

THE GRAND COURT OF THE CAYMAN ISLANDS

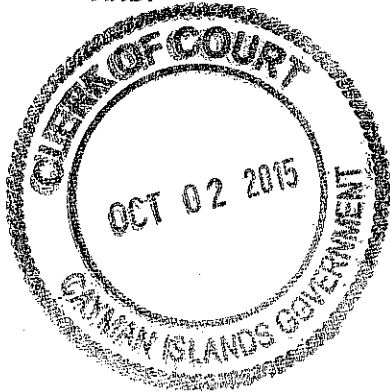
CAUSE NO: 80175 OF 2015

BETWEEN:

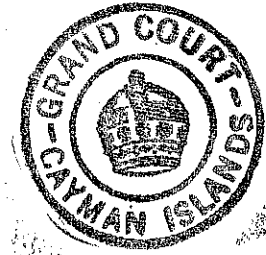
SECURITY CAPITAL LIMITED (IN OFFICIAL
LIQUIDATION)

PLAINTIFF

AND:



- (1) AUDUBON ASSET LIMITED
- (2) COTTONWOOD I LIMITED
- (3) COTTONWOOD II LIMITED
- (4) MI CASA LIMITED
- (5) ROSEMARY'S CIRCLE R RANCH LIMITED
- (6) SPITTING LION LIMITED



DEFENDANTS

WRIT OF SUMMONS

- TO:
- (1) Audubon Asset Limited, of International House, Castle Hill, Victoria Road, Douglas, Isle of Man;
 - (2) Cottonwood I Limited, of International House, Castle Hill, Victoria Road, Douglas, Isle of Man;
 - (3) Cottonwood II Limited, of International House, Castle Hill, Victoria Road, Douglas, Isle of Man;
 - (4) Mi Casa Limited, of International House, Castle Hill, Victoria Road, Douglas, Isle of Man;
 - (5) Rosemary's Circle R Ranch Limited, of International House, Castle Hill, Victoria Road, Douglas, Isle of Man; and
 - (6) Spitting Lion Limited, of International House, Castle Hill, Victoria Road, Douglas, Isle of Man

THIS WRIT OF SUMMONS has been issued against you by the above-named Plaintiff in respect of the claim set out on the next page.

Within 28 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, George Town, Grand Cayman KY1-1106, the accompanying Acknowledgment of Service stating therein whether you intend to contest these proceedings.

If you fail to satisfy the claim or to return the Acknowledgment within the time stated, or if you return the Acknowledgment 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 2nd day of October 2015.

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 for Acknowledgment of Service are given with the accompanying form.

STATEMENT OF CLAIM

1. Security Capital Limited (in official liquidation) is a company incorporated under the laws of the Cayman Islands as exempted company no. 84122 on 24 August 1998 (the "Company"). The current registered office of the Company is The Harbour Centre, 42 North Church Street, PO Box 10387, Grand Cayman, Cayman Islands, KY1-1004.
2. By Order of the Grand Court dated 28 May 2009, Geoffrey Varga and William Cleghorn of The Harbour Centre, 42 North Church Street, PO Box 10387, Grand Cayman, Cayman Islands, KY1-1004 were appointed as the joint official liquidators of the Company (the "JOLs").
3. By Order of the Grand Court dated 4 December 2012, Mark Longbottom was appointed as a JOL of the Company (Mr Cleghorn having been released, at his own request, from the performance of any further duties as a JOL, by an Order of the Grand Court dated 23 June 2010).
4. At all material times, the Company's only business was to lend money.
5. The First Defendant, Audubon Asset Limited, is an Isle of Man company which was incorporated on 18 October 1995 with company number 075971C. The First Defendant's registered office is International House, Castle Hill, Victoria Road, Douglas, Isle of Man.
6. The Second Defendant, Cottonwood I Limited, is an Isle of Man company which was incorporated on 14 July 2000 with company number 100462C. The Second Defendant's registered office is International House, Castle Hill, Victoria Road, Douglas, Isle of Man.
7. The Third Defendant, Cottonwood II Limited, is an Isle of Man company which was incorporated on 14 July 2000 with company number 100463C. The Third Defendant's registered office is International House, Castle Hill, Victoria Road, Douglas, Isle of Man.
8. The Fourth Defendant, Mi Casa Limited, is an Isle of Man company with its registered office at International House, Castle Hill, Victoria Road, Douglas, Isle of Man.
9. The Fifth Defendant, Rosemary's Circle R Ranch Limited, is an Isle of Man company which was incorporated on 30 September 1999 with company number 097427C. The Fifth Defendant's registered office is International House, Castle Hill, Victoria Road, Douglas, Isle of Man.

