



GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION CAUSE NO. FSD OF 2022 ()

BETWEEN:

ORHAN URAL

Plaintiff

AND:

MEX ATLANTIC CORPORATION

Defendant

WRIT OF SUMMONS

TO: MEX ATLANTIC CORPORATION of 190 Elgin Avenue, George Town, Grand Cayman

THIS **WRIT OF SUMMONS** has been issued against you by the above-named Plaintiff c/o Travers Thorp Alberga, PO Box 472, KY1-1106, Harbour Place, 103 South Church St, George Town, Grand Cayman, Cayman Islands in respect of the claim set out on the following pages.

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

Issued this 8th day of March 2022

Travers Thorp Alberga

TRAVERS THORP ALBERGA
Attorneys for the Plaintiff

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.

IMPORTANT

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

STATEMENT OF CLAIM

1. The Plaintiff is a Turkish citizen. The Defendant is a company incorporated in the Cayman Islands under registration number 354945 and whose registered office is at Walkers Corporate Limited. So far as the Plaintiff is aware the Defendant is regulated by the Cayman Islands Monetary Authority with license number 1811316.
2. On or around 29 September 2019 the Plaintiff opened a trading account with Multibank FX International, a company the Plaintiff believes is or was incorporated in the British Virgin Islands. The account was opened online and the Plaintiff deposited the sum of US\$300,000 in order to open the account.
3. On 10 October 2021 the Plaintiff was informed that his account would be transferred to the Defendant and was sent a copy of an agreement containing terms and conditions purporting to apply to his account dated 30 August 2021 (the "Agreement"). The Agreement contained the following express terms, amongst others :

"3.3 All moneys deposited by you to the credit of your account is client money within the meaning of the client money handling obligations and which will be held in an account with an approved foreign bank in accordance with the client money obligations. Client money is held in trust for the clients entitled to it, or if the money is invested in accordance with the client money obligations, the investment is held in trust for the clients entitled to it.

17.4 When your account is in credit, you may request us to send you a cheque or effect payment by alternative means of the amount in credit of such amount as you may specify. But, we may at our discretion withhold from the amount of the credit balance if:

- a. Any overnight position on your account shows a notional loss;*
- b. We reasonably consider that further amounts may be required to meet any current or future margin requirement on open positions due to underlying market conditions;*
- c. If you have any contingent liability to us (or to any of our associates), in respect of any other account open with us;*

- d. We reasonably determine that there is an unresolved dispute between us and you in connection with this Agreement or any margin FX contract or CFD; or*
- e. We consider it necessary or desirable to withhold such amount to comply with our regulatory or legal obligations, and we will notify you as soon as reasonably practicable if we decide to take such action.*

23.1 All money paid to us by you or a person acting on your behalf, or which is received by us on behalf of you, will be held by us in one or more segregated bank accounts. These moneys do not constitute a loan to us and are held on trust by us. You agree and acknowledge that individual accounts of our clients are not separated from each other within the segregated trust accounts operated by us.

35.1 This Agreement, and each margin FX contract, FX option contract and CFD between us and you will be governed by and construed in accordance with the law of the Cayman Islands.

35.2 You and we submit, for the benefit of us only, to the non-exclusive jurisdiction of the courts of the Cayman Islands. For the avoidance of doubt, this Clause 35 will not prevent us from commencing proceedings in any other relevant jurisdiction.”

4. Between 10 October and 28 December 2021 the Plaintiff continued to operate his account pursuant to the Agreement. He made a number of profitable trades. By 28 December 2021 the balance on his account had increased to US\$1,570,138.
5. On 21 December 2021 the Plaintiff received a “Compliance Letter” on behalf of the Defendant. The letter alleged that the Plaintiff was in breach of the Agreement. The alleged breaches related to separate accounts held in the name of companies controlled by the Plaintiff which were regulated in other jurisdictions in any event.
6. The alleged breaches were groundless and wholly unparticularised but in any event had no bearing on the Plaintiff’s personal account. The Plaintiff responded to the “Compliance Letter” on 23 December 2021. On 28 December 2021 the Defendant, acting by its legal department, emailed the Plaintiff in the following terms :

“In accordance with our rights under the Agreements as defined in the Compliance Letter (“Agreements”) and in order to remedy and repair the damages incurred as result of the alleged unlawful activities referred to in the Compliance Letter and in order to prevent similar activities taking place, we have taken steps (in accordance with our rights under the Agreements to close all of the positions and revert your accounts to the original de facto position pending the outcome of the Compliance and Legal Investigation.

Without prejudice to the generality of the foregoing, if the Compliance and Legal Investigation results in satisfactory outcome in your favor, we shall take the necessary steps to compensate you in accordance with the Agreements.”

7. On the same day (28 December 2021) the Plaintiff’s account balance was unilaterally and without his consent reduced from US\$1,570,138 to US\$300,000. This amounted to an unlawful forfeit of all of the profit made by the trades the Plaintiff executed on his account and in respect of which, pursuant to clause 23.1 of the Agreement, the Defendant held on trust for the Plaintiff.
8. The Plaintiff has repeatedly required the Defendant to return its full balance including his profit but, in breach of contract and/or trust the Defendant has failed to return any of the Plaintiff’s balance (including his initial US\$300,000 deposit) and/or has unlawfully converted the Plaintiff’s balance for its own use. In particular :
 - (a) The Plaintiff was not in breach of the Agreement as alleged or at all. The allegations of breach were unparticularised and incomprehensible.
 - (b) Even if (which is denied) the Plaintiff was in breach of the Agreement the Defendant would not have been entitled to forfeit his profit in this way. By Clause 17.4 of the Agreement the Defendant was only entitled to withhold a credit balance where to do not so was necessary or desirable to comply with the Defendant’s regulatory or legal obligations. There were no regulatory or legal obligations which required the Defendant to withhold the Plaintiff’s profit.
 - (c) There were no “illegal activities” undertaken by the Plaintiff nor did the Defendant incur any losses that it was required to remedy or repair.

- (d) There was no “Compliance and Legal” investigation alternatively if there was one it was a sham because there was nothing of substance to investigate.
9. Accordingly the Defendant is in repudiatory breach of the Agreement, which the Plaintiff now accepts. Consequently the Defendant is liable to return in the full balance of the account to the Plaintiff as contractual damages, alternatively damages in equity for breach of trust and/or unjust enrichment, alternatively tortious damages in conversion.

AND THE PLAINTIFF CLAIMS

1. Damages and/or the return of the Plaintiff’s property in the sum of US\$ US\$1,570,138
2. Interest;
3. Costs;
4. Further or other relief.

Dated this 8th day of March 2022



TRAVERS THORP ALBERGA
Attorneys for the Plaintiff

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 495 GT, George Town, Grand Cayman KY1-1106, Cayman Islands.

- 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 (ie., 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.

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 on the Defendant, 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.

IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION

CAUSE NO. FSD OF 2022 ()

BETWEEN:

ORHAN URAL

Plaintiff

AND:

MEX ATLANTIC CORPORATION

Defendant

**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 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 of Summons is acknowledged accordingly.

Attorneys-at-law for the Defendant
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 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 Plaintiffs' Attorney (or by Plaintiff if suing in person) of his name, address and reference, if any, in the box below.

Travers Thorp Alberga
PO Box 472
2nd Floor Harbour Place
103 South Church Street
Grand Cayman, KY1-1106
CAYMAN ISLANDS
(Ref: IEH)

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

[Empty box for defendant's indorsement]