

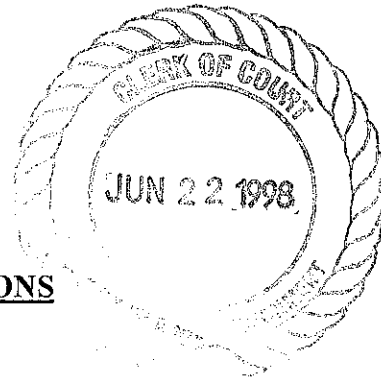
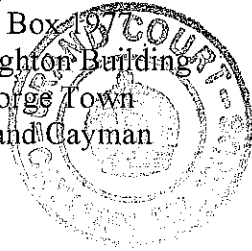
IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO *390* 1998

BETWEEN: (1) CENTURY 21 THOMPSON REALTY LTD  
(2) MARTIN PANTON PLAINTIFFS

AND: CAYMAN ISLANDS REAL ESTATE BROKERS ASSOCIATION DEFENDANT

TO: Cayman Islands Real Estate Brokers Association  
PO Box  
Crighton Building  
George Town  
Grand Cayman



**WRIT OF SUMMONS**

**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 Acknowledgement of Service stating therein whether you intend to contest these proceedings.

If you fail to satisfy the claim or to return the Acknowledgement within the time stated, or if you return the Acknowledgement without stating therein an intention to contest the proceedings, the Plaintiffs may proceed with the action and judgment may be entered against you forthwith without further notice.

Issued this *22<sup>nd</sup>* day of *June* - 1998.

NOTE – This Writ may not be served later than 4 calendar months (of, 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 Acknowledgement of Service are given with the accompanying form.

### **STATEMENT OF CLAIM**

1. The 1<sup>st</sup> Plaintiffs (hereinafter referred to as “Thompson Realty”) are an ordinary resident company duly incorporated under the Companies Law with its registered office at Galleria Plaza, PO Box 30117, Seven Mile Beach, Grand Cayman. It is engaged in the business of acting as general agents for the sale and purchase of real estate in the Cayman Islands. The 2<sup>nd</sup> Plaintiff (hereinafter referred to as “Mr. Panton”) is resident in the Cayman Islands and employed by Thompson Realty as General Manager/Sales Agent.
2. The Defendant (hereinafter referred to as “CIREBA”) is an ordinary resident company limited by guarantee and duly incorporated under the Companies Law with its registered office at Orren Merren & Company, 3<sup>rd</sup> Floor Kirk House, George Town, Grand Cayman. It is engaged in the business of promoting the interests of its members and generally the interests of persons engaged in the real estate business in the Cayman Islands.
3. Pursuant to Articles 2 and 5(a) of CIREBA’s Articles of Association and Section 1 of the CIREBA Rules and Regulations, membership is limited to any person, firm or corporate association who is engaged as a principal in the real estate business and is licensed under the Trade & Business Licensing Law of the Cayman Islands.
4. Mr. Panton is not a member of CIREBA as he is not licensed under the Trade & Business Licensing Law to conduct real estate business as a principal in the Cayman Islands.

Thompson Realty was a founding member of CIREBA and has been a member in good standing since CIREBA's incorporation on 20<sup>th</sup> May 1987.

5. On 2<sup>nd</sup> April 1998 RE/MAX Cayman Islands (hereinafter referred to as Remax), a member of CIREBA wrote to the Defendant with a complaint alleging misconduct against Mr. Panton in connection with an offer he presented on behalf of a client to purchase a property listed by Remax ("the complaint"). Thompson Realty were provided with a copy of the complaint by CIREBA on 27<sup>th</sup> May 1998 and were given two days to respond. No notice was given to Thompson Realty that the Defendant was considering suspension of the Plaintiffs. On 29<sup>th</sup> May 1998 Thompson Realty responded in writing to the complaint denying any wrong doing.
6. Without calling for any further evidence or giving the Plaintiffs an opportunity to be heard at an oral hearing, the Defendant intimated to the Plaintiffs on 12<sup>th</sup> June 1998 that its Board of Directors had determined that Mr. Panton had breached their code of ethics in representing to another agent that he had received a deposit from his client when he had not. The Defendant in so doing misconstrued the meaning of clause 3.a. of its standard Offer to Purchase in holding said clause was a representation by the Plaintiffs that they had received the initial deposit from their client. As a result, they ordered Thompson Realty to pay the sum of US\$5,000.00 into an escrow account representing the deposit which should have been paid by the prospective purchaser. They further ordered that Mr. Panton be suspended from having any dealings whatsoever involving CIREBA listed properties, the Multiple Listing System, and any business contact with other CIREBA members and/or agents for a period of 90 days from June 15, 1998. They further intimated that should Mr. Panton fail to comply with their order, the suspension would be extended to Thompson Realty.
7. CIREBA and its Directors have acted unlawfully and ultra vires in purporting to make the said decision for the following reasons:
  - (i) Mr. Panton is not a member of CIREBA and is not subject to their jurisdiction.

- (ii) The procedures adopted by CIREBA in considering that the complaint was in breach of the rules of natural justice in that they failed to give the Plaintiffs prior notice of the action to be taken and a fair opportunity to be heard.
  - (iii) Mr. Panton did not breach the Code of Ethics and or the Rules and Regulations of CIREBA regulating the conduct of business between members.
  - (iv) The Articles of Association, Rules and Regulations and Code of Ethics of CIREBA do not authorise or empower the Board of Directors to make the decisions purportedly made.
  - (v) CIREBA failed to follow its procedure for the resolution of disputes pursuant to Section 2.2 of the CIREBA Rules and Regulations.
8. CIREBA by ordering the suspension of Mr. Panton are in breach of their contractual obligation to Thompson Realty and are unlawfully interfering with Mr. Panton's contract of employment with Thompson Realty. Mr. Panton will be unable to engage in his employment for a period of 90 days. Thompson Realty and Mr. Panton's reputation will be damaged as a result of said suspension and they shall both suffer loss and damage as a result thereof.

**AND THE PLAINTIFF CLAIMS:**

- 1. A declaration that the decisions affecting the Plaintiffs purported to be taken by the Defendant on or about 10<sup>th</sup> June 1998 are invalid and ultra vires.
- 2. The Defendant or its servants, agents or members be restrained from acting on the decisions taken on 10<sup>th</sup> June 1998 against the Plaintiffs and from suspending the 1<sup>st</sup> Plaintiff's membership and from preventing the 2<sup>nd</sup> Plaintiff from carrying out his profession in accordance with his contract of employment.

3. Damages.
4. Such further and other relief as the Court thinks appropriate.
5. Interest pursuant to Statute.
6. Costs.

Dated this            day of June 1998.

C.S. Gill + Co.  
C.S. GILL & CO.  
Attorneys-at-Law for the Plaintiffs

THIS WRIT OF SUMMONS was filed by C.S. Gill & Co., Attorneys-at- Law on behalf of the Plaintiffs herein whose address for service is 4<sup>th</sup> Floor Genesis Building, PO Box 945, George Town, Grand Cayman, Cayman Islands, BWI.