

IN THE GRAND COURT OF THE CAYMAN ISLANDS

FINANCIAL SERVICES DIVISION

FSD NO. ²⁵⁹ OF 2010

BETWEEN: GREENLIGHT REINSURANCE, LTD.

PLAINTIFF

AND: EMCA INSURANCE COMPANY, LTD.

DEFENDANT



WRIT OF SUMMONS



To: EMCA Insurance Company, Ltd.
c/o Marsh Management Services Cayman Ltd.
P.O. Box 1051
Building 4, 2nd Floor, Governor's Square
23 Lime Tree Bay Avenue
Grand Cayman KY1-1101
Cayman Islands

THIS WRIT OF SUMMONS has been issued against you by the above-named Plaintiffs of 65 Market Street, Suite 1207, Jasmine Court, Camana Bay, Grand Cayman, Cayman Islands in respect of the claim set out in the next pages.

Within 14 days after the service of this Writ on you, counting the day of service, you must either satisfy the claim or return to the Court Office, P.O. Box 495, Grand Cayman, KY1-1106, Cayman Islands, the accompanying Acknowledgement within the time stated, or if you return the Acknowledgement, without stating therein an intention to contest the proceedings, the Plaintiff may proceed with the action and judgment may be entered against you forthwith without further notice.

Issued this 24th day of November 2010

Note – This Writ may not be served later than 4 calendar months (or, if leave is required to effect service out of the jurisdiction, 6 months) beginning with the date of issue unless renewed by order of the Court.

IMPORTANT

Directions of Acknowledgment for Service are given with accompanying form.

THIS WRIT was issued by Campbells, Attorneys-At-Law for the Plaintiff whose address for service is P.O. Box 884, 4th Floor, Scotia Centre, Albert Panton Street, George Town, Grand Cayman KY1-1103 (STM/KAH/sam /11044-17593)

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ACKNOWLEDGEMENT OF SERVICE OF WRIT OF SUMMONS

If you intend to instruct an Attorney to act for you, give him this form IMMEDIATELY.

Delay may result in judgment being entered against a Defendant whereby he may have to pay the costs of applying to set it aside.

IMPORTANT. Read the accompanying directions and notes for guidance carefully before completing this form. If any information required is omitted or given wrongly, THIS FORM MAY HAVE TO

1. State the full name of the Defendant by whom or on whose behalf the service of the Writ is being acknowledged - EMCA INSURANCE COMPANY, LTD.

2. State whether the Defendant intends to contest the proceedings (tick appropriate box) [] yes [] no

3. If the claim against the Defendant is for a debt or liquidated demand, AND he does not intend to contest the proceedings, state if the Defendant intends to apply for a stay of execution against any judgment entered by the Plaintiff (tick box) [] yes [] no [] N/A

BE RETURNED.

Service of the Writ of Summons is acknowledged accordingly.

(Signed)

..... [Attorneys for the Defendant]

Address for service: (see overleaf)

NOTES ON ADDRESS FOR SERVICE

Attorney: where the Defendant is represented by an attorney, state the attorney's place of business in the Cayman Islands. A Defendant may not act by a foreign attorney.

Defendant in person: where the Defendant is acting in person, he must give his post office box number and the physical address of his residence or, if he does not reside in the Cayman Islands, he must give an address in Grand Cayman where communications for him should be sent. In the case of a limited company, "residence" means its registered principal office.

Endorsement by plaintiff's Attorney (or by plaintiff if suing in person) of his name, address and reference, if any, in the box below.

Campbells
Attorneys-at-Law
P.O. Box 884
4th Floor Scotia Centre
George Town
Grand Cayman KY1-1103

Ref: AC/KAH/sam/11044-17593

Endorsement by defendant's Attorney (or by defendant if suing in person) of his name, address and reference, if any, in the box below.

