

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO: 281 OF 2006

BETWEEN:

(1) THOMPSON RESORTS LTD

(2) GRAND CAYMANIAN OPERATIONS LTD

- AND -

(1) GRAND CAYMANIAN RESORTS LTD

(2) GRAND CAYMANIAN BEACH CLUB &
RESORT LTD

DEFENDANTS



WRIT OF SUMMONS

TO: (1) GRAND CAYMANIAN RESORTS LTD

c/o SH Corporate Services Ltd

P O Box 61

4th Floor, Harbour Centre

North Church St / Mary St

George Town

(2) GRAND CAYMANIAN BEACH CLUB & RESORT LTD

c/o SH Corporate Services Ltd

P O Box 61

4th Floor, Harbour Centre

North Church St / Mary St

George Town

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, PO Box 495GT, 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 Plaintiffs may proceed with the action and judgment may be entered against you forthwith without further notice.

Issued this 7th day of July, 2006

NOTE – This Writ may not be served later than 4 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.

The First Plaintiff's claim US\$ 56,954 being the sum due and owing to it by the First and / or Second Defendant pursuant to two written agreements dated 28 April 2000.

Further or alternatively damages for the loss which the First Plaintiff has suffered by reason of the First Defendant's and / or Second Defendant's breaches of the said written agreements.

Interest pursuant to section 34 of the Judicature Law (2004) Revision, on such sums and / or damages as it may be awarded at such rate and for such period as the Court may think fit.

Costs and / or further or other relief.

Further the First and / or Second Plaintiff's claim US\$685,913 being the sum due and owing to it by the First and / or Second Defendant pursuant to a written agreement dated 16 October 2000.

Further or alternatively damages for the loss which the First and / or Second Plaintiff has suffered by reason of the First Defendant's and / or Second Defendant's breaches of the said written agreement.

Interest pursuant to section 34 of the Judicature Law (2004) Revision, on such sums and / or damages as it may be awarded at such rate and for such period as the Court may think fit.

Costs and / or further or other relief.



WALKERS

Attorneys at Law for the Plaintiff

This Writ is issued by Walkers, Attorneys at Law, Walker House, Mary Street, PO Box 265GT, George Town, Grand Cayman, for the Plaintiff whose address for service is care of their said Attorneys at Law.

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO: ²⁸¹ OF 2006

BETWEEN:

(1) THOMPSON RESORTS LTD

(2) GRAND CAYMANIAN OPERATIONS LTD

PLAINTIFFS

- AND -

(1) GRAND CAYMANIAN RESORTS LTD

(2) GRAND CAYMANIAN BEACH CLUB &
RESORT LTD

DEFENDANTS

STATEMENT OF CLAIM

1. The First Plaintiff (hereinafter referred to as "Thompson"), Second Plaintiff (hereinafter referred to as "Thompson 2"), First Defendant (hereinafter referred to as "GC Resorts"), and Second Defendant (hereinafter referred to as "GC Beach") are ordinary resident companies incorporated in the Cayman Islands.

The First Agreement

2. By an agreement in writing dated 28 April 2000 and made between Thompson and GC Resorts (hereinafter referred to as "the First Agreement"), GC Resorts engaged Thompson as the manager and exclusive marketing agent / manager (which engagement Thompson accepted) of the resort known as The Grand Caymanian Beach Club and Resort (hereinafter referred to as "the Resort") in consideration of GC Resorts paying various fees and expenses to Thompson which were to be calculated in accordance with the terms of the First Agreement.

3. The First Agreement provided, *inter alia*, that in consideration for the performance of its functions, the following fees, commissions and expenses were to be paid to Thompson by GC Resorts:

- i. A Management Fee equal to 10% of all Annual Dues and Membership Company Annual Dues for all intervals at the Resort, whether billed to Members or to the Membership Company; and

- ii. Reimbursement of all out-of-pocket expenses incurred by Thompson in the performance of its management functions; and
 - iii. 35% commission of the Gross Rental Amount of all rentals through the rental programme at the Resort; and
 - iv. 45% Marketing Fee / Commission of the total Purchase Price of each Interval; and
 - v. Any other fee or reimbursement of expenses as from time to time agreed by the parties or included in the annual budget.
4. By an agreement in writing dated 28 April 2000 and made between Thompson and GC Beach (hereinafter referred to as "the Supplemental Agreement"), GC Beach agreed that any default of GC Resorts under the First Agreement would be deemed a default by GC Beach and enforceable against GC Beach.
5. Pursuant to and in accordance with the First Agreement, Thompson performed its functions as the manager and exclusive marketing agent / manager of the Resort until about October 2000.
6. In breach of the First Agreement and / or Supplemental Agreement GC Resorts and / or GC Beach failed to pay Thompson various fees and commissions (including Management Fees, Marketing Fees / Commissions, and Rental Commissions), and out-of-pocket expenses which were payable pursuant to the First Agreement and / or which were agreed by the parties or included in the annual budget and which remain due and owing to Thompson by GC Resorts and / or GC Beach.

