to the mortgaged lands or this security;
 - (d) doing or considering any other matter or thing whatsoever which the Bank may consider to be for the benefit reservation or improvement of this security.
 - (i) To continue, to reside in Jamaica until such time as all principal moneys interest and all other moneys hereby secured shall have been paid in full.
2. IT IS HEREBY AGREED AND DECLARED:-
- (a) it shall be lawful for and not obligatory on the Bank to advance and pay all sums of money necessary for the purpose of remedying any breach or breaches of covenant or obligation statutory or otherwise imposed on the Mortgagor or implied by law under the provisions of this Mortgage and all moneys so paid and also all costs and expenses incurred by the Bank in relation to any inspection and notice or the repairs, amendments, maintenance, upkeep or cultivation mentioned in paragraph 1(1) hereof shall be repayable on demand and in the meantime shall be a charge on the mortgaged lands in addition to the other moneys hereby secured and bear interest at the rate payable for the time being pursuant to Clause 1(a) hereinbefore contained computed from the time or respective date of paying or advancing the same, and until the same shall have been fully paid,
 - (b) This security shall be a continuing security and shall avail the Bank in respect of all present and future indebtedness of the Mortgagor on any accounts whatever and is in addition to any security which would be implied or arise in the ordinary course from the business relations between the Mortgagor and the Bank and shall be deemed to continue notwithstanding any payments from time to time made by the Mortgagor or any settlement of account or other thing whatsoever,
 - (c) This security shall not be affected by nor affect any other security which the Bank may now or hereafter hold from the Mortgagor and the Bank shall be at liberty to realise its securities in such order and manner and to apply and appropriate any moneys at any time or times paid by or on behalf of the Mortgagor or resulting from a realisation of this or any other security at any part thereof to such account or item of indebtedness

and in such sequence priority and order as the Bank may in its absolute discretion from time to time determine any direction from the Mortgagor to the contrary notwithstanding.

(d) The Bank shall not be under any obligation to afford or continue credit or facilities to the Mortgagor to any aggregate sums in excess of such limit and extent as the Bank may in its absolute discretion from time to time think fit and the Bank may at any time or times require the reduction or discharge of the mortgage indebtedness and the Mortgagor shall be bound to comply immediately with every such requisition or demand.

- (a) This Mortgage shall be impressed in the first instance with stamp duty covering an aggregate mortgage indebtedness in the amount stated as Original Amount for Stamp Duty Purposes in Item 5 of the Schedule hereto but the Bank shall be and is hereby empowered at any time or times hereafter (without any further licence or consent of the Mortgagor and whether before or after sale of the mortgaged lands or any part thereof) to impress additional stamp duty hereon covering any sum or sums by which the said mortgage indebtedness may exceed the Original Amount for Stamp Duty Purpose, it being the intent of these presents that until its discharge, the Mortgage hereby created shall be a continuing security covering indebtedness from the Mortgagor to the Bank to such aggregate as the stamp duty impressed hereon will extend to cover,
- (f) The statutory powers of sale and of appointing a Receiver and all ancillary powers conferred on mortgagees by the Registration of Titles Act may be exercised by the Bank upon any default after any demand for payment of the money secured or any part thereof or immediately upon any other default in or non-compliance with any of the covenants conditions or obligations on the part of the Mortgagor herein contained or hereunder implied without its being necessary in any one or more of such cases to serve any notice or demand on the Mortgagor anything in the Registration of Titles Act or any other law to the contrary notwithstanding BUT upon any sale made under the statutory power in that behalf the purchaser shall not be bound or concerned to see or enquire whether such sale is consistent with this proviso and if a sale is made in breach thereof the title of the purchaser shall not be impeached on that account,
- (g) The Bank shall not be answerable for any involuntary loss happening in or about the exercise or execution of any powers conferred on the Bank howsoever or by law implied or of any trusts connected thereto nor shall the Bank be deemed a mortgagee in possession when entering upon the mortgaged lands to inspect or to effect repairs or remedy breaches.
- (h) The entry of a judgment or judgments on any covenant or covenants herein contained shall not operate as a merger of the said covenant or covenants in the judgment as entered or affect the Bank's rights to interest and other payments due hereunder at the rate and times herein set forth,
- (i) The Bank shall be entitled to keep and retain the duplicate Certificate(s) of Title during the continuance of this mortgage subject to production to the Registrar of Titles from time to time at the request and cost of the Mortgagor to enable endorsements thereon of any transaction affecting the mortgaged lands which may be subject or subsequent to this security PROVIDED HOWEVER that if the said Certificate(s) of Title or any other documents held by the Bank in relation to the mortgaged lands or these presents is or are destroyed or suffer damage as the result of any fire, Act of God, civil commotion or the Queen's enemies the Bank shall not be held liable for such loss or destruction nor shall the Bank be called upon to obtain another Certificate of Title copy or copies of any of the said documents in place of those lost and/or destroyed as aforesaid, The Bank however shall be entitled but not obliged to obtain new Certificate(s) of Title and/or certified copy or copies thereof and the costs and expenses of and incident thereto shall be payable by the Mortgagor under the Mortgagor's covenant in Clause 1(a) (ii) hereof.
- (j) That whenever the whole or any part of any sum payable under paragraph (a) of Clause 1 hereof shall remain unpaid for three days after the date hereinbefore covenanted for payment thereof respectively or whenever there shall be any breach or nonobservance of any of the covenants or conditions herein contained or implied, or whenever there shall be any other default mentioned and referred to in section 105 of the Registration of Titles Act all moneys intended to be hereby secured shall become due and payable and so remain until full payment thereof and be recoverable by suit or otherwise as and for moneys then due and payable to the Bank under the covenants hereof. The Powers of Sale and of distress and of appointing a Receiver and all ancillary powers conferred upon the Bank as mortgagee by the Registration of Titles Act shall be conferred upon and be exercisable by the Bank without any notice to or demand on or consent by the Mortgagor NOT ONLY on the happening of the events mentioned in the said Act BUT ALSO whenever the whole or any part of the principal moneys or any payment under Clause 1(a) above or other sums of money payable hereunder shall remain unpaid for three days after the date on which the same should have been paid under the covenants hereof AND ALSO whenever the Mortgagor shall be provisionally or absolutely adjudicated bankrupt or enter into a compromise agreement with creditors AND ALSO in the following events:-
- (a) If an order shall be made or a resolution passed for the winding up of the mortgagor (being a company) other than for the purposes of an amalgamation or reconstruction approved by the Bank,
- (b) If a receiver of the mortgagor's undertaking or any part thereof shall be appointed and such appointment shall in the opinion of the Bank be prejudicial to the security hereof.
- (c) If a distress or execution be levied or enforced upon or against any of the mortgaged lands.

