

HARNEYS

British Virgin Islands lawyers

Harney Westwood & Riegels
Craigmuir Chambers
PO Box 71, Road Town
Tortola, British Virgin Islands
Tel: +1 284 494 2233
Fax: +1 284 494 3547
www.harneys.com

6 June 2005

Your Ref

Our Ref 033657-0003-HEH

Doc ID 699883_1

BY HAND

Hearnville Estates Ltd.
c/o Mossack Fonseca & Co (BVI) Ltd.
Akara Building, 24 DeCastro Street
P O Box 3136
Road Town, Tortola
British Virgin Islands

Dear Sirs

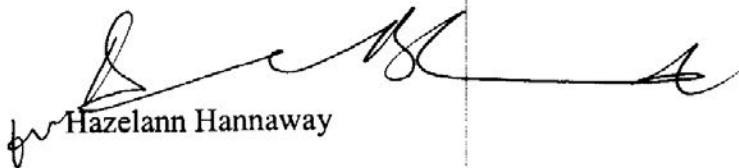
Republic of Zambia v. Meer Care & Desai and Others (Action No. HC04C03129)

We continue to act as agents in the BVI for Howrey Simon Arnold & White, solicitors for the Claimant. We **enclose** by way of personal service upon you the following documents:

1. Re-Amended Claim Form;
2. Amended Particulars of Claim;
3. Order dated 20 May 2005.

We should be grateful if you would acknowledge receipt by signing and returning the enclosed copy of this letter.

Yours faithfully
HARNEY WESTWOOD & RIEGELS


Hazelann Hannaway

Encl.

: dap

CLAIM NO HC04C03129



IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION

MR JUSTICE PETER SMITH
BETWEEN:-

THE ATTORNEY GENERAL OF ZAMBIA
FOR AND ON BEHALF OF THE REPUBLIC OF ZAMBIA

And

MEER CARE & DESAI (a firm)
AND OTHERS



ORDER

UPON hearing Counsel for the Claimant and Counsel for the Sixteenth and Eighteenth to Twentieth Defendants

AND upon the undertaking of Mr Roland Cracco, the Nineteenth Defendant, not to sell or in any other way dispose of or deal with or charge or otherwise intentionally diminish the value of the shares in Jarban SA held by him

AND upon the undertaking of Mr Robert Standact, the Twentieth Defendant, by his counsel not to sell or in any other way dispose of or deal with or charge or otherwise intentionally diminish the value of the shares in Jarban SA held by him

AND upon the undertaking by Mr Roland Cracco to remit, within 14 days of the notification to Messrs Mackrell Turner Garrett of the account details, the monies



DATED: 20th MAY 2005

currently standing to the credit of the account number 35-77-60-73-53-1 held in his name at Banque Generale du Luxembourg (together with any interest which may accrue thereon) to such account as the Claimant shall, by its solicitors, provide to Messrs Mackrell Turner Garrett the details in writing ("the account details") and upon Mr Roland Cracco acknowledging that the said remission by him of the said monies is without prejudice to the position of himself and the Claimant in relation to the validity of the transfer of shares in Jarban to him pursuant to the Share Transfer Agreement dated 29 September 2003.

AND UPON the Claimant undertaking that if the Court later finds that the above Undertakings by the Nineteenth and Twentieth Defendants have caused loss to the Nineteenth and Twentieth Defendants and decides that the Nineteenth and Twentieth Defendants should be compensated for that loss, the Claimant will comply with any Order the Court may make.

IT IS ORDERED that:

1. The Claimant have permission to join Mr Roland Cracco and Mr Robert Standaert as Nineteenth and Twentieth Defendants to this action.

