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FINCA PARCS ACTION GROUP vs CAJA DE AHORROS DEL MEDITERRÁNEO (CAM BANK) & SPANISH DEVELOPER, CLEYTON GES SL – 4 DAY TRIAL TO COMMENCE ON MONDAY 21 MAY 2012

70 GROUP MEMBERS SUMMONED TO APPEAR IN PERSON AT THE TRIAL FOLLOWING A REQUEST TO THE COURT AT THE PRELIMINARY HEARING BY THE CO-DEFENDANT – CAM BANK.

FINCA PARCS ACTION GROUP

- **No legally required Bank Guarantees for Off-Plan deposits totalling 1.5 million Euros**
- **Lawsuit against CAM Bank & developer Cleyton GES SL filed in February 2011**
- **First Instance Court Preliminary Hearing held on 12 January 2012**
- **Trial scheduled to last 4 days commencing on Monday 21 May 2012**

OUR MISSION

To recover our Off-Plan Deposits paid in good faith to Cleyton GES SL & Caja de Ahorros del Mediterráneo (CAM Bank), which according to Spanish Law, in particular, LEY 57/68 Article 1.2, ***"must be deposited in a Special Account, with separation from any other funds belonging to the promoter, which may only contain funds deposited for the construction of dwellings. For the opening of these accounts or deposits the Banking institution or Savings bank (in this case CAM Bank), under its responsibility, will demand the bank guarantee to which the previous condition (Article 1.1) refers"***.

THE TRIAL

A 4 day trial will commence on 21 May 2012 in the First Instance Court in Hellín following the filing in February 2011 of a 1000 page Lawsuit against property developer Cleyton GES SL and the funding bank, Caja de Ahorros del Mediterráneo. The Lawsuit was filed in order to recover the off-plan deposits paid to CAM Bank between 2005 and 2007 by **FINCA PARCS ACTION GROUP** members, in relation to their Sales Contracts for the Las Higuericas Finca Parcs development.

70 group members are scheduled to travel at their own expense from various parts of the UK and Ireland to attend the trial at the First Instance Court in Hellín after being summoned to appear in person as a result of a request to the Court by the Co-defendant, CAM Bank.

Group Co-ordinator, Keith Rule, says "It is our inalienable right under Spanish Law, LEY 57/1968, to have our off-plan deposits held in a Special Escrow Account and protected by way of individual Bank Guarantees. Contrary to Spanish Law the developer, Cleyton GES SL together with CAM Bank, who funded the project and accepted the off-plan deposits, failed to protect our money".

"We have been demanding our Bank Guarantees since 2007 and even visited the CAM Bank branch to which our deposits were transferred and also the CAM Business Offices in Murcia and London, however they failed to deal with our complaint. Finally in 2009 before commencing legal action we took our complaint to the CAM CEO, Roberto Lopez Abad and CAM President – Modesto Crespo. They replied by email which stated: "If you do not have a Bank Guarantee then you have no relationship with this Entity".

"Despite abandoning the project in 2009 neither the developer nor CAM Bank returned our money. For the past 3 years the developer has been declared on various Court Judgments as 'whereabouts unknown'. Therefore we were forced into this lengthy, expensive and very stressful legal battle".

Keith continues, "It has been a huge logistical exercise arranging flights, accommodation and airport transfers for the 70 group members; however with all plans finally in place we are now ready to face the developer and Bank in Court. The First Instance Court in Hellín is relatively small and will need to provide interpreters and special facilities to cope with such a large number of claimants appearing at the trial".

BACKGROUND INFORMATION

The group members paid their Off-Plan deposits totalling 1.5 million Euros between 2005 and 2007 for properties at the Las Higuericas Finca Parcs development to CAM Bank accounts opened by the developer Cleyton GES SL.

None of the group members received the legally required Bank Guarantees in accordance with Spanish Law, LEY 57/1968.

The inland development, close to the village of Agramón, is around 15km from Hellín and 80km from Albacete and Murcia. Despite marketing the development for 5 years as a self contained sports and leisure resort, the developer Cleyton GES SL abandoned the site in May 2009 stating that the project was 'financially unviable'. The site with 617 plots divided into 5 Phases still remains abandoned with just 50 Phase 1 properties completed, however due to site defects no property was issued with a First Occupation Licence by Hellín Town Hall.

BANCO DE ESPAÑA & CAJA DE AHORROS DEL MEDITERRÁNEO

At a press conference in September 2011, Bank of Spain Governor Miguel Ángel Fernández Ordóñez called the behaviour of the Banco CAM executives "scandalous" and said the bank was "the worst of the worst" (Lo Peor de lo Peor).

CAM was bought in 2011 by Banco Sabadell for One Euro with future losses being underwritten by the Spanish Government.

FAILURE TO ISSUE BANK GUARANTEES - HUGE PROBLEM IN SPAIN

The situation in which members of the **FINCA PARCS ACTION GROUP** find themselves is similar to that being experienced by many off-plan purchasers in Spain.

More than 500 victims of Off-Plan Property Bank Guarantee Abuse have so far provided detailed evidence to the Bank Guarantees In Spain Petition which can be found on the **BANK GUARANTEES IN SPAIN** website at: www.bankguaranteesinspain.com

There are now several instances of Provincial Court Judgments (Santander, Cantabria, Burgos, Alicante, Murcia etc.), the Supreme Court of Navarra and various First Instance Courts in which Judges have ruled on the liability of the Banks according to LEY 57/1968.

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FIRST INSTANCE COURT - HELLÍN



BANCO CAM



LAS HIGUERICAS, FINCA PARCS



FINCA PARCS
THE REAL SPAIN