

IN THE GRAND COURT OF THE CAYMAN ISLANDS FINANCIAL SERVICES DIVISION

CAUSE NO. FSD 342 OF 2023 (DDJ)

BETWEEN:

- (1) SAIF PARTNERS II L.P. (ACTING BY ITS GENERAL PARTNER SAIF II GP CAPITAL LIMITED)
- (2) SAIF II GP CAPITAL LIMITED (IN ITS CAPACITY AS THE GENERAL PARTNER OF SAIF PARTNERS II L.P.)

Plaintiffs

AND:

JOE ZHIXIONG ZHOU

Defendant

Before:

The Hon. Justice David Doyle

Appearances:

Denis Olarou of Carey Olsen for the Plaintiffs

Heard:

14 June 2024

Ex Tempore Judgment

delivered:

14 June 2024

Draft Transcript of Ex Tempore Judgment

circulated:

19 June 2024

Transcript approved:

21 June 2024

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Practice and procedure – extension of validity of a writ and leave to service out of the jurisdiction

JUDGMENT

Introduction

- 1. I will now deliver a short judgment in FSD 342 of 2023 (DDJ).
- 2. I have considered the various hearing bundles and the helpful skeleton argument of the Plaintiffs dated 7 June 2024. I also benefit from the oral submissions of Denis Olarou this morning.

Service out of the jurisdiction

- 3. I note the terms of the Order granted on 14 December 2023 and the reasons for granting it, and the subsequent events. There has been difficulty in effecting service on the Defendant in Florida. The Plaintiffs wish to attempt service in the State of New Jersey, United States of America.
- 4. I agree that the case remains a proper one for service out. All three limbs of *AK Investment* or *Altimo* [2011] UKPC 7 remain satisfied. I do not repeat what I said in my *ex tempore* judgment delivered on 14 December 2023.
- 5. I am also content with the proposed methods of service and I note rules 4:4-3 and 4:4-4 of the State of New Jersey Rules of Court.
- 6. I am content to grant permission to serve out of the jurisdiction.

Extension of validity of Writ

- 7. The need for an order to extend the validity of the Writ so as to enable service on the Defendant in New Jersey has been established, as has the good reason for such extension. The application was filed prior to the expiration of the Writ's validity.
- 8. I have considered Order 6 rule 8(2) of the Grand Court Rules and the English authorities applied in Weavering v Ernst & Young Chartered Accountants 2014 (1) CILR 296.

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- 9. In this case the good reason is the protracted difficulties experienced in serving the Defendant.
- 10. Attempts in Florida were unsuccessful. Further investigations revealed addresses in New Jersey. The Plaintiffs took New Jersey legal advice on the lawful methods of service in New Jersey and then the necessary applications were made to this court. The Plaintiffs have not acted dilatorily. The limitation period has not expired. The Defendant will not be unduly prejudiced by the extension of the Writ's validity. The Defendant is aware that he is liable under the ruling made by the Hong Kong High Court on 4 May 2022 (the "Hong Kong Judgment") and is indeed seeking to appeal against it. I agree that ignorance of the precise manner and jurisdiction in which the liability pursuant to the Hong Kong Judgment might be enforced against him carries with it a much smaller risk of "detriment" (to use the word used in *Binning Bros v Verrall Bowles* [1998] 1 ALL ER 409), than total ignorance that any litigation is on the horizon at all.
- 11. I agree that the Plaintiffs have shown "good reason" for the extension.
- 12. In the circumstances of this case (including the lack of limitation issues and the balance of hardship)

 I exercise the court's discretion in extending the validity of the Writ.

Order

13. I am content to make an order substantially in terms of the draft helpfully submitted prior to today's hearing. That is an order for service out, and also an order for extending the validity of the Writ to 20 September 2024.

David Dayle

THE HON. JUSTICE DAVID DOYLE
JUDGE OF THE GRAND COURT