- (d) If the mortgagee shall stop payment or shall without the consent in Writing of the Bank cease to carry on its business or threaten to cease to carry on the same,
- (e) If the mortgagor (being a company) becomes insolvent or shall be deemed under section 204 of the Companies Act to be unable to pay its debts,
- (f) If the mortgagor (being a company) is declared by the Bank of Jamaica (Exchange Control) to be a non resident controlled company for the purposes of exchange control.
- (g) if the mortgagor (being an Individual) becomes or is declared by the Bank to be or is deemed by law to be a Non-Resident of Jamaica for the purposes of exchange control.
- (It) If and whenever there shall be any breach or non-observance of any of the covenants conditions provisions or agreements herein contained or by Law implied, AND THAT immediately on the happening of any of the events aforesaid the whole of the Principal, interest and all other moneys remaining payable under this Instrument shall become due and payable and may also be recoverable by soli or otherwise as and for moneys then due and payable by the Mortgagor to the Bank under the covenants herein contained and shall so remain until full payment thereof and upon any sale made under this statutory power the Purchaser shall not be concerned to see or enquire into the regularity or propriety of such sale,
- (k) At any time after the security has become enforceable the Bank may appoint a receiver of the property subject thereto upon such terms as to remuneration and otherwise as it shall think fit and may from time to time remove any such receiver and appoint another in his place; any such appointment or removal shall be in writing. A receiver so appointed shall be the agent of the Mortgagor which shall be - responsible for his acts and defaults and for his remuneration costs charges and , expenses.
- (l) A receiver so appointed shall be a receiver and manager and entitled to exercise all the powers conferred on a receiver by the Act and by way of addition to and with out limiting those powers such receiver shall have power -
 - (1) to take possession of and get in the mortgaged lands;
 - (2) to terry on or concur in carrying on the business of the Mortgagor (where applicable) and do ail such things as he may in his absolute discretion deem proper for carrying on such business;
 - (3) to sell or concur in selling any of the mortgaged lands. or, oltierwisa deal therewith at such price or prices and on such terms in the interest of the Bank as he shall think fit;
 - (4) to make any arrangement or compromise which he shall think expedient in the interest of the Bank;
 - (5) to make and effect all such repairs improvements and insurances as he shall think fit;
 - (6) to appoint managers accountants servants workmen and agents for the afore-said purposes upon such terms as to remuneration or otherwise as he may determine;
 - (7) to do all such oilier acts and things as may be considered to be tnidental or conducive to any of the matters and powers aforesaid which he may or can lawfully do as atent for the Mortgagor
- PROVIDED ALWAYS THAT nothing herein shall make the Bank liable to such receiver and manager as aforesaid in respect of his remuneration, costs, charges or expenses or otherwise
- (m) The net profits of carrying on any such business and the net proceeds of any sale by the receiver shall subject to any prior ranking claims thereon be applied by him as Cullom,
 - (1) In payment of all costs charges and expenses of and incidental to his or any other appointment of a receiver hereunder and the exercise by him or any other such receiver of all or any of the powers aforesaid including his remuneration or that of any other such receiver and all outgoings properly paid by him;
 - (2) In or towards payment to the Bank of all arrears of interest unpaid in respect hereof;
 - (3) In or towards payment to the Bank of all other moneys due under this Mortgage;
 - (4) In payment of any surplus to the Mortgagor;
- PROVIDED that If the receiver shall be of opinion that the security may prove deficient payments may be made on account of unpaid principal and other moneys before unpaid interest due under this Mortgage but such alteration in the order of payment of principal and other moneys and interest shall not prejudice the rights of the Bank to receive the full amount to which it would have been entitled if the primary order of payment had been observed or any less amount which the sum ultimately realised may be sufficient to pay
- (n) No person or persons dealing with the Bank or any receiver appointed by it shall be concerned to inquire whether any event has happened upon which any of the powers herein contained are or may be exercisable or otherwise as to the propriety or regularity of any exercise thereof or of any acts purporting or intended to be in exercise thereof or whether any moneys remain owing upon the security of this Mortgage.

