

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO: 66 OF 2000

BETWEEN:

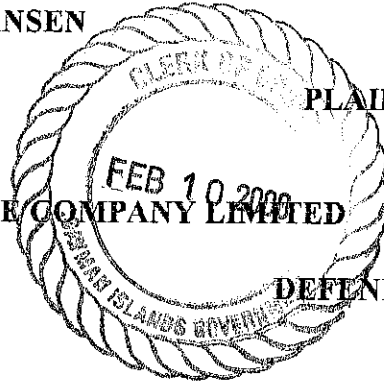
RODNEY ALAN HANSEN

PLAINTIFF

-and-

THE CARIBBEAN HOME INSURANCE COMPANY LIMITED

DEFENDANT



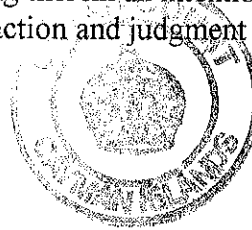
WRIT OF SUMMONS

TO: The Caribbean Home Insurance Company Limited
P.O. Box 931 GT
Grand Cayman, Cayman Islands

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 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 10th day of Feb 2000

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 Plaintiff is an individual residing in Grand Cayman, Cayman Islands.
2. The Defendant is an insurance company formed pursuant to the laws of the Cayman Islands and which is licenced and operates as a domestic insurer pursuant to the Insurance Law (1999 Revision)
3. By way of contract of insurance effective as of July 16th, 1998, the Defendant agreed to provide to the Plaintiff insurance coverage. The Defendant identified the contract of insurance as Policy No. CC FHO 0251789 (hereinafter the "contract of insurance"). The contract of insurance provided for insurance coverage of the Plaintiff's home, contents and other items the details and extent of which are set out in the policy and the schedules thereto.
4. The contract of insurance was renewed on July 16th, 1999.
5. It was a term of the contract of insurance and renewal that the Defendant would provide world wide all risk insurance over personal jewelry owned by the Plaintiff.
4. The Plaintiff pleads and relies upon the contract of insurance effective July 16, 1998 and renewed July 16th, 1999.
5. The Plaintiff paid all premiums as required by the contract of insurance and complied with the other terms of the said contract of insurance.
6. On or before September 21st, 1999, the executive assistant to the Plaintiff, Helen Day (hereinafter referred to as "Day"), was instructed by the Plaintiff to communicate with the Defendant and arrange for the addition to the existing jewelry coverage, coverage of a 18 kt. yellow and gold ring (hereinafter "the ring") containing one 3.10 kt diamond and two .5 kt diamonds. The ring was valued at US\$29,800.00. The Plaintiff, being the owner of the ring, had an insurable interest in the ring.
7. On or before September 21st, 1999, Helen Day contacted the Defendant and advised the Defendant of the required additional coverage. Day was advised by a representative of the Defendant that the Defendant required an appraisal of the ring prior to providing coverage.
8. Day obtained a professional appraisal of the ring valuing the ring at US\$29,800.00 and on September 21, 1999 faxed the appraisal to the Defendant together with a letter requesting that the ring be added to the to the coverage provided by the contract of insurance.


9. On or about September 22nd, 1999 a representative of the Defendant contacted Day by telephone and confirmed receipt of the faxed letter and appraisal and confirmed coverage of the ring as of that date. Day was advised that the amount of the premium for the coverage of the ring would be communicated shortly. The Plaintiff relied upon the verbal confirmation of coverage stated by the representative of the Defendant. The Plaintiff states that the Defendant expressly or, alternatively by the conduct of its representative, waived the immediate payment of the additional premium.
10. The Plaintiff states that the representative approving coverage of ring had actual or, in the alternative, ostensible authority to approve the coverage of the ring. Further, the representative approving coverage did not at anytime suggest that she lacked authority to provide approval.
11. In the circumstances, the Plaintiff had a valid all risk insurance coverage of the ring.
12. On September 30th, 1999, the Plaintiff became aware that the ring was missing from his briefcase in which he had been carrying the ring. The Plaintiff promptly arranged for the loss to be reported to the Defendant.
13. The loss suffered is an insured peril for which the Defendant is liable to indemnify the Plaintiff.
14. On October 15th, the Plaintiff and the general manager for the Defendant discussed the loss of the ring. At which time the general manager requested a written summary of the circumstances of the loss that the Plaintiff promptly provided. During this discussion, the general manager did not state or suggest that the representative of the Defendant who approved the coverage did not have such authority despite the general manager knowing precisely who gave the verbal approval.
15. It was only during a subsequent telephone discussion between Day and the general manager of the Defendant, that the general manager stated that the representative of the Defendant approving the coverage of the ring was not so authorized to approve such coverage.
16. On November 12th, 1999 the Defendant denied coverage to the Plaintiff in breach of the Defendant's obligations to indemnify the Plaintiff for the loss as provided in the contract of insurance. Such denial was without good cause or was not based upon a valid exemption as defined by the contract of insurance.
17. The ring at the date of the loss is estimated at US\$29,800.00.
18. The Plaintiff has suffered loss of US\$29,800.00 as a result of the loss of the ring and the Defendant's failure to honour the obligations as set out above.

