

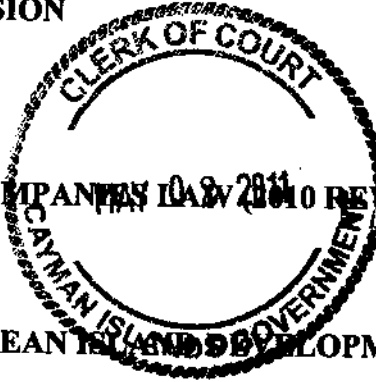
IN THE GRAND COURT OF THE CAYMAN ISLANDS  
FINANCIAL SERVICES DIVISION

CAUSE NO FSD <sup>80</sup> OF 2011

IN THE MATTER OF THE COMPANIES LAW (2010 REVISION)

AND

IN THE MATTER OF CARIBBEAN ISLAND DEVELOPMENTS LTD



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**WINDING UP PETITION**

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**TO THE GRAND COURT**

The humble petition of Kevin Gildner ("the Petitioner"), 30 Piccadily Place, Mankato, Minnesota 56001, USA

- 1 Caribbean Island Developments Ltd ("the Company") was incorporated as a resident company in the Cayman Islands on 29<sup>th</sup> June 2006, registration number 169666. The current registered office of the company 104 The Moorings, 68A Whilwind Drive, Prospect, PO Box 30834, Grand Cayman KY1-1204, Cayman Islands.
- 2 The Petitioner believes that the Company is engaged in the development of land and in particular the construction of a development known as The Islands Resort and Residences at Colliers Block 73A Parcels 29,30,31, 69 and 79.
- 3 The Company is indebted to the Petitioner in the sum of US\$415,000 in respect of an agreement of Purchase and Sale dated the 3<sup>rd</sup> of August 2008 ("the Agreement")

- a. On 3<sup>rd</sup> day of August 2008 the Petitioner entered into a contract for the sale and purchase of number 322 Islands Resorts and Residences (being part of Block 73A parcels 29, 30, 31, 69 and 79 of the Colliers Registration Section of Grand Cayman with the Respondent Company, Caribbean Island Developments Ltd.
  
- b. On 3 August 2008 the Creditor entered into a contract (“the Contract” for the sale and purchase of #322 Islands Resorts and Residences (being part of parcel 103 block 73A of the Colliers registration section of Grand Cayman) with the Vendor, Caribbean Island Developments Ltd (“the Company”). The Contract had a side letter agreement (the Side Letter Agreement”) dated 3 August 2008. By the Side letter Agreement the Purchaser Agreed to transfer the title of #5 Conch point Gardens to the Vendor and pursuant to the the Contract the Vendor would deduct US\$315,000 from the purchase price of the Agreement.
  
- c. On 3 August 2008 in consideration of the Contract the Creditor paid a total sum of US\$100,000. Pursuant to the side letter Agreement the Creditor transferred title to the Purchaser of Conch Point Gardens. The US\$ 100,000 cash and title to Conch Point Gardens represented the Deposit of \$415,000 of the purchase price to the Company.
  
- d. Clause 3.2 of the Contract states, *inter alia*: “In the event that the [Company] has not by the 30<sup>th</sup> day of September, 2010:
  - 3.2.1 completed construction of the [Property]; and
  - 3.2.2 completed the registration of a Strata Plan in connection with the Development; and
  - 3.2.3 received from Registrar of Lands notification that a register has been opened for the [Property]; and
  - 3.2.4 received a Certificate of Fitness for Occupancy for the [Property] from the Central Planning Authority of the Cayman Islands

or in the event that the [Company] has not achieved the above by the 1<sup>st</sup> of September 2010, with the exception of the provisions in Clause 5.2, then either party may by notice in writing to the other rescind this agreement whereupon the [Creditor] shall be entitled to the return of all monies paid hereunder and the [Creditor] shall accept the same in full satisfaction of all claims under this Agreement, and this Agreement shall accept the same in full satisfaction of all claims under this Agreement..

