

**GRENADA CITIZENSHIP DEVELOPMENT LTD  
CORPORATE STATEMENT FOR IMMEDIATE RELEASE  
SETTING THE RECORD STRAIGHT**

**Levera Nature and Beach Resort, Citizenship by Investment project, St Patrick, Grenada, West Indies**

Grenada's Citizenship by Investment Programme was established by the Citizenship by Investment Act No. 15 of 2013 ("the Act") and commenced operations in 2015. Pursuant to Section 11 of the Act, projects to be managed by bodies and organizations can be approved for investment into by persons seeking Grenada citizenship by investment ("CBI"). Levera Resort Development Ltd ("LRDL") applied for and received approval on February 11, 2015 for Levera Nature and Beach Resort ("the Project"), to be designated as a CBI approved project.

On August 20, 2019 GCDL, as developer of the Project, in order to protect its rights and the rights of third party citizenship investors in the Project, filed a lawsuit in the High Court of Grenada against Levera Resort Development Limited ("LRDL"), the owners of the Project lands, for fraudulent misrepresentation and breach of warranty and wrongful repudiation pursuant to a Sale and Purchase Agreement entered into on March 18, 2016 ("SPA") for the Project lands. GCDL is seeking compensation for loss and damage it has suffered as well as compensation for loss by 35 investors who were approved for citizenship by investment and have invested funds into the Project.

By way of background, on March 18, 2016 GCDL entered into an agreement with LRDL to purchase 256 acres of land, the purpose of which was the development of the Project as a CBI approved project. In order to induce GCDL to purchase and develop the Project lands as a CBI approved project, LRDL represented to GCDL that LRDL would permit GCDL to use its already obtained 2015 CBI approved status of the Project.

The central clause of the SPA (paragraph 1.5) provided: "The Vendor [LRDL] shall permit the Purchaser [GCDL] the use of its Citizenship by Investment approved status of the Vendor's Levera Resort Project..."

The SPA also provided and it was agreed that LRDL would loan to GCDL US\$31,500,000, secured with a mortgage against the 256 acres, which conveyance would proceed upon receipt of US\$3,500,000.

It was originally envisioned that this US\$3,500,000 would be paid by GCDL on or before May 18, 2016. However, despite best efforts by GCDL this payment was not made to LRDL until August 31, 2018.

**Pertinent facts:**

During the period May 18, 2016 until August 31, 2018 LRDL did, in fact, encourage GCDL to proceed with site improvements and construction on the Project lands.

LRDL's directors of record include Lyden Ramdhanny, Earleen Taylor, and Margaret Mc Sween. However, Paul Taylor, negotiated on behalf of LRDL, received funds on behalf of LRDL, and Lyden Ramdhanny often stated (verbally and via email) that Paul Taylor made final decisions for LRDL.

LRDL did, in fact, encourage GCDL to initiate the Project with a formal ground-breaking ceremony held in November 2016 with a keynote speech by the Honourable Prime Minister, Dr. Keith Mitchell.

LRDL did, in fact, encourage GCDL to submit CBI applications to the Grenada Citizenship by Investment Office. Some 35 persons during the period received not only citizenship but also received for their investment an interest in the to be conveyed Project lands.

LRDL did, in fact, agree to accept US\$100,000 per month payments, called “progress payments” beginning in January 2018.

LRDL did NOT, in fact, convey any acreage of the Project lands in spite of being paid a total of over US\$3,500,000 by August 31, 2018. Repeated requests for this conveyance were made by GCDL to the director of LRDL and were refused.

LRDL and GCDL did, in fact, sign a supplemental agreement to the SPA on November 18, 2018 which provided that acreage of the Project lands would be conveyed to meet third party obligations of Levera CBI investors and cottage purchases. This supplemental agreement also reaffirmed and improved the language regarding GCDL’s use of LRDL’s CBI approved project status to GCDL’s affiliate, Turtle Beach Hotel Limited (“TBHL”).

LRDL did, in fact, refuse any and all requests made by GCDL for conveyance of acreage of the Project lands, subsequent to the above mentioned Supplemental Agreement notwithstanding the continued receipt of progress payments in the amount of US\$100,000 monthly from GCDL.

LRDL did, in fact, refuse to help or work with GCDL when Grenada’s CBI Office put GCDL’s use of LRDL’s CBI approved project status under review, beginning October 2018.

On May 2, 2019 the CBI Office did, in fact, inform GCDL that it would no longer accept CBI applications from GCDL for the Project under Section 11 of the Act.

Further on 15 May 2019 GCDL did, in fact, discover that the representation made by LRDL that its approved project status could be used by GCDL was FALSE when, by letter dated April 17, 2019, GCDL received from the CBI Office Chief Executive Officer, Mr. Thomas Anthony, GCDL was informed that the SPA and supplemental agreement did not, in fact, “allow GCDL to use LRDL’s approved project status”.

LRDL did not, in fact, have the power to extend the use of their CBI approved project status and could never have transferred the approved project status to either GCDL or to any of the third party citizenship investors in the Project as the provisions of the Act do not allow any such transfer.

On May 29, 2019 GCDL did, in fact, send a final request for conveyance of acreage of the Project lands to LRDL. Said request was ignored and received no response.

