

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	
COUNTY OF HORRY	)	C/A No. 2025-CP-26-_____
St. Maarten Sea Palace Timeshare Owners Association, Inc.,	)	
	)	
Plaintiff,	)	SUMMONS
	)	
vs.	)	
	)	
CRG Acquisitions, LLC, Capital Resorts Group, LLC d/b/a Capital Vacations, and CRG Club Trust, Inc.,	)	
	)	
Defendants.	)	

TO THE DEFENDANTS NAMED ABOVE:

YOU ARE HEREBY SUMMONED and required to answer the Complaint in this action, a copy of which is herewith served upon you, and to serve a copy of your Answer to the Complaint upon the persons whose names are subscribed below, at 211 King Street, Suite 300, Post Office Drawer H, Charleston, South Carolina 29402, within thirty (30) days after the service hereof, exclusive of the day of such service; and if you fail to answer the Complaint within the time aforesaid, judgment by default will be rendered against you for the relief demanded in the Complaint.

Respectfully submitted,

Barnwell Whaley Patterson & Helms, LLC

s/ K. Michael Barfield

K. Michael Barfield (S.C. Bar No. 69400)

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Counsel for Plaintiff St. Maarten Sea Palace Timeshare Owners Association, Inc.

July 31, 2025

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COUNTY OF HORRY	)	C/A No. 2025-CP-26-_____
St. Maarten Sea Palace Timeshare Owners Association, Inc.,	)	
	)	
Plaintiff,	)	
	)	
vs.	)	PLAINTIFF'S COMPLAINT
	)	
CRG Acquisitions, LLC, Capital Resorts Group, LLC d/b/a Capital Vacations, and CRG Club Trust, Inc.,	)	
	)	
Defendants.	)	

1. Plaintiff St. Maarten Sea Palace Timeshare Owners Association, Inc. (the “Association”) is a not for profit corporation headquartered in Philipsburg, St. Maarten, in the Dutch Caribbean.

2. Defendant CRG Acquisitions, LLC is a South Carolina Limited Liability Company headquartered in Myrtle Beach, South Carolina.

3. Defendant Capital Resorts Group, LLC d/b/a Capital Vacations is a Delaware Limited Liability Company with its principal place of business in Myrtle Beach, South Carolina.

4. Defendant CRG Club Trust, Inc. is a Florida Corporation that holds title to the Timeshare Interests discussed herein and which is operated and/or controlled by one or more of the other defendants.

5. The Defendants are hereinafter collectively referred to as the “CV Entities.”

6. This action is brought pursuant to that certain Sales and Marketing Agreement (“S&M Agreement”) entered into by Plaintiff and the CV Entities on or about August 20, 2020.

7. The S&M Agreement states that any disputes arising therefrom are to be adjudicated in Horry County, South Carolina and that South Carolina Law shall apply. Therefore,

this Honorable Court has jurisdiction over the parties and the subject matter of this Action. Further, venue is proper in this Court.

8. Under the terms of the S&M Agreement, the Association is obligated to give the CV entities clear and marketable title to 500 timeshare interests, referred to therein as VOIs, which Plaintiff has done.

9. Including their affiliates, both existing under new and/or created in the future under the terms of the S&M Agreement, the CV Entities have the right to market and sell the VOIs that they own to third-party purchasers and/or continue to own them in order to offer them for use by members of the CV Entities' own affiliated vacation club or other "CV Programs."

10. Under the S&M Agreement, the CV Entities are required to pay annual maintenance fees associated with all of the VOIs that it owns. That language in the S& M Agreement serves to confirm that the CV Entities carry the same obligations and responsibilities as all owners within the Association, specifically as to the payment of annual maintenance fees.

11. In the aggregate, the maintenance fee obligation for the 500 VOIs owned by the CV Entities comprises a significant portion of the Association's annual operating budget.

12. The Association is also a party to a Resort Management Agreement ("Management Agreement") with Capital Vacations Resort Management III, LLC ("CVRM III") dated on or about August 20, 2020, and set to expire in December of 2025.

13. CVRM III is a Delaware Limited Liability Company that is part of the same network of corporations and LLCs as the CV Entities, all of which are controlled from Myrtle Beach, South Carolina.

14. Section 5 (a) of the S&M Agreement prohibits the Association from engaging with another company to sell its VOIs during the Agreement term and for a period of 12 months after the expiration or termination of the S&M Agreement.

15. Additionally, the S&M Agreement states that if the Management Agreement expires and is not renewed, or if it is terminated for any reason, that shall constitute an event of default under the S&M Agreement.

16. Over the course of the term of the Management Agreement, the Association has become increasingly dissatisfied with the management services provided by CVRM III.

17. The Association has expressly conveyed their frustration and dissatisfaction to CVRM III and to the CV Entities numerous times.

18. To the surprise and dismay of the Association, the CV Entities have made it clear that the termination or nonrenewal of the Management Agreement and the S&M Agreement for an additional 3-year term, will result in the termination or nonrenewal of the S&M Agreement AND that upon the termination of the latter, the CV Entities intend to simply dump all of the 500 VOIs they presently own back onto the Association and cease to pay the maintenance fees associated with those VOIs, effective immediately.

19. The CV Entities have expressly stated that they understand that shirking their maintenance fee payment obligations is not contemplated by the terms of the S&M Agreement and would constitute a breach of their obligations as owners, pursuant to that certain document entitled, "St. Maarten Sea Palace Declaration of Covenants, Conditions and Restrictions." (Hereinafter, the "Declaration").