10. The Sixth Defendant, Spitting Lion Limited, is an Isle of Man company which was incorporated on 3 February 2000 with company number 098738C. The Sixth Defendant's registered office is International House, Castle Hill, Victoria Road, Douglas, Isle of Man.
11. Each of the Defendants entered into certain unsecured inter-company loan transactions (as borrowers) with one or more of the following companies, each of which was a company incorporated under the laws of the Cayman Islands (but has since been dissolved):
 - i. Balch LLC ("**Balch**");
 - ii. Bubba LLC ("**Bubba**");
 - iii. Floflo LLC ("**Floflo**");
 - iv. Katy LLC ("**Katy**");
 - v. Orange LLC ("**Orange**"); and
 - vi. Pops LLC ("**Pops**");(collectively referred to herein as the "**Cayman LLCs**").
12. On 27 March 2009, the Grand Court made an order for the winding-up of each of the Cayman LLCs on the petition of the Company and for the appointment of Nicolas Matthews and Mr Longbottom as joint official liquidators of the Cayman LLCs.
13. As at 27 March 2009, the First Defendant owed the following amounts, in the aggregate sum of USD 5,770,132.00, as a result of the inter-company loan monies it had received:
 - i. USD 1,931,155.00 to Balch;
 - ii. USD 1,931,155.00 to Katy; and
 - iii. USD 1,907,822.00 to Orange(collectively referred to herein as the "**Audubon Loans**").
14. As at 27 March 2009, the Second Defendant owed the sum of USD 3,331,907.87 to Bubba as a result of the inter-company loan monies it had received (the "**Cottonwood I Loan**").

15. As at 27 March 2009, the Third Defendant owed the following amounts, in the aggregate sum of USD 1,987,938.78, as a result of the inter-company loan monies it had received:

- i. USD 397,586.76 to Balch;
- ii. USD 397,587.75 to Floflo;
- iii. USD 397,586.76 to Katy;
- iv. USD 397,588.75 to Orange; and
- v. USD 397,588.76 to Pops

(collectively referred to herein as the "**Cottonwood II Loans**").

16. As at 27 March 2009, the Fourth Defendant owed the sum of USD 3,237,206.37 to Floflo as a result of the inter-company loan monies it had received (the "**Mi Casa Loan**").

17. As at 27 March 2009, the Fifth Defendant owed the following amounts, in the aggregate sum of USD 21,698,360.48, as a result of the inter-company loan monies it had received:

- i. USD 9,258,020.23 to Bubba;
- ii. USD 3,752,425.41 to Floflo;
- iii. USD 2,644,049.28 to Orange; and
- iv. USD 6,043,865.56 to Pops

(collectively referred to herein as the "**Rosemary Loans**").

18. As at 27 March 2009, the Sixth Defendant owed the following amounts, in the aggregate sum of USD 882,000.00, as a result of the inter-company loan monies it had received:

- i. USD 294,000.00 to Floflo;
- ii. USD 294,000.00 to Orange; and
- iii. USD 294,000.00 to Pops

(collectively referred to herein as the "**Spitting Lion Loans**" and together with the Audubon Loans, the Cottonwood I Loan, the Cottonwood II Loans, the Mi Casa Loan and the Rosemary Loans, the "**Loans**").