GCDL did, in fact, having determined that it was no longer in its best interest to continue the US\$100,000 progress payments to LRDL due to the inability to evidence ownership of the Project lands and the inability to raise future funds under the CBI program, not make the US\$100,000 progress payment due May 31, 2019 to LRDL. It was not an inability to pay but rather was a refusal to pay due to LRDL’s continued failure to meet any of their obligations under the SPA and supplemental agreement and to assist GCDL in resolving the Project’s CBI approved status.

LRDL did, in fact, in spite of GCDL requesting meetings with LRDL to negotiate and resolve the matter, repudiate the SPA on June 21, 2019, and demand that GCDL remove itself from the Project lands under threat of trespass, lands which GCDL had been developing and improving for approximately 3 years and putting an end to the livelihood of 26 families in St. Patrick's who had been employed.

In good faith, GCDL did, in fact, reach out to LRDL and government officials (this being a CBI Project) repeatedly seeking to bring a resolution to this dispute that had the potential to cause a loss of confidence by those third party investors who have an interest in the Project lands and to severely damage the reputation of Grenada's Citizenship by Investment Program.

On June 25, 2019 GCDL did, in fact, engage the services of attorneys Henry, Henry, and Bristol to secure the interests of GCDL, TBHL, and third party citizenship investors. Pre-action letters were sent to LRDL on 1 August 2019, stating GCDL's intent to pursue all legal remedies due to the fraudulent misrepresentation of LRDL as well as breach of warranty.

On August 6, 2019 GCDL did, in fact, learn that there was to be an official relaunch of the Levera project supported by government officials via conferences in China scheduled for August 18, 20, and 22, 2019.

On August 9, 2019 LRDL did, in fact, inform GCDL via their attorney, Dickon Mitchell, that LRDL had "disposed of its property, as it is entitled to".

Subsequently it was discovered by GCDL that on August 2, 2019 LRDL did, in fact, sell the Project lands to Singapore Heng Sheng (Grenada) Development PTE LTD that was incorporated on May 8, 2019 (6 days before GCDL received the letter from the CBI Office on May 8, 2019 suspending receipt of CBI applications indicating the inability to use LRDL's CBI approved project status).

On August 22, 2019, LRDL did, in fact, through their new attorney, Alban M. John, via letter, state that LRDL "has no assets worldwide exceeding US \$19,510,831.00 in value"—this despite selling the 256 acres of Levera Land on August 2, 2019 for US \$35,000,000 as discovered via deed of conveyance between LRDL and Singapore Heng Sheng (Grenada) Development PTE LTD.

All of these actions did, in fact, occur while GCDL was seeking meetings in good faith with LRDL and government officials to find a resolution to the matter and to protect third party citizenship investors.

During the 3 year custody of the project GCDL raised approximately USD\$11,300,000 in CBI investment. Of this approximately USD\$1,750,000 was paid to the government as CBI fees, USD\$1,400,000 in commissions to promote and market the Project internationally, USD\$4,300,000 in payments to LRDL for the land, and the balance of approximately USD\$3,850,000 was used for hard and soft development and construction costs including (but not limited to) infrastructure and site improvements, cottage construction, materials, labor, freight, duties, taxes, legal, travel, equipment, equipment rental, third party vendors (electrical, plumbing, etc), project management, and accounting services.

#### **Legal action:**

On August 20, 2019 GCDL's attorneys, Henry, Henry & Bristol filed a claim for **loss of US\$19,510,831.00** and damages for **fraudulent misrepresentation** and **breach of warranty** and **wrongful repudiation** against LRDL as well as a claim for damages against attorney at law, Dickon Mitchell, for breach of

fiduciary duty and/or breach of contract and/or negligence having advised both LRDL and GCDL on the SPA knowing that the interests of both parties conflicted.

On August 21, 2019 Justice Raulston Glasgow ordered that a Freezing Injunction **be made against LRDL** restraining it from removing from the jurisdiction of the court the sum of US\$19,510,831.00 including the sum of US\$35,000,000 being the proceeds of sale from the property by LRDL to Singapore Heng Sheng (Grenada) Development PTE. LTD.

**Opinions:**

It is the opinion of the directors of GCDL that LRDL has been running a confidence game from the very beginning. Despite receiving over USD\$4,300,000 in payment not a single acre of the Project lands was ever conveyed to GCDL. Above and beyond this it is also the opinion of GCDL's directors that LRDL did knowingly induce GCDL and third party investors to put funding into the Project and improvement of the Project lands despite knowing it was not possible to permit others to use its CBI project approved status.

Further it is the opinion of the directors of GCDL that these conscious actions taken by LRDL and others during the period May to August 2019, have been, to say the least, reckless and have directly caused the second failed CBI approved project in Grenada in the span of 1 year as no provisions have been made by either LRDL or the CBI Office/Government for the third party CBI investors who signed contracts with GCDL and its affiliates.

Further it is the opinion of the directors of GCDL that certain officials of the government of Grenada, specifically Gregory Bowen (Deputy Prime Minister) and Percival Clouden (Chairman, Citizenship by Investment Committee), knowingly agreed to participate with the purchaser of the Levera lands, Singapore Heng Sheng (Grenada) Development PTE LTD, in conferences in China despite knowing that there are 35 Levera CBI investors who were dispossessed of their investment as the Project lands sale occurred.

Notwithstanding GCDL will continue to seek legal redress for itself and those CBI investors, dozens of whom themselves are now Grenadian citizens.

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28 August 2019  
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