- (o) Entry into possession of the mortgaged lands or any part thereof shall not render the Bank or any such receiver liable to account as mortgagee in possession.
- (p) That no neglect omission or forbearance on the part of the Bank to take advantage of or enforce any right or remedy arising out of any breach or nonobservance of any covenant or condition herein contained or implied shall be deemed to be or operate as a general waiver of such covenant or condition or the right to enforce or take advantage of the same in respect of any breach or non-observance thereof of either original or recurring.
- (q) If the rate of interest payable hereunder is higher than the rate payable by law on a judgment debt the taking of any judgment on any of the covenants herein contained shall not operate as a merger of the said covenant in such judgment or affect the Bank's right to interest at such higher rate as well after as before judgment.
- (t) Any demand or notice hereunder may be properly and effectually made given and served on and to the Mortgagor if signed by any Director, Manager, Acting Manager or Assistant Manager of the Bank or any Attorney-at-Law on behalf of the Bank and sent by registered post addressed to the Mortgagor at the address stated in Item 2 of the said Schedule and every such demand or notice sent by post as aforesaid shall be deemed to have been received on the second day following the posting thereof.
- (s) Where the context so requires words importing the masculine gender shall also include the feminine and neuter genders AND if there shall be more than one Mortgagor:-
 - (i) the term "the Mortgagor" shall include each and every and any one or more of them;
 - (ii) their liability to the Bank under the covenants agreements stipulations and obligations herein contained shall be a joint and several liability; and
 - (iii) they shall be deemed in Clause 6 hereof to mortgage to the Bank all their respective estates and interests in the lands hereinafter mentioned,

3, the giving of time to the Mortgagor or the neglect or forbearance of the Bank in requiring or enforcing payment of the principal moneys and interest hereby secured or any other variation of the provisions of this Instrument or other dealing between the Mortgagor and the Bank shall not in any way prejudice or affect this security or the covenants of the Mortgagor hereinbefore contained or the continuing liability of the Mortgagor by virtue (hereof).

4. The Bank shall be entitled to exercise its remedies under this Instrument concurrently, consecutively or in such order as the Bank in its discretion may from time to time decide and without exercising or exhausting any one remedy before proceeding with another.

5. Notwithstanding anything herein contained the Bank's right of entry on the mortgaged lands shall be exercised in such a manner as to avoid rousing unnecessary disturbance to or interference with the occupants of the mortgaged lands (if any).