DIRECTIONS FOR ACKNOWLEDGMENT OF SERVICE

OF WRIT OF SUMMONS

1. The accompanying form of *Acknowledgment of Service* should be completed by an Attorney acting on behalf of the Defendant or by the Defendant if acting in person.

After completion it must be delivered or sent by post to the Law Courts, P.O. Box 495, George Town, Grand Cayman

2. A Defendant who states in his Acknowledgment of Service that he intends to contest the proceedings *must also serve a defence* on the Attorney for the Plaintiff (or on the Plaintiff if acting in person).

If a Statement of Claim is indorsed on the Writ (i.e. the words "Statement of Claim" appear on the top of page 2), the Defence must be served within 14 days after the time for acknowledging service of the Writ, unless in the meantime a summons for judgment is served on the Defendant.

If the Statement of Claim is not indorsed on the Writ, the Defence need not be served until 14 days after a Statement of Claim has been served on the Defendant

If the Defendant fails to serve his defence within the appropriate time, the Plaintiff may enter judgment against him without further notice.

3. A *Stay of Execution* against the Defendant's goods may be applied for where the Defendant is unable to pay the money for which any judgment is entered. If a Defendant to an action for a debt or liquidated demand (i.e. a fixed sum) who does not intend to contest the proceedings states, in answer to Question 3 in the Acknowledgment of Service, that he intends to apply for a stay, execution will be stayed for 14 days after his Acknowledgment, but he must, within that time, *issue a Summons* for a stay of execution, supported by an affidavit of his means. The affidavit should state any offer which the Defendant desires to make for payment of the money by instalments or otherwise.

See over for notes for guidance

NOTES FOR GUIDANCE

1. Each Defendant (if there are more than one) is required to complete an Acknowledgment of Service and return it to the Courts Office.
2. For the purpose of calculating the period of 14 days for acknowledging service, a writ served on the Defendant personally is treated as having been served on the day it was delivered to him.
3. Where the Defendant is sued in a name different from his own, the form must be completed by him with the addition in paragraph 1 of the words "sued as (the name stated on the Writ of Summons)".
4. Where the Defendant is a FIRM and an attorney is not instructed, the form must be completed by a PARTNER by name, with the addition in paragraph 1 of the description "Partner in the firm of (.....)" after his name.
5. Where the Defendant is sued as an individual TRADING IN A NAME OTHER THAN HIS OWN, the form must be completed by him with the addition in paragraph 1 of the description "trading as (.....)" after his name.
6. Where the Defendant is a LIMITED COMPANY the form must be completed by an Attorney or by someone authorised to act on behalf of the Company, but the Company can take no further step in the proceedings without an Attorney acting on his behalf.
7. Where the Defendant is a MINOR or a MENTAL PATIENT, the form must be completed by an Attorney acting for a guardian ad litem.
8. A Defendant acting in person may obtain help in completing the form at the Courts Office.

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DEFENDANT

STATEMENT OF CLAIM

1. The Defendant is a Cayman Islands registered company having its registered office at Building 4, 2nd Floor, Governor's Square, 23, Lime Tree Bay Avenue, Grand Cayman.
2. By an agreement in writing dated 25th April 2008, the Plaintiff agreed to provide the Defendant with a policy of Medical Professional Liability Aggregate Stop Loss Reinsurance for a term of 3 years from 1st January 2008 ("the Policy") in consideration for which the Plaintiff agreed to pay certain reinsurance premiums, as described below.
3. The following were, amongst others, express terms of each of the Policy:

ARTICLE 2

TERM

Notwithstanding Article 6, SPECIAL TERMINATION, the Company may terminate this contract at the end of any year by providing 60 days prior written notice. The Company may terminate the contract at December 31, 2008 or December 31, 2009, subject to renewal with the Reinsurer at the expiring terms or a reasonable approximation of the terms in this Contract.

If the Contract is terminated effective December 31, 2008, without a renewal with the Reinsurer, there will be an additional premium of \$500,000 payable on the date of termination.

