

Civil Action No. 02-1961-REB-OES  
(Consolidated with Civil Action Nos. 02-1962-REB-OES, 02-1963-REB-OES,  
02-1979-REB-OES)

THE SOCIETY OF LLOYD'S v. JOHN HENRI SILVERSMITH

*See* Docket No. 40

Dear Sir or Madam:

Please find enclosed a scanned copy of the fully executed Declaration Of Nicholas P. Demery, Esq. This supplements Exhibit B in Attachment No. 1 of Docket No. 40, which declaration was filed with no signature due to the press of time.

Thank you for your attention to this matter.

Diane Wziontka  
Secretary to Peter Forbes

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLORADO

Civil Action No. 02-1961-REB-OES  
(Consolidated with Civil Action Nos. 02-1962-REB-OES, 02-1963-REB-OES,  
02-1979-REB-OES)

THE SOCIETY OF LLOYD'S,

Plaintiff,

v.

JOHN HENRI SILVERSMITH,

Defendant.

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DECLARATION OF NICHOLAS P. DEMERY, ESQ.

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I, Nicholas P. Demery, a solicitor, hereby declare and state as following under penalty of perjury under the laws of the United States of America:

1. I am a solicitor employed by plaintiff, the Society of Lloyd's ("Lloyd's") since 1983. In that capacity, my responsibilities have included seeking enforcement of various judgments entered by the English Courts against "Names" relating to their liability for payment of certain reinsurance premiums known as the "Equitas" premiums. Those responsibilities have included enforcing the judgments for such premiums entered by the English Courts against the defendants in this case (hereafter the "English Judgments").

2. My responsibilities also include ensuring that any assets credited to the defendants' accounts are set off against the English Judgments.

3. Additionally, as part of my training as a solicitor and in connection with my responsibilities to enforce the judgments entered against various "Names" relating to

the Equitas premiums, I have become familiar with English law and the rate of interest applicable to judgments under English law.

4. Under English law, a judgment creditor in a case like this is entitled to judgment interest at a rate of 8% *per annum* simple from the date of the judgment, but under the English law of limitations arrears of interest cannot be recovered after the expiration of 6 years from the date on which the interest became due. I understand that it is possible to collect judgment interest under Colorado law for longer periods. Because the judgments at issue here are governed by English law, however, Lloyd's has voluntarily limited its claim for interest prior to the time this Court enters judgment for Lloyd's as provided by the English law of limitations set out above.

5. The documents attached hereto as Exhibits 1, 2, 3 and 4 respectively are copies of records kept by Lloyd's in the ordinary course of its business, and set forth the amount of the judgments entered against each of the defendants by the English courts, interest thereon recoverable under English law, subject to the English law of limitations, and all credits which each of those defendants has received against the English Judgments.

6. As of July 19, 2005, and as set forth on Exhibit 1, the net amount of the judgment owing against defendant Raymond Charlesworth Lee, including all credits thereto and interest as provided by English law, was £84,892.60. Interest under English law will continue to accrue on that judgment at the rate of £11.31 per day until judgment is entered by this Court.

7. If any additional credits are received for application to the outstanding English judgment against Mr. Lee prior to entry of judgment by this Court, I will supplement

this Declaration to provide an updated amount for the total outstanding judgment balance and an updated *per diem* rate after application of those credits.

8. As of July 19, 2005, and as set forth on Exhibit 2, the net amount of the judgment owing by defendant Clarence Grant Wilkins, including all credits thereto and interest as provided by English law as set out above, was £733,247.44. Under the English law of limitations the arrears of interest more than 6 years old are not recoverable and are therefore not included. Interest is continuing to accrue on the judgment at the rate of £108.59 per day but this is effectively cancelled out by the fact that every day one more day's interest becomes irrecoverable under the English law of limitations. Subject to there being any more credits the total interest owing has effectively crystallised at £237,809.98.

9. If additional credits are received for application to the outstanding English judgment against Mr. Wilkins prior to entry of judgment by this Court, I will supplement this Declaration to provide an updated amount for the total outstanding judgment balance after application of those credits.

10. As of July 19, 2005, and as set forth on Exhibit 3, the net amount of the judgment owing against defendant Robert Wayne Ruder, including all credits thereto and interest as provided by English law as set out above, was £435,319.62. On the same basis as set out above in the case of Mr Wilkins interest continues to accrue at the rate of £64.46 but subject to any further credits the total interest owing has effectively crystallised at £141,198.68


11. If any more credits are received for application to the outstanding English judgment against Mr. Ruder prior to entry of judgment by this Court, I will supplement

this Declaration to provide an updated amount for the total outstanding judgment balance after application of those credits.

12. As of July 19, 2005, and as set forth on Exhibit 4, the net amount of the judgment owing against defendant Joseph Henri Silversmith, Jr., including all credits thereto and interest as provided by English law as set out above, was £305,589.35. On the same basis as set out above in the cases of Mr Wilkins and Mr Ruder interest continues to accrue at the rate of £45.26 per day but subject to any further credits the total interest owing has effectively crystallised at £99,110.06.

13. If any more credits are received for application to the outstanding English judgment against Mr. Silversmith prior to entry of judgment by this Court, I will supplement this Declaration to provide an updated amount for the total outstanding judgment balance after application of those credits.

Executed this 20<sup>th</sup> day of July, 2005.

  
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Nicholas P. Demery