



An application was made today, 11<sup>th</sup> September 2002 by Counsel for Velox International Investments the Plaintiff to Mr. Justice Panton. Upon hearing Counsel for the Plaintiff, Mr. Justice Panton heard the application and read the affidavit listed in Schedule 2 at the end of this Order.

As a result of the application **IT IS ORDERED** that:

**1. DISPOSAL OF ASSETS**

- (1) The Defendant must not
  - (i) remove from the Cayman Islands any of his assets which are in the Cayman Islands, whether in his own name or not and whether solely or jointly owned up to the value of US\$50,000,000 or
  - (ii) in any way dispose of or deal with or diminish the value of any of his assets whether they are in or outside the Cayman Islands whether in his own name or not and whether solely or jointly owned up to the same value.

This prohibition includes the following assets in particular:

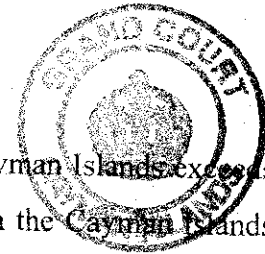
- (a) Shares or interest in Fosforesoencia, Punta de Este and Colonia, Uruguay
- (b) Shares or interest in the Hotel Balmoral Montevideo, Uruguay
- (c) Shares or interest in CA
- (d) Shares or interest in Detix S.A.
- (e) Shares or interest in Brac Financial Inc (a Cayman Islands Company)
- (f) Shares or interest in Inversiones Guaranti S.A.
- (g) Shares or interest in Velox Real Estate Ltd (a Cayman Islands Company)
- (h) Shares or interest in Velox Investment Company (a Cayman Islands Company)
- (i) Shares or interest in Compagnie d'Investissements S.A.
- (j) Shares or interest in Nautica Riachuelo Uruguay S.A.
- (k) Shares or interest in Martindale Country Club, Pilar, Uruguay
- (l) Shares or interest in Banco Velox S.A.



- (m) Shares or interest in Velox Inversiones S.A. (a Paraguayan Company)
- (n) Shares or interest in E.P.A.E.F.L.A. S.A.
- (o) Real estate known as Ponce 1319, Montevideo
- (p) Real estate in Soriano, Uruguay
- (q) Shares in Trade and Commerce Holding Corp (a Cayman Islands Company)
- (r) Shares or interest in Banlatin Brasil
- (s) Shares or interest in Velox Financial Investments S.A. (a Luxembourg Company)
- (t) Shares or interest in Velox Capital Markets S.A. (a Cayman Islands Company)
- (u) Shares or interest in Vinsa Investment S.A. (a Cayman Islands Company)
- (v) Shares or interest in Paine Investments S.A. (a Cayman Islands Company)
- (w) Shares or interest in Garantia de Planeamiento Financiero y Pensiones S.A. (a Paraguayan Company)
- (x) Shares or interest in Inversiones Velox S.A. (a Peruvian Company)
- (y) Shares or interest in Heston Financial Ltd
- (z) Shares or interest in Curtisdome Corp.

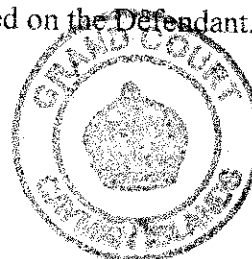
(4) If the total unencumbered value of the Defendant's assets in the Cayman Islands exceeds US\$50,000,000 the Defendant may remove any of those assets from the Cayman Islands or may dispose of or deal with them so long as the total unencumbered value of his assets still in the Cayman Islands remains above US\$50,000,000.

(5) If the total unencumbered value of the Defendant's assets in the Cayman Islands does not exceed US\$50,000,000, the Defendant must not remove any of those assets from the Cayman Islands and must not dispose of or deal with any of them, but if they have other assets outside the Cayman Islands the Defendant may dispose of or deal with those assets so long as the total unencumbered value of all his assets whether in or outside the Cayman Islands remains above US\$50,000,000.



2. **DISCLOSURE OF INFORMATION**

The Defendant must inform the Plaintiffs in writing at once of all his assets whether in or outside the Cayman Islands and whether in his own name or not and whether solely or jointly owned, giving the value, location and details of all such assets. The information must be confirmed in Affidavits from each Defendant which must be served on the Plaintiff's attorneys within 7 days after this Order has been served on the Defendant.



3. **EXCEPTIONS TO THIS ORDER**

- (1) This Order does not prohibit the Defendant from spending US\$750 a week towards ordinary living expenses, and a reasonable sum on legal advice and representation. But before spending any money the Defendant must tell the Plaintiff's attorneys where the money is to come from.
- (2) This order does not prohibit the Defendant from dealing with or disposing of any assets in the ordinary and proper course of business.
- (3) The Defendant may agree with the Plaintiff's attorney that the above spending limits should be increased or that this Order should be varied in any other respect but any such agreement must be in writing.

4. **EFFECT OF THIS ORDER**

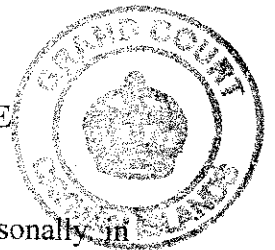
- (1) A Defendant who is an individual who is ordered not to do something must not do it themselves or in any other way. They must not do it through others acting on their behalf or on their instructions or with their encouragement.
- (2) A Defendant which is a corporation and which is ordered not to do something must not do it itself or by its directors, officers, employees, or agents, or in any other way.