- 4 The Company has not commenced construction of the Development nor have sub-clauses 3.2.1 to 3.2.4 been complied with.
- 5 By a letter dated 8<sup>th</sup> November 2010 the Creditor terminated the Contract in accordance with the foregoing and demanded repayment within 30 days thereof of all amounts credited and paid under the contract (US\$415,000).
- 6 On the 29<sup>th</sup> day of March 2011 the Petitioner served on the Company, by service upon a Director of the Company, Michael Beggs, at the Company's registered office a demand under his hand requiring the Company to pay the said sum, which demand was in the prescribed form.
- 7 Over 3 weeks have now elapsed since the Petitioner served the said demand, but the Company has neglected to pay or satisfy the said sum or any part thereof or to make any offer to the Petitioner to secure or compound the same.
- 8 The Company is insolvent and unable to pay its debts.

The Petitioner therefore prays as follows:

- (1) that Caribbean Island Developments Ltd number 169666 be wound up by the Court under the provisions of the Companies Law (2010 Revision);

- (2) Peter Anderson and Graham Robinson of RHWSW (Cayman) Ltd, Windward 1, Regatta Office Park, PO Box 897, Grand Cayman, Ky1-1103, Cayman Islands be appointed as Joint Official Liquidators
- (3) The Official Liquidators not be required to give security for their appointment;
- (4) The Official Liquidator be authorised to take such steps as may be necessary or expedient for the protection of the Company's assets, and for that purpose may exercise any of the power specified in the Companies Law (2010) Revision without further sanction of the Court, and for the avoidance of doubt such powers may be exercised within and outside the Cayman Islands, Specifically, but without prejudice to the generality of the foregoing, the Official Liquidators shall have the power
- a. To bring or defend any action or other legal proceeding in the name of an on behalf of the Company;
  - b. To take possession of, collect and get in the property of the company and for that purpose take all such proceedings as they consider necessary;
  - c. To carry on the business of the Company so far as may be necessary for its beneficial winding up;
  - d. To engage Attorneys and other professional qualified persons to assist them in the performance of their functions; and
  - e. To engage staff whether or not as employees of the Company) to assist them in the performance of their functions.
  - f. The Official Liquidators be at liberty to apply for further direction concerning their functions and the exercise or proposed exercise of their powers;
- (5) No suit, action or other proceeding may be proceeded with or commenced against the Fund except with the leave of the Court and subject to such terms as the Court may impose;

- (6) The remuneration and expense of the Official Liquidators be paid out of the assets of the Company;
- (7) The Petitioners costs of and incidental to this Petition be paid from the assets of the Company as expenses within the liquidation; and
- (8) That such other order may be made as the Court thinks fit.

AND your Petitioners will ever pray etc

Dated the 20<sup>th</sup> April 2011

Priestleys

**PRIESTLEYS**

*Kevin P. Shill*

*Abby Lane Lozinski 4/20/11*



Abby Lane Lozinski  
NOTARY PUBLIC  
State of Minnesota  
My Commission Expires 1-31-2015

NOTE: It is intended to serve this Petition on the Company and the Company's attorneys Bodden and Bodden, Grand Pavilion Commercial Centre, 802 West Bay Road, PO Box 10335, Grand Cayman KY1-1003.

### **NOTICE OF HEARING**

**Take Notice** that the hearing of this petition will take place at the Law Court, George Town, Grand Cayman on the                    day of                    2010 at                    am/pm.

Any correspondence or communication with Court relating to the hearing of this petition should be addressed to the Registrar of the Financial Service Division of the Grand Court at PO Box 495, Grand Cayman KY1-1106, telephone 345 949 4296.

This Petition was filed by Priestleys, Attorneys-at-Law, for and on behalf of the Petitioners whose address for service is PO Box 30310, Units 11 & 12, Galleria Plaza, 638 West Bay Road, Grand Cayman, Cayman Islands, KY1-1202