S1 AND FOR BETTER SECURING to the Bank the payment in manner aforesaid of all principal moneys, interest, costs and other moneys payable hereunder the Mortgagor being registered as the proprietor of an estate in fee simple in the lands described in Item 6 of the said Schedule as "the Mortgaged Lands" subject to the incumbrances Of any) endorsed on the Certificate(s) of Title therefor and mentioned in Item 7 of the said Schedule DO TH HEREBY MORTGAGE to the Bank all his estate and interest and all the estate and interest which he is entitled to transfer and dispose of in the Mortgaged Lands,

AS WITNESS the hand/seal of the Mortgagor the day and year first written in the said Schedule,

day, of

r

rl

2. THE MORTGAGOR; Full name(s):

THE SCHEDULE

1. DATE OF MORTGAGE: The

September

"s

k

Address es

.. > r t : .. S ..

3. ORIGINAL RATE OF INTEREST;
(COMPOUND)

Annun calculated as Compound Interest
with monthly rests.

4. RESTS AT WHICH INTEREST PAYABLE;

., 1

ORIGINAL AMOUNT FOR STAMP DUTY PURPOSES:

6, THE MORTGAGED LANDS; ALL M T [REDACTED] comprised in
Certificate of Title registered at Volume [REDACTED] Folio [REDACTED]

ALT., TROT peerca.1 of la-Ad [REDACTED] parish
of KINGSTON and Isaias L. and cosapritaad is Catrt i. 'icmte of Tit:la• rogd tetrad at Volururw
[REDACTED] Folto, [REDACTED] S. * t fira 'fie :ate 31vo3t. of Titles.

7. •IN.CUMMI3RANCES'

No. and date of Instrument g(y w ssvO ovid ,i. o -apt -OaO' O ' iot ro e t t l°: F_B b)
.etzdordad ls). 6 6. Ce> k'i r > z+ta of Title.

Grantee

Amount of prior Incumbrance

SIGNED by the said in

the Presence of:

SIGNED by the said

in the presence of:

SIGNED by the said in

the presence of:

THE COMMON SEAL of [REDACTED]) I,
was hereunto put and affixed N) and these presents signed

Two (a) bJR#s JJ \$- < J#...
in the presence\pf: ')

Appeared before me

to t) t:lnsl;u Me t, f-ia declared that,q' relahc personally...knew

the person signrrrg',the same, and whose
and that the :rjarrr:purporting to be

signature the-0'd
the signature of the said

the
the attesting

attested,

is his/her

own handwriting, and that he/she was of sound mind and freely and voluntarily signed such Instrument.

[REDACTED]

Justice of the Peace for the Parish of:-

41

DATED

to
CENTURY NATIONAL BANK LIMITED

INSTRUMENT OF MORTGAGE

CENTURY NATIONAL HANK LIMITED
14 - 20 Port Royal Street
Kingston

JAMAICA S.S.

BE IT REMEMBERED that on the ^{di}✓* day of 2104,f, One Thousand Nine Hundred and Eighty-eight there personally came and appeared before me the undersigned one of Her Majesty's Justices of the Peace in and far the Island of Jamaica MAURICE CARL KEANE-DAWES of Kingston the subscribing witness to the due execution of the foregoing Mortgage by [REDACTED] who being by me first duly sworn made oath and said that he was present and did see the Common Seal of [REDACTED] duly put and affixed thereto by and in the *presence of* DEBTOR5 and [REDACTED], two (2) Directors duly sign and deliver the same as and for the proper act and deed of [REDACTED] for the purposes therein mentioned.

[REDACTED]
JUCTICE OP THE PEACE
For the Parish of Saint Andrew

CERTIFIED COPY OF A RESOLUTION
PASSED AT A DIRECTOR'S MEETING
OF [REDACTED] LIMITED -----
FIELD ON SEPTEMBER 22, - 1988

RESOLUTION

RESOLVED

That the undernoted document be executed on behalf of the Company, and
the Seal of the Company be affixed thereto and the same signed for and on behalf of the
Company by TWO (2) DIRECTORS

First Legal Mortgage to Century National Bank Limited presented to the
meeting under which the Company charges its property at

FIRSTLY: NUMBER [REDACTED], in the Parish of
KINGSTON.

SECONDLY: NUMBER [REDACTED], in the Parish of
KINGSTON.

covered by Certificate(s) of Title registered at Volume [REDACTED] & [REDACTED] Folio [REDACTED] & [REDACTED]
respectively,

to secure the liability of [REDACTED] -----

SE

SEAL

X
.....
X
.....

to the Bank from time to time.