2. The Claimant have permission to re-re-amend the Claim Form and to amend the Particulars of Claim herein substantially in the form attached to this Order.
3. The Claimant do serve the Re-Re-Amended Claim Form and the Amended Particulars of Claim upon Messrs Mackrell Turner Garrett on behalf of the Sixteenth, and Eighteenth to Twentieth Defendants on or before 4pm on 27 May 2005.
4. There be a speedy trial of the preliminary issue as to whether or not the transfer of shares in Jarban SA by Mr Kabwe to Mr Cracco pursuant to the Share Transfer Agreement dated 29 September 2003 and the transfer by Mr Cracco to Mr Standaert of 50% of the shares in Jarban pursuant to or evidenced by the written agreement between them dated 3 October 2003 was valid and effective and/or is capable of being set aside or otherwise challenged by the Claimant. It is recorded that the Claimant, by its Counsel, acknowledges that the determination of the preliminary issue herein will determine all claims by the Claimant against the Sixteenth and Eighteenth to Twentieth Defendant as will be pleaded by the Amended Particulars of Claim for which permission has been granted pursuant to paragraph 3 above.
5. The Sixteenth and Eighteenth to Twentieth Defendants do file and serve a defence on or before 4pm on 10 June 2005

6. The Claimant do file and serve, if so advised, a Reply, on or before 4pm on 24 June 2005.
7. Standard disclosure is to be made by 7th July 2005 with inspection 2 days after notice.
8. Signed statements of witnesses of fact and hearsay notices where required by rule 33.2 are to be exchanged not later than 22 July 2005
9. Unless otherwise ordered witness statements are to stand as the evidence in chief of the witness at trial.
10. Signed reports of experts are to be exchanged simultaneously not later than 4pm on 22 July 2005.
11. The meeting of experts is to be by 29 July 2005. The joint memorandum of the experts is to be completed by 5 August 2005. Any short supplemental expert reports to be served by 8 August 2005.
12. If the experts reports cannot be agreed, the parties are to be at liberty to call expert witnesses at the trial limited to the experts whose reports have been exchanged pursuant to paragraph 11 above.

13. Trial bundles, Skeleton Arguments and Reading Lists to be lodged by not later than 4pm on 10 August 2005.

14. The trial of the preliminary issue be listed for hearing with a time estimate of three days from 16 August 2005.

15. Costs in the issue.

IN THE HIGH COURT OF JUSTICE

HC04C03 129

CHANCERY DIVISION

MR JUSTICE PETER SMITH

20 MAY 2005

THE ATTORNEY GENERAL OF ZAMBIA

-v-

MEER CARE & DESAI & others

ORDER

The Court sent sealed copies of this Order for service to:

Claimant's Solicitor

HOWREY LLP
City Point
One Ropemaker Street
London
EC2Y 9HS
Ref. CAP/GK

This Order was sealed by Miss Parveen Rashid, Associate (Tel: 020 7947 6805) to whom all enquiries regarding this Order should be made between the hours 9.00 am - 10.15 am and after 4.15 pm. When corresponding with the Court please address forms or letters to The Court Manager, Chancery Chambers Thomas More Building Royal Courts of Justice Strand London WC2A 2LL (DX 44450 Strand) and quote the case number



Claim Form

In the High Court of Justice
Chancery Division

Royal Courts of Justice

Claim No.	HC04C03129
Issue Date	6 October 2004

Claimant
 The Attorney General of Zambia for and on behalf of
 The Republic of Zambia

Defendant(s)
 PLEASE SEE SCHEDULE 1 ATTACHED

Brief details of claim
 PLEASE SEE SCHEDULE 2 ATTACHED

Value
 The Claimant expects to recover more than £15,000.

"I state that the High Court of England and Wales has power under the Civil Jurisdiction and Judgments Act 1982 to hear this claim and that no proceedings are pending between the parties in Scotland, Northern Ireland or another Convention territory of any contracting state as defined by section 1(3) of the Act."