19. The Plaintiff is entitled to indemnification for the loss of US\$29,800.00 under the terms of the coverage such sum being the value of the ring as of September 21, 1999.
20. Accordingly, the Defendant is liable to the Plaintiff for damages or indemnification in this sum.
21. The Plaintiff claims interest from November 12th, 1999 being the date of the denial of coverage.

AND THE PLAINTIFF claims:

1. A declaration that the Defendant is liable to indemnify the Plaintiff for the loss set out herein in accordance with the contract of insurance pleaded herein and extension of coverage as pleaded herein;
2. An indemnity under the said contract of insurance and extension of coverage as pleaded herein in the sum of US\$29,800.00;
3. Interest upon the said damages pursuant to the Judicature Law (1995 Revision) and the Judgment Debts (Rates of Interest) Rules 1996 at the rate as prescribed of 7 per cent or at such other rate as may be prescribed or as this Honourable Court deems just from the date of issuance of this proceeding; and
4. Costs

Dated: February 10, 2000


 BROADHURST DaCOSTA
 Attorneys at Law for the Plaintiff

INDORSEMENT REGARDING INTEREST

- i. With regard to the principal sum of US\$29,800.00 the prescribed rate of interest, throughout the relevant period, was 7 per cent per annum;
- ii. The interest is claimed from November 12th, 1999;
- iii. The amount of interest accrued as of the issuance of this proceeding (Feb 1, 2000) is US\$513.90.
- iv. The amount of interest accruing each day following the issue of the writ is US\$5.71.

INDORSEMENT RESPECTING CURRENCY

The claim is made in the currency of the United States.

This Writ of Summons was issued by Broadhurst DaCosta whose address for service is Broadhurst DaCosta, Attorney-at-Law, P.O. Box 2503, George Town, Grand Cayman, Cayman Islands, British West Indies, Attorneys for the Plaintiff.

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CAUSE NO: 66 OF 2000

BETWEEN:

RODNEY ALAN HANSEN

PLAINTIFF

-and-

THE CARIBBEAN HOME INSURANCE COMPANY LIMITED

DEFENDANT

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 or otherwise participate in 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 intent to contest the proceedings, state if the Defendant intends to apply for a stay of execution against any judgment entered by the Plaintiff.

Yes

Service of the Originating Summons is acknowledged accordingly

(Signed) _____

[Attorney] for

[Defendant in Person]

Address for Service:

Notes on address for service

Attorney: when 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 Island, 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.

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

Broadhurst DaCosta
Attorneys-at-Law
40 Linwood Street
P.O. Box 2503 GT
Grand Cayman, Cayman Islands

Indorsement by 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 Law Courts, P.O. 495GT, 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 Acknowledgement 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 installments or otherwise.

See next page for notes for guidance.

Please complete next page

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. If you wish to defend claims made in the originating summons, or intend to attend the proceedings and to participate in them so far as necessarily (although not necessarily in an adversarial manner) you should tick the "Yes " box in paragraph 2 of the acknowledgment of service.
3. 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.
4. Where the Defendant is used 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 Originating Summons)".
5. 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.
6. 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.
7. Where the Defendant is a LIMITED COMPANY the form must be completed by an Attorney or by someone authorized to act on behalf for the Company, but the Company cannot take any further step in the proceedings without an Attorney acting on its behalf.
8. Where the Defendant is a MINOR or a MENTAL PATIENT, the form must be completed by an Attorney acting for a guardian ad litem.
9. A Defendant acting in person may obtain help in completing the form at the Courts Office