6. **THIRD PARTIES**

- (1) Effect of this Order – It is a contempt of Court for any person notified of this Order knowingly to assist or permit a breach of the Order. Any person doing so may be sent to prison, fined, or have his assets seized.
  
- (2) Effect of this Order outside the Cayman Islands – The terms of this Order do not affect or concern anyone outside the jurisdiction of this Court unless it is declared enforceable or is enforced by a court in the relevant country and then they are to affect him only to the extent that they have been declared enforceable or have been enforced UNLESS such person is:
  - (i). a person to whom this Order is addresses or an officer or an agent appointed by power of attorney of such person; or
  
  - (ii). a person who is subject to the jurisdiction of this Court and (a) has been given written notice of this Order at his residence or place of business within the jurisdiction of this Court and (b) is able to prevent acts or omissions outside the jurisdiction of this Court which constitute or assist in a breach of the terms of this Order.
  
- (3) Set off by Banks – This injunction does not prevent any bank from exercising any right of set off it may have in respect of any facility which it gave to the Defendant before it was notified of the Order.
  
- (4) Withdrawals by the Defendant – No bank need enquire as to the application or proposed application of any money withdrawn by the Defendant if the withdrawal appears to be permitted by this Order.

7. **SERVICE OUT OF THE JURISDICTION AND SUBSTITUTED SERVICE**

- (1) The Plaintiff may serve the Writ of Summons on the Defendant personally in Uruguay by way of a Notary Public.



(2) If the Defendant wishes to defend the Action he must acknowledge service within 21 days of being served with the Writ of Summons.

8. **UNDERTAKINGS**

The Plaintiffs give to the Court the undertakings set out in Schedule 1 to this Order.

9. **DURATION OF THIS ORDER**

This Order will remain in force up to and including the ~~day of~~ <sup>return date</sup> ~~2002~~ (the ~~Return Date~~<sup>2</sup>), unless before then it is varied or discharged by a further Order of the Court. The application in which this Order is made shall come back to the Court for further hearing on the Return Date.

9. **VARIATION OR DISCHARGE OF THIS ORDER**

The Defendant (or anyone notified of this Order) may apply to the Court at any time to vary or discharge this Order (or so much of it as affects that person), but anyone wishing to do so must inform the Plaintiffs' attorneys in writing on giving not less than 4 days notice.

10. **NAME AND ADDRESS OF PLAINTIFFS' ATTORNEYS**

The Plaintiffs' attorneys are:

Campbells, Scotiabank Building 4<sup>th</sup> Floor, P.O. Box 884, George Town, Grand Cayman.  
(Ref. AJW). Telephone 345-949-2648, Facsimile 345-949-8613.



11. **INTERPRETATION OF THIS ORDER**

(1) In this Order "he", "him", or "his" include "she" or "her" and "it" or "its".

- (2) Where there are two or more Defendants then (unless the context indicates differently) (a) references to "the Defendant" mean both or all of them; (b) an Order requiring "the Defendants" to do or not to do anything requires each Defendant to do or not to do it; (c) a requirement relating to service of this Order, or of any legal proceedings, on "the Defendants" means on each of them.

SCHEDULE 1

Undertakings given to the Court by the Plaintiff



- (1) If the Court later finds that this Order has caused loss to the Defendant, and decides that the Defendants should be compensated for that loss, the Plaintiff will comply with any Order the Court may make.
- (2) As soon as practicable the Plaintiff will issue and serve on the Defendants a Writ of Summons claiming appropriate relief together with this Order.
- (3) If so ordered, the Plaintiff will cause an affidavit to be sworn and filed confirming the substance of what was said to the Court by the Plaintiff's counsel/attorneys.
- (4) As soon as practicable the Plaintiff will serve on the Defendants a Summons together with a copy of the affidavits and exhibits containing the evidence relied on by the Plaintiffs.
- (5) Anyone notified of this Order will be given a copy of its by the Plaintiff's attorneys.
- (6) The Plaintiff will pay the reasonable costs of anyone other than the Defendants which have been incurred as a result of this Order including the costs of ascertaining whether that person holds any of the Defendants' assets and that if the Court later finds that this Order has caused such a person loss, and decides that the person should be compensated for that loss, the Plaintiffs will comply with any Order the Court may make above.
- (7) The Plaintiff will not without the leave of the Court begin proceedings against the Defendants in any other jurisdiction or use information obtained as a result of an Order of the Court in this jurisdiction for the purpose of civil or criminal proceedings in any other

jurisdiction save that the Plaintiff (or its liquidators) may be at liberty to commence civil proceedings in Uruguay.

SCHEDULE 2

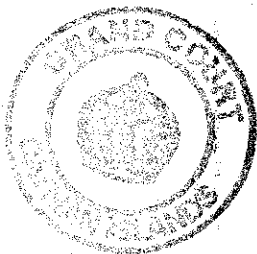
Affidavits

The Judge read the following affidavits before making this Order:

- (1) Affidavit of H Jonathan Kahlberg dated 5<sup>th</sup> September 2002

DATED this 11<sup>th</sup> day of September 2002.

FILED this 11<sup>th</sup> day of September, 2002.



*Keymond Cantor*  
\_\_\_\_\_  
JUDGE OF THE GRAND COURT

**This Order** was filed by Campbells., attorneys-at-law for the Plaintiffs herein, whose address for service is 4<sup>th</sup> Floor, Scotiabank Building, George Town, Grand Cayman.