Defendants' name and address

PLEASE SEE SCHEDULE 1 ATTACHED

Amount claimed	unspecified
Court fee	980
Solicitor's costs	to be assessed
Total amount	-

The court office at Royal Courts of Justice, Strand, London WC2A 2LL is open between 10 am and 4 pm Monday to Friday. When corresponding with the court, please address forms or letters to:

Claim No. _____

Does, or will, your claim include any issues under the Human Rights Act 1998? Yes No

Particulars of Claim ~~XXXXXXXXXX~~ (to follow)

Statement of Truth

- * ~~XXXXXXXXXX~~ (The Claimant believes) that the facts stated in these particulars of claim are true.
- * I am duly authorised by the claimant to sign this statement

Full name Charles Pugh

Name of claimant's solicitor's firm Howrey LLP

signed [Signature] position or office held Solicitor
* ~~XXXXXXXXXX~~ (Claimant's solicitor) (if signing on behalf of firm or company)

* Delete as appropriate

Howrey LLP
CityPoint
One Ropemaker Street
London EC2Y 9HS
DX DX46620 Barbican
Fax 020 7065 6650

Claimant's or claimant's solicitor's address to which documents or payments should be sent if different from above including (if appropriate) details of DX, fax or e-mail

IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION

HC04C03129

BETWEEN:

THE ATTORNEY GENERAL OF ZAMBIA
FOR AND ON BEHALF OF THE REPUBLIC OF ZAMBIA

Claimant

- a n d -

MEER CARE & DESAI AND OTHERS

Defendants

Re-Re-Amended Schedule 1

- 1 Meer Care & Desai (a firm)
4th Floor
One Great Cumberland Place
London W1H
- 2 Cave Malik & Co (a firm)
4 Churchill Court
58 Station Road
North Harrow
Middlesex HA2 7SA
- 3 Dr Frederick Jacob Titus Chiluba
No. 12B
Serval Road
Lusaka
Zambia
- 4 Xavier Chungu
1E
Kabulonga Road
Lusaka
Zambia

- 5 **Atan Shansonga**
181 Great North Way
Hendon
London NW4 1PP
- 6 **Stella Chibanda**
34 ASDL 9
Great East Road
Lusaka
Zambia
- 7 **Aaron Chungu**
Plot No. 2303/C
Twin Palm Road
Ibex Hill
Lusaka
Zambia
- 8 **Bimal Thaker**
Cave Malik & Co
4 Churchill Court
58 Station Road
North Harrow Middlesex
HA2 7SA
- 9 **Faustin Kabwe**
29/2C
Sable Road
Kabulonga
Lusaka
Zambia
- 10 **Irene Kabwe**
253 Dorchester Road
Scarsdale
New York 10583 USA
- 11 **Francis Kaunda**
26D
Leopards Hill Road
Lusaka
Zambia

- 12 **Antonio Basile trading as Boutique Basile**
Rue Sigismond-Thalberg 2
1201 Geneva
Switzerland
- 13 **Nebraska Services Ltd**
(a company incorporated under the laws of the BVI)
Trident Chambers
Box 146
Road Town
Tortola
BVI
- 14 **M.I.S.S.L. Associates Limited**
(a company incorporated under the laws of the BVI)
Trident Chambers
Box 146
Road Town
Tortola
BVI
- 15 **Hearnville Estates Ltd**
(a company incorporated under the laws of the BVI)
Akara Building
24 de Castro Street
Wickams Cay 1
Road Town
Tortola
BVI
- 16 **Jarban SA**
Rue Jean Pierre Brasscur 2
L1258 Luxembourg
- 17 **Raphael Soriano (a.k.a. Katebe Katoto a.k.a. Emmanuel Katto)**
Torhoutsesteenweg 620
8200 St-Andries
Brugges
Belgium
- 18 **Belsquare Residence N.V.**
Rue de Atrebatas 155
1040 Etterbeek, Brussels
Belgium

19 Roland Cracco
Magere Schorre 54
8300 Knokke-Heist
Belgium

20 Robert Standaert
Staatsbaan 156
9991 Adegem
Belgium

IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION

HC04C031 29

BETWEEN

THE ATTORNEY GENERAL OF ZAMBIA
FOR AND ON BEHALF OF THE REPUBLIC OF ZAMBIA

Claimant

- a n d -

MEER CARE & DESAI AND OTHERS

Defendants

Re-Amended Schedule 2

The Claimant's claim arises out of and/or in relation to and/or in connection with the fraudulent misappropriation by the Defendants of the Claimants' monies during the Presidency of the Third Defendant and the laundering of such monies through bank accounts in London including