19. No written agreement was entered into between any of the Defendants and the Cayman LLCs in respect of the Loans prior to 21 October 2009.
20. On 21 October 2009, the Cayman LLCs (acting by their joint official liquidators) and the Defendants entered into promissory notes, executed and delivered by way of deed, in respect of each of the Loans (the "Promissory Notes").
21. It is an express term of each Promissory Note that the applicable Defendant promised to repay immediately the principal sum advanced to it by the applicable Cayman LLC (the "Principal"), together with any interest accrued on the Principal in accordance with the terms of the Promissory Note (the "Interest"), to the applicable Cayman LLC or its successors and assigns.
22. Each Promissory Note expressly provides for payment by the applicable Defendant of a specified amount of Interest accrued on the Principal from 27 March 2009 to 21 October 2009 calculated at an annual rate of 4.5%.
23. It is an express term of each Promissory Note that if the Principal, together with Interest accrued as at 21 October 2009, was not paid immediately by the Defendants (i.e. on 21 October 2009), Interest would continue to accrue on the Principal at an annual rate of 4.5% both before and after judgment, from 21 October 2009 until the date when payment is received in full.
24. Each Promissory Note is expressed to be governed by and construed in accordance with the laws of the Cayman Islands and the parties to each Promissory Note irrevocably agreed that the Grand Court shall have exclusive jurisdiction to settle any dispute arising out of or in connection with the Promissory Note.
25. It is an express term of each Promissory Note that the applicable Cayman LLC may assign, sell or otherwise dispose of the whole or any part of its rights under the Promissory Note without the prior consent of the applicable Defendant.
26. It is an express term of each Promissory Note that it shall enure to the benefit of the applicable Cayman LLC and its successors and assigns and shall be binding on the applicable Defendant.
27. The Company was an admitted creditor in the liquidations of the Cayman LLCs. By separate orders of the Honourable Justice Foster dated 12 April 2011, the joint official liquidators of the Cayman

LLCs were authorised to distribute certain assets of the Cayman LLCs to the Company in specie, including all of the Cayman LLCs' rights in and under the Promissory Notes (the "12 April 2011 Order").

28. By Deeds of Assignment dated 27 June 2011, the Cayman LLCs assigned all of their rights, title and interests in and under the Promissory Notes by way of legal assignment to the Company in accordance with the 12 April 2011 Order (the "Deeds of Assignment").
29. The Deeds of Assignment are expressed to be governed by the laws of the Cayman Islands.
30. Written notice of the Deeds of Assignment was provided by the Company to the Defendants by notices dated 27 June 2011 (the "Notices of Assignment"). As at the date of the Notices of Assignment, no payment had been made by the Defendants to the Cayman LLCs, or any of them, and the Principal remained outstanding in full, together with Interest accrued, on each of the Loans.
31. Despite the Principal falling due for payment on 21 October 2009, together with Interest accrued as at the date thereof, no payments have been received by the Cayman LLCs or by the Company from the Defendants as at the date of this Writ of Summons. Each of the Defendants is therefore in breach of the express terms of the Promissory Notes and the Company claims payment from each respective Defendant of the Principal, together with any Interest accrued, under the Promissory Notes.
32. The Company is entitled to and claims interest on the total amount outstanding under the Promissory Notes.

AND THE PLAINTIFF claims:

As against the First Defendant:

1. The Principal owing under the Audubon Loans in the aggregate sum of USD 5,770,132.00;
2. Interest accrued on the Audubon Loans between 27 March 2009 and 21 October 2009 in the aggregate sum of USD 147,968.31;

3. Interest accrued on the Audubon Loans from 22 October 2009 to 2 October 2015 in the aggregate sum of USD 1,545,130.68, and accruing thereafter at the daily rate of USD 711.39 until payment;
4. Costs; and
5. Such further and/or other relief as this Honourable Court deems appropriate.

If, within the time for returning the Acknowledgment of Service, the First Defendant pays the total amount claimed of USD 7,463,230.99 plus interest accrued at the daily rate of USD 711.39 from 2 October 2015 to the date of payment and costs further proceedings will be stayed. The money must be paid to the Plaintiff or its Attorney.

As against the Second Defendant:

1. The Principal owing under the Cottonwood Loan in the sum of USD 3,331,907.87;
2. Interest accrued on the Cottonwood Loan between 27 March 2009 and 21 October 2009 in the sum of USD 85,442.90;
3. Interest accrued on the Cottonwood Loan from 22 October 2009 to 2 October 2015 in the sum of USD 892,221.03, and accruing thereafter at the daily rate of USD 410.78 until payment;
4. Costs; and
5. Such further and/or other relief as this Honourable Court deems appropriate.

If, within the time for returning the Acknowledgment of Service, the Second Defendant pays the total amount claimed of USD 4,309,571.80 plus interest accrued at the daily rate of USD 410.78 from 2 October 2015 to the date of payment and costs further proceedings will be stayed. The money must be paid to the Plaintiff or its Attorney.

As against the Third Defendant:

1. The Principal owing under the Cottonwood II Loans in the aggregate sum of USD 1,987,935.78;
2. Interest accrued on the Cottonwood II Loans between 27 March 2009 and 21 October 2009 in the aggregate sum of USD 50,978.32;

3. Interest accrued on the Cottonwood II Loans from 22 October 2009 to 2 October 2015 in the aggregate sum of USD 532,330.55, and accruing thereafter at the daily rate of USD 245.10 until payment;
4. Costs; and
5. Such further and/or other relief as this Honourable Court deems appropriate.