PARTICULARS

Description of fee / commission / expense	
Marketing Fee	US\$ 0.00
Management Fee	US\$ 0.00

Gross Rental Commission	US\$ 2,515.00
Out-of-pocket expenses	US\$ 33,215.00
Sunset Tours	US\$ 0.00
Corporate Services	US\$ 21,224.00
Total	US\$ 56,954.00

7. Further or alternatively, Thompson has suffered loss and damage by reason of the breaches by GC Resorts and / or GC Beach of the First Agreement and / or the Supplemental Agreement in failing to pay the aforementioned fees, commissions and expenses.
8. Further or alternatively, Thompson claims interest pursuant to section 34 of the Judicature Law (2004) Revision, on such sums and / or damages as it may be awarded at such rate and for such period as the Court may think fit.

The Second Agreement

9. By an agreement in writing dated 16 October 2000 and made between Thompson 2, GC Resorts and GC Beach, (hereinafter referred to as "the Second Agreement"), GC Resorts and / or GC Beach engaged Thompson 2 as the manager and exclusive marketing agent / manager of the Resort (which engagement Thompson 2 accepted) in consideration of GC Resorts and / or GC Beach paying Thompson and / or Thompson 2 various fees and expenses which were to be calculated in accordance with the terms of the Second Agreement.
10. The Second Agreement provided, *inter alia*, that in consideration for the performance of Thompson 2's functions, the following fees, commissions and expenses were to be paid to Thompson and / or Thompson 2 by GC Resorts and / or GC Beach:
- i. A Management Commission equal to 10% of all Annual Dues for all Intervals at the Resort, whether billed to Members or to the Membership Company; and

- ii. Reimbursement of all out-of-pocket expenses incurred by Thompson 2 in the performance of its management functions; and
- iii. 35% commission of the Gross Rental Amount of all rentals through the rental programme at the Resort; and
- iv. 45% Marketing Fee / Commission of the total Purchase Price of each Interval.
- v. Any other fee or reimbursement of expenses as from time to time agreed by the parties or included in the annual budget.

11. Pursuant to and in accordance with the Second Agreement, Thompson 2 performed its functions as the manager and exclusive marketing agent / manager of the Resort between about October 2000 and December 2001.

12. In breach of the Second Agreement GC Resorts and / or GC Beach failed to pay Thompson and / or Thompson 2 various fees and commissions (including Management Fees, Marketing Fees / Commissions, and Rental Commissions), and out-of-pocket expenses which were payable pursuant to the Second Agreement and / or which were agreed by the parties or included in the annual budget and which remain due and owing to Thompson and / or Thompson 2 by GC Resorts and / or GC Beach.

PARTICULARS

Description of fee / commission / expense	
Marketing Fee	US\$ 327,266.00
Management Fee	US\$ 42,020.00
Gross Rental Commission	US\$ 60,580.00
Out-of-pocket expenses	US\$ 23,654.00
Sunset Tours	US\$ 14,848.00

Corporate Services	US\$ 160,591.00
Total	US\$ 628,959.00

13. Further or alternatively, Thompson and / or Thompson 2 has suffered loss and damage by reason of the breaches by GC Resorts and / or GC Beach of the Second Agreement in failing to pay the aforementioned fees, commissions and expenses.

14. Further or alternatively, Thompson and / or Thompson 2 claims interest pursuant to section 34 of the Judicature Law (2004) Revision, on such sums and / or damages as it may be awarded at such rate and for such period as the Court may think fit.

AND Thompson claims against GC Resorts and / or GC Beach:

- (1) Payment of US\$ 56,954 being the sums due and owing to Thompson by GC Resorts and / or GC Beach
- (2) Damages;
- (3) Interest;
- (4) Costs;
- (5) Further or other relief.

AND Thompson and / or Thompson 2 claims against GC Resorts and / or GC Beach:

- (1) Payment of US\$ 628,959 being the sums due and owing to Thompson and / or Thompson 2 by GC Resorts and / or GC Beach
- (2) Damages;
- (3) Interest;

(4) Costs;

(5) Further or other relief.

DATED the 7th day of July, 2006.



WALKERS

Attorneys at Law for the Plaintiffs

This Statement of Claim is filed by Walkers, Attorneys at Law, PO Box 265GT, Walker House, Mary Street, George Town, Grand Cayman, for the Plaintiffs whose address for service is care of their said Attorneys at Law.

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(2) GRAND CAYMANIAN OPERATIONS LTD PLAINTIFFS

AND:

(1) GRAND CAYMANIAN RESORTS LTD
(2) GRAND CAYMANIAN BEACH CLUB &
RESORT LTD DEFENDANTS

**ACKNOWLEDGEMENT 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 Delay may result in judgment being entered directions and notes for guidance carefully against a Defendant whereby he may have to before completing this form. If any information pay the costs of applying to set it aside. required is omitted or given wrongly, **THIS FORM MAY HAVE TO BE RETURNED.**

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 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

no

Service of the Writ is acknowledged accordingly

(Signed) _____

[Attorney] for

[Defendant in person]

Address for service:

Please complete overleaf

**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 Courts Office, PO 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 Court's 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 in 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 its 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 Court's office.