

IN THE GRAND COURT OF THE CAYMAN ISLANDS
IN THE FINANCIAL SERVICES DIVISION

CAUSE NO: FSD 73 OF 2019

BETWEEN:

- (1) JOSEPH PACINI
(2) CARSTEN GEYER
(3) FEI (MURPHY) QIAO

Plaintiffs

AND:



- (1) XIO GP LIMITED
(2) XIANG (ATHENE) LI

Defendants



WRIT OF SUMMONS

TO: XIO GP LIMITED
Intertrust Corporate Services (Cayman) Limited
190 Elgin Avenue, George Town
Grand Cayman KY1-9006
Cayman Islands



AND TO: XIANG (ATHENE) LI
International Commerce Centre, Suite 1506b
1 Austin Road West, Kowloon, Hong Kong

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

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 495G, George Town, Grand Cayman, 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 18 day of April 2019.

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. The First Defendant is a company limited by shares and incorporated in the Cayman Islands. The Second Defendant is the sole registered member of the First Defendant.
2. The First Defendant is the general partner of XiO Fund I L.P (**Fund**), which is a Cayman Islands exempt limited partnership and is part of the XiO group of companies (**XiO Group**).
3. The XiO Group is a general partnership of which the Plaintiffs and the Second Defendant are partners (**XiO Partners**). The XiO Partners are beneficial owners of the XiO Group, including the First Defendant (**GP**), each with an equal interest of 25% in the share of the GP and the XiO Group.
4. The Fund is the Second Respondent to an arbitration proceeding in Hong Kong. XiO Cayman Limited is the manager of the Fund and is under receivership in Nevis.
5. Between early December 2018 and 2 April 2019, the Second Defendant was the sole registered director of the GP.
6. As a result of allegations made in the Hong Kong arbitration and in proceedings in Nevis pertaining to the Second Defendant's conduct in carrying on the business of the XiO Group, the Plaintiffs, in their capacity as partners in the XiO Group, resolved to remove the Second Defendant from her office of Director of the GP.
7. The Plaintiffs contend that the Second Defendant has a significant conflict of interest and cannot reasonably act in the best interests of the GP and / or the Fund and / or act in good faith as Director of the GP.
8. The Plaintiffs assert that, as partners of the XiO Group with a beneficial interest in the First Respondent, they validly removed the Second Defendant from her office as Director of the First Respondent to protect the XiO Group, and the assets under the control of the First Respondent, including the Fund and for the benefit of its stakeholders.

9. By Writ of Summons dated 8 April 2019, cause number FSD 57 of 2019, the Second Defendant in purporting to act on behalf of the GP, seeks declaratory and permanent injunctive relief in respect of the Plaintiffs' removal of the Second Defendant from the office of Director of GP.
10. The effect of the relief sought in 57 of 2019 would severely prejudice the Plaintiffs' beneficial ownership interests in the First Respondent and the XiO Group. The validity of the Plaintiffs' removal of the Second Defendant is to be determined by the Court in those proceedings.
11. In her First Affirmation filed in support of the Writ of Summons in FSD 57 of 2019 the Second Defendant denies that the Plaintiffs (who are the named Defendants in FSD 74 of 2019) are beneficial owners of the GP or the XiO Group and denies that a partnership exists.
12. The Plaintiffs contend that the Second Defendant is in breach of her fiduciary duties to the Plaintiffs as her co-partners by wrongfully denying the existence of the partnership and the Plaintiffs' beneficial ownership of the share in the First Respondent so as to exercise control over the XiO Group and thereby causing the Plaintiffs as well as the XiO Group to sustain irreparable losses and damages.
13. The Plaintiffs seek declaratory relief so as to give effect to their beneficial ownership interests in the GP and the partnership (including a declaration as to the existence of the partnership). The Plaintiffs contend that this preliminary issue ought to be resolved before the issue in 57 of 2019 as to the validity of the Plaintiffs' removal of the Second Defendant from office of Director of GP can properly be determined.
14. The Plaintiffs also seek the appointment of a receiver and / or an injunction as an interim measure to protect the Plaintiffs' interests in the share of the GP and to preserve value in the underlying assets.

AND THE PLAINTIFF claims:

1. The following final declarations:
 - (i) that a partnership exists between the Second Defendant and the Plaintiffs and

that each of the XiO Partners hold a beneficial interest in the partnership in equal amounts; and

- (ii) for an equitable charge over the share in GP for the benefit of the Plaintiffs in the aggregate amount of 75% (each Defendant holding a 25% interest in the aggregate amount);

2. The following interim relief:

- (i) The appointment of a receiver over the charge in GP; and
- (ii) An application for an injunction incidental or ancillary to the appointment of a receiver to restrain the First and / or Second Defendant from assigning, charging or otherwise dealing with the share in GP, pending the determination of the beneficial ownership interests in GP and the validity of the removal of the Second Defendant from office of Director of GP;

3. Costs; and

4. Any other relief that the Court deems fit and proper.

Dated this 18 day of April 2019



*Signature of Plaintiffs or their
Attorney*

This **WRIT OF SUMMONS** was issued by Collas Crill as attorneys for the Plaintiffs whose address for service is Floor 2, Willow House, Cricket Square, PO Box 709, George Town, Grand Cayman, KY1-1107.