- i) fraudulent dealings on (involving payments of the Claimant's monies to and payments of the Claimant's monies out of) the Claimant's US Dollar account number 58C/40/70185/01 entitled "Zamtrop" and other bank accounts held at the Zambian National Commercial Bank in London at its branch at 7 King Street, London EC4V 8EA during the period between about 1995 and 2002 and the concealment of such fraud and the proceeds of such fraud from the Claimant; and

- ii) the conclusion of sham agreements purportedly made by or on behalf of the Claimant or companies wholly owned or controlled by the Claimant for the purpose of thereby facilitating the misappropriation of the Claimant's monies under the facade of such agreements and the concealment of such fraud and the laundering of the proceeds of such fraud through bank accounts in London.

The Claimant claims:

1. Against all the Defendants (excluding the Nineteenth and Twentieth Defendants), damages for conspiracy to defraud and/or injure the Claimant by unlawful means by ~~the~~ misappropriation of the Claimant's monies in fraud of the Claimant and in breach of trust and/or in breach of fiduciary duty and/or in breach of equitable and contractual duties of fidelity by the Third to Sixth and Seventeenth Defendants and/or by making a secret profit and/or by the dishonest assistance in such breach of trust and/or of fiduciary duty and/or of equitable and contractual duties of fidelity and/or by the knowing receipt of monies paid in such breach of trust and/or of fiduciary duty and/or of equitable and contractual duties of fidelity.
2. A declaration that the Third to Sixth and Seventeenth Defendants inclusive and each of them are liable to account to the Claimant in respect of all sums misappropriated by them and each of them and paid away by them or at their direction from the Claimant in fraud of the Claimant and in breach of trust and/or of fiduciary duty and/or of equitable and contractual duties of fidelity, the taking of such an account and an order for payment to the Claimant of all sums found due on taking of the account.
3. A declaration that the Defendants and each of them are liable to account to the Claimant as constructive trustee on the grounds of dishonest assistance in the misappropriation of the Claimant's monies and in the Third to Sixth and Seventeenth Defendants' breach of trust and/or of fiduciary duty and/or of equitable and contractual duties of fidelity and/or on the grounds of knowing receipt of monies misappropriated from the Claimant and

paid in such breach of trust and/or of fiduciary duty and/or of equitable and contractual duties of fidelity, the taking of such an account and an order that the Defendants pay to the Claimant such sums as are found due on the taking of the account.

4. A declaration that the Defendants and each of them holds any payment or profit or asset received or acquired by them as a result of or in respect of the dishonest assistance in the misappropriation of the Claimant's monies and/or the Third to Sixth and Seventeenth Defendants' breach of trust and/or of fiduciary duty and/or of equitable and contractual duties of fidelity and/or in respect of or as a result of the knowing receipt of monies misappropriated from the Claimant and/or paid in such breach of trust and/or of fiduciary duty and/or of equitable and contractual duties of fidelity on trust for the Claimant and/or subject to the Claimant's equitable charge and is liable to account to the Claimant for the same and an order that they pay such sums found due on the taking of the account and/or transfer or deliver up such assets to the Claimant.
5. An order that the Claimant is entitled to trace its monies into and claim equitable title to any assets or property representing the proceeds of such monies fraudulently misappropriated from it and an order that the Defendants pay to and/or transfer to and/or deliver up such assets or property to the Claimant.
6. An account of all sums received by the Defendants and each of them in fraud of the Claimant as resulting or constructive trustees from the Claimant and an order for payment to the Claimant of all sums found due on taking of the account.
7. Exemplary damages.
8. Further or alternative equitable compensation.
9. All necessary consequential enquiries and/or directions.

10. Further or other relief.
11. Interest pursuant to section 35A of the Supreme Court Act 1981 upon all sums found due.
12. Costs.