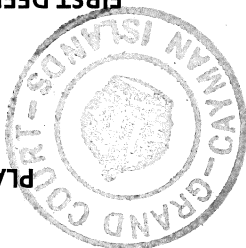


IN THE GRAND COURT OF THE CAYMAN ISLANDS

CAUSE NO. *5504* OF 2008

BETWEEN:

MALTE AND MARLO LORENZ



PLAINTIFFS

MORRITT PROPERTIES CAYMAN LTD

FIRST DEFENDANT

AND

MORRITT TORTUGA CLUB AND RESORT LTD

SECOND DEFENDANT

WRIT OF SUMMONS

AND



TO:

MORRITT PROPERTIES CAYMAN LTD
Trulaw Corporate Services Ltd
Box 866 Anderson Square Building
Grand Cayman
KY1-1103

AND

MORRITT TORTUGA CLUB AND RESORT LTD
Trulaw Corporate Services Ltd
Box 866 Anderson Square Building
Grand Cayman
KY1-1103

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 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 return the Acknowledgement within the time stated, or if you return the Acknowledgement without stating therein an intention to contest the proceedings

1. The Plaintiffs are American citizens and a married couple. They reside in New York.
2. The First Defendant is a company duly registered under the laws of the Cayman Islands and trading in the sale of timeshare units at a development of timeshare units known as Morritt's Tortuga Club and Resort.
3. The second named defendant is a company duly registered under the laws of the Cayman Islands and owner of Block 73A Parcel 71, Colliers Section, Grand Cayman.
4. On or about the 10th April 2006 the Plaintiff's came into contact via the internet and phone contact with Global Resource Management Inc, a promoter of time share properties based in Florida, United States.
5. With the assistance and guidance of Global, the Plaintiff's arranged to use a time share unit at Morritt's Tortuga Resort in Grand Cayman.
6. On the 14th April 2006, whilst staying at the Morritt's Tortuga Resort the Plaintiff's, induced by representations made by employees of the First and/or Second Named Defendants entered into an agreement to purchase a timeshare at the resort.

STATEMENT OF CLAIM

Directions for Acknowledgement of Service are given with the accompanying form.

IMPORTANT

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.

Issued this day of October 2008

the Plaintiff may proceed with the action and judgment may be entered against you forthwith without further notice.

7. An agreement was entered into on the 14th April between the Plaintiff and the First named Defendant as principal or as an agent for the second named Defendant for the purchase of a timeshare in Unit 2105 for weeks 52&53 with an occupancy date of 2007. The weeks purchased were described as (Fixed) and the term of the agreement was 99 years.
8. The total purchase price for this agreement was U.S. \$18,410.25. The Plaintiffs paid US\$1,967.25. On or about the 8th May 2006 the Plaintiffs paid the remainder of the monies due in full.
9. On the 20th May 2006 at the further urging of representatives of employees of the First and Second Named Defendant and Global, the Plaintiffs upgraded their unit to a 2 bedroom unit for an extra cost of U.S. \$12,090 by way of written agreement between the Plaintiff and the First named Defendant as principal or as an agent for the second named Defendant for the purchase of a timeshare in Unit 2103 for weeks 52&53 with an occupancy date of 2007. The weeks purchased were described as (Fixed) and the term of the agreement was 99 years.
10. This agreement dated 20th May 2006 effectively replaced and superseded the agreement dated 14th April 2006.
11. The Plaintiffs paid the extra cost of US \$12,090 on the 20th May.
12. On the same date the Plaintiffs entered into an additional written agreement to purchase a further week in Unit 2103, Being Week 51 at an additional cost of U.S. \$27,662.
13. The Plaintiff entered into a financing agreement with the First named Defendant for this sum. Pursuant to this financing agreement the Plaintiffs made 17 payments of U.S. \$520.10 to the First Named Defendant.
14. On the 7th November 2006 the first named defendant transmitted an owner statement identifying the annual maintenance payment of U.S. \$1,610 for Unit 2103. All payments

were expressed as to be paid to the Second named Defendant and the Plaintiff's paid this sum on or about the same date to the second named Defendant.

15. On 9th November 2007 the first named defendant transmitted an owner statement identifying an annual maintenance payment of U.S. \$2,410 for Unit 2103. All payments were expressed as to be paid to the Second named Defendant and the Plaintiff's paid this sum on or about the same date to the Second named Defendant.

16. On the 10th December 2007 the Plaintiff's fulfilled the terms of the financing agreement and paid the balance owed on the purchase of the additional week, with a payment of U.S. \$21,690.91.