CERTIFICATE OF ENTRY - MORTGAGE

We hereby certify that the First Legal Mortgage Form dated the 22nd
day of September, 19 88 issued by Centuxy National. Bank
Limited for securing advances made and to be made to the said [REDACTED]
[REDACTED] -----by the Bank in such amounts as the Bank may from time to
time determine with the interest thereon has been duly entered in the Company's
Register of Charges pursuant to Section 102 of the Companies Act 1965,

Given under our hands and the Seal of the Company this 22nd
day of September One Thousand Nine Hundred and Eighty-eight

SEC. 183

S E A L



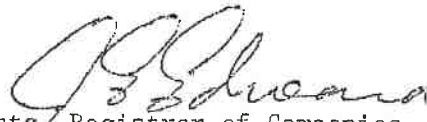
CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to Section 96 (2) of the Companies Act

I HEREBY CERTIFY that a Charge created on the TWENTY-SECOND day of SEPTEMBER One Thousand Nine Hundred and Eighty-eight between [REDACTED] and CENTURY NATIONAL BANK LIMITED for an amount of [REDACTED] with power to upstamp was duly registered pursuant to section 93 on the THIRD day of OCTOBER One Thousand Nine Hundred and Eighty-eight.

GIVEN under my and and Seal at Kingston in the Parish of Kingston and Island of Jamaica this ELEVENTH day of JULY One Thousand Nine Hundred and Ninety-four.

No. of Company [REDACTED].


Actg. Registrar of Companies

REGISTERED NOTICE

TO:

Kingston, Jamaica

CNB

WE HEREBY GIVE YOU NOTICE that the Mortgage mentioned hereinafter have been assigned to JAMAICAN REDEVELOPMENT FOUNDATION INC., *with its place of business situated at 2nd Floor, 6 St. Lucia Avenue, Kingston 5 in the Parish of Saint Andrew by virtue of a Deed of Assignment dated January 30th 2002 between Workers Savings and Loan Bank, Refin Trust Limited and Financial institutions Services Limited and Jamaican Redevelopment Foundation, Inc.* Accordingly, you are required forthwith to pay to JAMAICAN REDEVELOPMENT FOUNDATION, INC. *the moneys owing by you secured by the mortgage registered on the 30TH day of November 198E and numbered [REDACTED] under the Registration of Titles Act in respect of ALL THOSE parcels of land described in the Schedule hereto ,*

AND 1 HEREBY GIVE YOU further Notice *that if default in payment shad continue for ONE MONTH after the date of this notice the Mortgagee will sell the mortgaged premises in exercise of the Power of Sale contained in the Registration of Titles Act.*

YOU ARE FURTHER REQUIRED to Note that:

1. All expenses and costs associated with the sale or efforts to sell the mortgaged premises will be for your account.
2. PAYMENT of any sum, which is insufficient to liquidate the entire mortgage debt (inclusive of costs), will NOT preclude *the Mortgagee's right to proceed with the exercise of its Power of Sale in accordance with this Notice,*
3. All payments or arrangements for payment must be directed to JAMAICAN REDEVELOPMENT FOUNDATION, INC. *at 2nd Floor, 6 St, Lucia Avenue, Kingston 5 in the Parish of St. Andrew*

SCHEDULE

The Mortgage Premises ALL THAT piece or parcel of land situate lying and being in the City and Parish of [REDACTED] known as NUMBER [REDACTED]

measuring from North to South Twenty-five Feet and from East to West One Hundred and Fifty Feet be the same more or less and butting and bounding North on the land belonging to Mrs. Martin South on land formerly an open land but now belonging to Mrs. A. Munro East on Love Lane and West on King Street aforesaid or howsoever otherwise the said piece or parcel of and may be butted bounded known distinguished or described and being the land comprised in Certificate of Title registered at Volume [REDACTED] Folio [REDACTED] of the Register Book of Titles.

and

ALL THAT piece or parcel of land now known as NUMBER [REDACTED]

[REDACTED] situate in the Parish of [REDACTED] containing by measurement from North to South Twenty-five Feet and from East to West Seventy-five Feet be the same more or less and butting and bounding North on lands belonging to Louise B. Barnett South on lands belonging to St. Peters Lodge East on Love Lane aforesaid and West on lands belonging to Margaret O'Brien or howsoever otherwise the same may be butted bounded known distinguished or described and being the land comprised in Certificate of Title registered at Volume [REDACTED] Folio [REDACTED] of the Register Book of Titles.

MEMORANDUM OF MONEYS OWING ON ABOVE MORTGAGE AS AT THE 5th DAY OF
MARCH 2008

[REDACTED]

Interest continues to accrue daily at the rate of 30% per annum DATED the 5th day of March 2008

Cc',

[REDACTED]
Kingston,
Jamaica

[REDACTED]

[REDACTED]
FOR AND ON BEHALF OF JAMAICAN REDEVELOPMENT FOUNDATION, INC.