If, within the time for returning the Acknowledgment of Service, the Third Defendant pays the total amount claimed of USD 2,571,244.65 plus interest accrued at the daily rate of USD 245.10 from 2 October 2015 to the date of payment and costs further proceedings will be stayed. The money must be paid to the Plaintiff or its Attorney.

As against the Fourth Defendant:

1. The Principal owing under the Mi Casa Loan in the sum of USD 3,237,206.37;
2. Interest accrued on the Mi Casa Loan between 27 March 2009 and 21 October 2009 in the sum of USD 83,014.39;
3. Interest accrued on the Mi Casa Loan from 22 October 2009 to 2 October 2015 in the sum of USD 866,861.78 and accruing thereafter at the daily rate of USD 399.11 until payment;
4. Costs; and
5. Such further and/or other relief as this Honourable Court deems appropriate.

If, within the time for returning the Acknowledgment of Service, the Fourth Defendant pays the total amount claimed of USD 4,187,082.54 plus interest accrued at the daily rate of USD 399.11 from 2 October 2015 to the date of payment and costs further proceedings will be stayed. The money must be paid to the Plaintiff or its Attorney.

As against the Fifth Defendant:

1. The Principal owing under the Rosemary Loans in the aggregate sum of USD 21,698,360.48;
2. Interest accrued on the Cottonwood II Loans between 27 March 2009 and 21 October 2009 in the aggregate sum of USD 556,429.19;

3. Interest accrued on the Cottonwood II Loans from 22 October 2009 to 2 October 2015 in the aggregate sum of USD 5,810,404.81, and accruing thereafter at the daily rate of USD 2,675.14 until payment;
4. Costs; and
5. Such further and/or other relief as this Honourable Court deems appropriate.

If, within the time for returning the Acknowledgment of Service, the Fifth Defendant pays the total amount claimed of USD 28,065,194.48 plus interest accrued at the daily rate of USD 2,675.14 from 2 October 2015 to the date of payment and costs further proceedings will be stayed. The money must be paid to the Plaintiff or its Attorney.

As against the Sixth Defendant:

1. The Principal owing under the Spitting Lion Loans in the aggregate sum of USD 882,000.00;
2. Interest accrued on the Spitting Lion Loans between 27 March 2009 and 21 October 2009 in the aggregate sum of USD 22,617.87;
3. Interest accrued on the Spitting Lion Loans from 22 October 2009 to 2 October 2015 in the aggregate sum of USD 236,182.68, and accruing thereafter at the daily rate of USD 108.75 until payment;
4. Costs; and
5. Such further and/or other relief as this Honourable Court deems appropriate.

If, within the time for returning the Acknowledgment of Service, the Sixth Defendant pays the total amount claimed of USD 1,140,800.55 plus interest accrued at the daily rate of USD 108.75 from 2 October 2015 to the date of payment and costs further proceedings will be stayed. The money must be paid to the Plaintiff or its Attorney.



CAMPBELLS
2 October 2015

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO: OF 2015

BETWEEN: SECURITY CAPITAL LIMITED (IN OFFICIAL LIQUIDATION)

PLAINTIFF

AND:

**(1) AUDUBON ASSET LIMITED
(2) COTTONWOOD I LIMITED
(3) COTTONWOOD II LIMITED
(4) MI CASA LIMITED
(5) ROSEMARY'S CIRCLE R RANCH LIMITED
(6) SPITTING LION LIMITED**

DEFENDANTS

**ACKNOWLEDGMENT OF SERVICE
OF WRIT OF SUMMONS**

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

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 BE RETURNED.

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

1. State the full name of the Defendant by whom or on whose behalf the service of the Writ is being acknowledged.

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

Service of the Writ is acknowledged accordingly

(Signed).....

Attorney for

Please complete 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 or principal office.

Indorsement by Plaintiff's Attorney of his name, address and reference, if any, in the box below.

**Campbells
4th Floor Willow House
PO Box 884
George Town
Grand Cayman KY1-1103
Attention: Guy Manning/Liam Faulkner
(Ref: JGM/LMF/12955-14431)**

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

[Empty box for defendant's attorney indorsement]

**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 Court Office, P.O. Box 495G, 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 28 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

Please complete overleaf

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 28 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 its 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.