17. The agreements and in particular the agreement dated 20th May 2006 stated expressly 'A PURCHASER OF AN UNBUILT UNIT, BUYING ON A PRE-CONSTRUCTION BASIS, MAY TERMINATE AND CANCEL THE CONTRACT, SHOULD THE UNIT NOT BE READY AT THE OCCUPANCY DATE SPECIFIED IN THE PURCHASE AGREEMENT. UNDER SUCH CIRCUMSTANCES, THE PURCHASER WOULD RECEIVE A FULL REFUND' (capitals from original). The Plaintiff in this matter was the purchaser of an unbuilt unit.

18. On or about the end of December 2007, the Plaintiff's sought use of their Unit and upon arrival at the complex were informed that their unit would not be available for occupancy by the 31st December 2007, being the date specified in the agreement.

19. At all times, the Plaintiff's' owner statements, maintenance fee statements and special assessments did not disclose any delay in the construction of the Plaintiff's Unit nor the fact that it had not been built.

20. The First and/or Second named Defendants expressly represented orally to the Plaintiff's at the time of signing of the agreements that the Unit would be complete on schedule by December 2006.

21. To date no date for completion of the Unit has ever been given by the Defendants.

22. On or about the 9th January 2008, the Plaintiffs were advised by the First and/or Second named Defendants that their unit was still unbuild and no dates for building or occupancy were provided.

23. On or about the 9th January 2008 the Plaintiffs requested a full refund from the Defendants in accordance with the provisions of the agreement.

24. In breach of the contracts made between the First Defendant for purchase of a time share either as principal or as agent for the Second named Defendant, the Defendants have failed to deliver the time share Unit identified in the contract between the parties.

25. As a result of the Defendants breach the Plaintiffs have suffered loss.

26. In total failure of consideration on the part of the Defendants and in breach of the contracts between the parties, the Plaintiff was invoiced and paid maintenance fees and special assessments for periods when the Defendants had failed not neglected to build the Plaintiffs Unit to the Second named Defendant.

27. As a result of the Defendants breach the Plaintiffs have suffered loss.

AND THE PLAINTIFF claims:

1. Damages in the following sums:

- (a) April 14 2006; down payment original Unit \$1,967.25
- (b) May 8 2006; final payment original Unit \$16,434
- (c) May 20 2006; full payment Upgrade to Unit 2103 \$12,090
- (d) May 20 2006; down payment for extra week '51' \$2,912
- (e) Financed payments for extra week 17 @ \$520.10 \$8,843.23
- (f) 10th December 2007 Balance for extra week '51' \$21,690.91
- (g) 7th November 2006 Maintenance payment \$1,610
- (h) 9th November 2007 Maintenance payment \$2,410

THIS WRIT was issued by Samson & McGrath, Attorneys-at-Law for the Plaintiff, whose address for service is 3rd Floor Genesis Building, Genesis Close, PO Box 446, Grand Cayman KY1 – 1106, Cayman Islands

Samson & McGrath
Attorneys-at-Law for the Plaintiff

Samson & McGrath

Dated this 24th day of October 2008

If, within the time for returning the Acknowledgement of Service, the Defendant pays the total amount claimed of US\$67,957.39 (including filing fees of CI\$200 and ad valorem filing costs of CI\$579.57) and costs to be taxed if not agreed and bailiffs fees further proceedings will be stayed. The money must be paid to the Plaintiff or his Attorney.

US\$13.50.

- a) The rate of interest is 7.25% per annum.
- b) The date from which interest accrues is the 9th January 2008.
- c) The amount of interest to date of issue of Writ is US\$3,901.03
- d) The amount of interest accruing each day following the issue of this Writ is

STATEMENT REGARDING INTEREST

- 2. Pre and Post Judgment interest in accordance with the Judicature Law (2007 Revision) and the Judgment Debt (Rates of Interest) Rules as amended from time to time.
- 3. Costs
- 4. Such further and other relief as this Court may deem just

Total Sum owed \$67,957.39

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MORRITT PROPERTIES CAYMAN LTD

FIRST DEFENDANT

AND

MORRITTS TORTUGA CLUB AND RESORT LTD

SECOND DEFENDANT

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

1. State the name of the Defendant by whom or on whose behalf the service of this Writ is being acknowledged.

2. State whether the Defendant intends to contest the proceedings (tick the 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).

no

yes

Service of the Writ is acknowledged accordingly

(Signed).....
[Attorney] for
[Defendant in person]
Address for service:

Please complete overleaf

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 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 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:

SAMSON & MCGRATH
3RD FLOOR GENESIS BUILDING
GENESIS CLOSE
PO BOX 446
GRAND CAYMAN KY1 - 1106
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 address and reference]