If the Contract is terminated effective December 31, 2009, without a renewal with the Reinsurer, there will be an additional of \$250,000 payable on the date of termination.

In the event that this contract is terminated early according to Article 2, it shall also be commuted at the date of termination and the commutation value of the contract shall be based on ceded paid losses as of the date of termination.

ARTICLE 7

PREMIUM AND RATING

The Company shall pay an initial premium of USD2,500,000 for the first contract year. This premium is due in quarterly installments of USD625,000 on January 1, April 1, July 1, and October 1, 2008. For each subsequent Contract Year, USD2,500,000 will be payable in quarterly installments of USD625,000, on January 1, April 1, July 1 and October 1 for those respective years.

The initial premium for each Contract Year will be adjusted and payable within 60 days of the end of each Contract Year and shall equal USD0.431 per Visit (as defined in Article 9, DEFINITIONS, Paragraph 11).

In no event shall the annual premium be less than USD2,250,000.

4. The first year of the Policy term proceeded smoothly, and the additional premium due as a result of the first year's activity was paid by the Defendant on or about 2nd April 2009.
5. After the second anniversary on 31st December 2009, the Plaintiff and the Defendant were unable to agree the additional premium payable for the 2009. Nevertheless, the Policy remained in force, and the Plaintiff paid the first instalment of premium for 2010 in accordance with Article 7.
6. The Policy was terminated as at 31st March 2010.
7. Wrongfully, and in breach of Article 7 of the Policy (alternatively in breach of the implied obligation to pay a reasonable premium for cover provided) the Defendant has failed to pay:
 - (a) The final adjustment premium for the year ending 31st December 2008
 - (b) The adjustment premium for the year ending 31st December 2009 and

(c) The actual premium for the period ending 31st March 2010

calculated as follows:

	To 31/12/08 US\$	To 31/12/09 US\$	To 31/3/10 US\$	Total US\$
1) Premium due	2,767,284	3,106,183	889,152	6,762,619
2) Deposit premium paid	(2,500,000)	(2,500,000)	(625,000)	(5,625,000)
3) Adjustment premium paid	(185,876)	-	-	(185,876)
				US\$951,743
4) Additional premium due	81,408	606,183	264,152	US\$951,743

alternatively calculated on the basis of a reasonable premium in accordance with the terms of Article 7 of the Policy, whereby the Plaintiff has suffered loss and damage.

8. Further, the Plaintiff claims and is entitled to interest on the sums claimed in this action, calculated as follows:

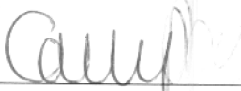
Principal US\$	From	To	No. days	Amount US\$
81,408	01 March 2009	24 November 2010	633	7,059.08
606,183	01 March 2010	24 November 2010	268	22,254.39
264,152	31 May 2010	24 November 2010	177	6,404.78
			Total	35,718.25

at the rate of 5% per annum, and continuing at the daily rate of US\$130.38 until judgment or sooner payment, alternatively at such rate from such date and on such amounts as this honourable Court thinks fit, calculated in accordance with the Judgment Debts (Rates of Interest) Rules (2008 Revision) and s. 34(1) of the Judicature Law (2007 Revision).

AND THE PLAINTIFFS CLAIM:

- (1) US\$951,743 alternatively a reasonable premium calculated on the basis of Article 7 of the Policy
- (2) Interest pursuant to s.34(1) of the Judicature Law (2007 Revision) to be assessed.
- (3) Such further or other relief as this honourable court thinks fit.
- (4) Costs.

Dated 24th November 2010
Filed 24th November 2010



CAMPBELLS
Attorneys-at-Law for the Plaintiffs

THIS STATEMENT OF CLAIM was filed by Campbells, Attorneys-At-Law for the Plaintiff whose address for service is P.O. Box 884, 4th Floor, Scotia Centre, Albert Panton Street, George Town, Grand Cayman KY1-1103 (STM/KAH/sam/11044-17593)