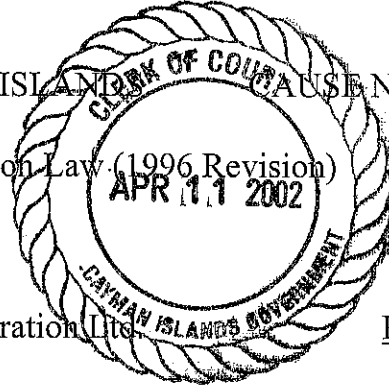


IN THE GRAND COURT OF THE CAYMAN ISLANDS 247 ✓
CLERK OF COURT USE No. of 2002
IN THE MATTER of the Strata Titles Registration Law (1996 Revision)



BETWEEN:

Global Realty Corporation Ltd Plaintiff

AND:

The Proprietors of Strata Plan No. 205 Defendants

WRIT OF SUMMONS

TO: The Proprietors of Strata Plan No. 205 of address

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, PO Box 495 GT, 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 11th day of April, 2002.

NOTE – This Writ may not be served later than 4 calendar 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 defendant is a corporation, the members of which (“the proprietors”) are the proprietors of the strata lots and common property comprising the condominium situated on Seven Mile Beach, Grand Cayman, known as “The Grandview.”
2. The plaintiff is a company established in the Cayman Islands and is and was at all material times a member of the defendant and the proprietor of one of the strata lots comprising The Grandview known as Apartment No. 531.

Claim for Wrongful Transfer of Common Property

3. In or about August 1988, the defendant acting by its executive committee caused 8 garages (referred to herein as Garages Nos. 9 to 16) and a laundry room to be constructed on land owned in common by the proprietors.
4. On a date or dates unknown to the plaintiff, the defendant, acting by its executive committee, caused the common property on which the 8 garages had been constructed to be sub-divided, the garages to be registered under new Block and Parcel Numbers and 6 of the said 8 garages to be transferred to 6 of the proprietors.

Particulars

- (1) Garage No. 9 was registered under Block and Parcel No. 13B 206H80 and transferred to Johan Schalekamp;
- (2) Garage No. 10 was registered under Block and Parcel No. 13B 206H81 and transferred to Gerald and Kathy Molito, as joint proprietors;
- (3) Garage No. 11 was registered under Block and Parcel No. 13B 206H82 and transferred to Calvin and Nancy Leuter, as joint proprietors;
- (4) Garage No. 13 was registered under Block and Parcel No. 13B 206H84 and transferred to Mark and Linda O’Dell, as joint proprietors;
- (5) Garage No. 14 was registered under Block and Parcel No. 13B 206H85 and transferred to William Graham;

- (6) Garage No. 16 was registered under Block and Parcel No. 13B 206H87 and transferred to BCM Island Visions Ltd.;
 - (7) Garages Nos. 12 and 15 constructed thereon to be registered under separate Block and Parcel Numbers: Garage No. 12 is now registered as Block 13B, Parcel 206H83; Garage No. 15 is now registered as Block 13B, Parcel 206H86.
5. The transfer by the defendant of the 6 garages aforesaid was in breach of Section 14(1) of the Strata Titles Registration Law (1996 Revision) and unlawful, there having been no prior unanimous resolution by the members of the defendant directing the defendant to transfer the common property or any part thereof on which the garages and laundry room were built.
 6. Further, the transfer by the defendant of the 6 garages was in breach of the defendant's obligations under Clauses 34(1) and 34(8) of the defendant's registered bye laws, which require the defendant to preserve and maintain the common property for the use and benefit of all of the proprietors.
 7. The plaintiff believes that, unless restrained by an order of the Court, the defendant will transfer the remaining 2 garages to proprietors, the defendant having done all that is necessary to enable it to transfer Garages Nos. 12 and 15.
 8. In the premises and by reason of the defendant's unlawful transfer of Garages Nos. 9, 10, 11, 13, 14, and 16 and/or its breach of its obligations under its registered bye laws, the plaintiff has sustained loss and damage, including but not limited to the diminution in the value of its strata lot and of his interest in the common property of The Grandview and the loss of amenity in the form of parking space for his vehicle.

Claim for Repayment of Contribution to Costs of Remedial Works

9. By virtue of its bye laws and in particular Clause 34(1) of its bye laws, the defendant was at all material times under a duty to control, manage and administer the common property for the benefit of all the proprietors.
10. The Grandview condominiums were constructed in 1996, the main contractor being Arch & Godfrey (Cayman) Ltd. ("the contractor").
11. The external finishes of the condominiums are painted render.
12. From 1997, paint on the exterior of the condominiums has been peeling off and since then repeated attempts to remedy the problem have failed.

13. In or about July 1999 the defendant engaged JEC Building Consultants Ltd. ("JEC") to investigate and report on the external finishes of the condominiums and the recurring problem of peeling paint.
14. JEC's Report dated 22nd July 1999 concluded that the problem with the external paint work was the result of the contractor having used an inappropriate type of paint or was the result of contractor having failed to allow the rendered background surfaces adequately to dry out before applying the paint or was the result of the contractor having applied the paint in unsuitable conditions (*i.e.*, in damp or rainy conditions).
15. Notwithstanding the conclusions expressed in JEC's report of 22nd July 1999 and in breach of its duty to the proprietors under clause 34(1) of its bye laws, the defendant has failed and refused to take any or any adequate steps to require the contractor, whether by means of legal proceedings or otherwise, to remedy the said defective paint work, but instead has required the proprietors to pay for remedial works to the condominium's external finishes.
16. The defendant demanded and the plaintiff was obliged to and did pay to the defendant the sum of US\$2,541.44, being the plaintiff's contribution to the costs of remedial work to the condominium's external finishes.
17. The defendant's failure and refusal to pursue its remedies against the contractor is unreasonable and in all the circumstances the defendant acted unreasonably in requiring the plaintiff to pay the sum US\$2,541.44 or any sum by way of a contribution to the cost of remedial works to the condominium's external finishes and the plaintiff claims to be and is entitled to repayment of that sum.

AND THE PLAINTIFF CLAIMS: -

1. An Order requiring the defendant to take all steps necessary to set aside the transfers of the 6 garages referred to in paragraphs 4 and 8 above.
2. An Order restraining the defendant from transferring Garages Nos. 12 and 15 to any proprietor or to any other person.
3. An Order requiring the defendant to take all steps necessary to set aside the subdivision of the common property referred to in paragraph 4 above and to re-register the property on which the garages were constructed as common property.

4. An Order requiring the defendant to restore the common property to the state and condition it was in before the construction thereon of the 8 garages.
5. Damages.
6. Repayment of the sum of US\$2,541.44, together with interest thereon.
7. Interest on any sum awarded to it pursuant to Section 34 of the Judicature Law (1995 Revision) for such periods and at such rates as to the Court shall seem just.
8. Costs.

Boxalls
Attorneys for the Plaintiff

This Writ and Statement of Claim was issued by Boxalls, Attorneys for the Plaintiff, whose address for service is: PO Box 1234 GT, 3rd Floor, Queensgate House, South Church Street, George Town, Grand Cayman (Reference: 1922-0001/WJH).

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. OF 2002

BETWEEN:

Global Realty Corporation Ltd.

Plaintiff

- and -

The Proprietors of Strata Plan No. 205

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 of Summons is being acknowledged.

THE PROPRIETORS OF STRATA PLAN NO. 205

-
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 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

Service of the Writ of Summons is acknowledged accordingly.

Attorney for the DefendantS
Address for service:

Notes on address for service:

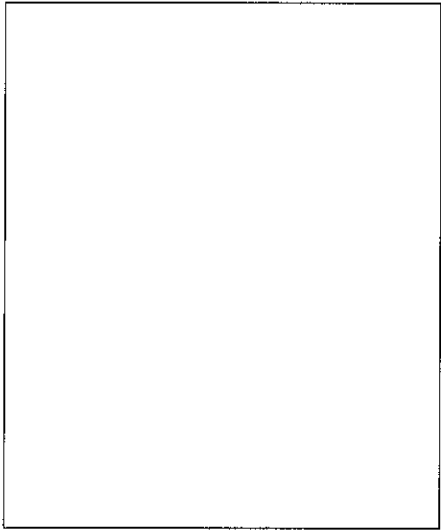
Attorney: where the Defendant is represented by an attorney, state the attorney's place of business in the Cayman Islands. A Defendant may not act by a foreign attorney.

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 principal office.

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

Boxalls
Attorneys-at-Law
PO Box 1234GT
George Town
Grand Cayman, Cayman
Islands
British West Indies
(Reference: 1922-
0001/WJH)

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



**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. Box 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 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 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.
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 of 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 his 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.