20. The CV Entities also have expressly acknowledged they understand that the effect of ceasing to pay maintenance fees as required could result in the financial ruin of the Association

and in fact, that they have threatened to do so for the express purpose of coercing the Association to renew both the Management Agreement and the S&M Agreement, and the Rental Guarantee Agreement. This is especially true if the CV Entities intend to invoke their rights under Section 5 (a) of the S&M Agreement, thereby preventing Plaintiff from attempting to mitigate the financial blow of the CV Entities' exit by attempting to engage with another party to perform similar sales and marketing services and pay the maintenance fees associated with the VOIs.

21. As referred to above, the Association maintains a Dissolution Policy that allows timeshare owners to walk away from their timeshares.

22. However, pursuant to the Dissolution Policy, exiting owners are obligated to pay maintenance fees on their timeshares for two years after giving written notice of their intent to exit, and they must be current on all maintenance fees, special assessments, and other financial or otherwise obligations and have a debt free account.

23. The purpose of the Dissolution Policy is to ensure the continuity and stability of the Association's cash flow until a new purchaser replaces an exiting owner.

24. Just like any owner, the CV Entities are bound to make regular maintenance fee payments on all units owned, pursuant to Section 15 of the Declaration.

25. The CV Entities are bound by the Declaration and a document entitled, "Dissolution Program", or "Dissolution Policy" like every other owner within the Association.

26. The Association does not dispute the CV Entities' right to refuse to renew the Management Agreement or the S&M Agreement; however, the Association does not agree with the notion that the termination of the Management Agreement and/or S&M Agreement relieves the CV Entities of their separate obligations to continue to pay maintenance fees on the 500 VOIs they own.

FOR A FIRST CAUSE OF ACTION
(Declaratory Judgment)

27. Plaintiff repeats and realleges each and every allegation of Paragraphs 1 through 25 as if fully set forth verbatim herein.

28. Plaintiff seeks a Declaratory Judgment construing the S&M Agreement, the Declaration, the Dissolution Policy, and any other documents and/or testimony generated by the parties and finding the CV Entities do not have the right to walk away from their obligations to pay maintenance fees on the 500 VOIs they currently own in the amount of \$209,834.00, which financial obligations and interest continue to accrue, simply by terminating the S&M Agreement and attempting to dump said VOI's back to Plaintiff.

29. Further, the CV Entities are obligated to continue to pay such maintenance fees for two years, pursuant to the terms of the Dissolution Policy.

30. Should the CV Entities fail to pay maintenance fees as required, they shall be liable to Plaintiff for damages commensurate therewith, and Plaintiffs may seek such relief from this Court.

FOR A SECOND CAUSE OF ACTION
(Anticipatory Breach of Contract/Specific Performance)

31. Plaintiff repeats and realleges each and every allegation of Paragraphs 1 through 29 as if fully set forth verbatim herein.

32. The Declaration imposes contractual obligations upon the owners of timeshares within the Plaintiff Association.

33. The CV Entities are owners with obligations like any other owners under the Association's governing documents, including the Declaration. Those governing documents create contractual obligations between the parties.

34. The CV Entities have anticipatorily breached their contractual obligations by stating unconditionally and unequivocally that they do not intend to abide by the S&M Agreement, the Declaration or the Dissolution Policy, unless Plaintiff, against its will, renews both the S&M Agreement and the Management Agreement for an additional 3-year term.

35. Specifically, the CV Entities have made it clear that they will cease to pay maintenance fees for the roughly 500 VOIs they agreed to obtain pursuant to the terms of the S&M Agreement, and have acknowledged that doing so would cause irreparable financial harm to the Plaintiff. As such, Plaintiff demands specific performance of the CV Entities obligations, pursuant to the Declaration to immediately pay the \$209,834.00 that Defendant has owed for months, plus interest, and to continue to pay maintenance fees for two years, pursuant to the terms of the Dissolution Agreement, should the CV Entities elect to divest themselves of ownership of any of the VOIs they currently own.

FOR A THIRD CAUSE OF ACTION
(Breach of Contract)

36. Plaintiff repeats and realleges each and every allegation of Paragraphs 1 through 34 as if fully set forth verbatim herein.

37. Under the terms of the S&M Agreement, Defendants were required to purchase 500 weeks of timeshare interest and pay the maintenance fees associated with those interests.

38. To date, Defendants have refused to consummate the purchase of 243 of those timeshare interests and refused to pay the associated maintenance fees totaling \$209,834.00, plus interest.

39. These constitute material breaches of the S&M Agreement as well as the implied covenant of good faith and fair dealing.

40. Plaintiff has incurred damages in the amount of \$209,834.00 in addition to pre-and post-judgment interest and attorneys' fees and Court costs.

FOR A FOURTH CAUSE OF ACTION
(Violations of the South Carolina Unfair Trade Practices Act)

41. Plaintiff repeats and realleges each and every allegation of Paragraphs 1 through 39 as if fully set forth verbatim herein.

42. Defendants have engaged in heavy-handed and illegal conduct in their dealings with Plaintiff including the tying of the Management Agreement to the S&M Agreement.

43. Upon information and belief, Defendants have operated, and continue to operate, in this fashion in order to allow themselves to underperform their obligations under the Management Agreement without negative consequences to Defendant.

44. Additionally, Defendants have breached the S&M Agreement in part as described above and anticipatorily breached the S&M Agreement in its entirety in order to gain an unfair advantage over Plaintiff in order to coerce Plaintiff remaining in business with Defendants in perpetuity.

45. Such misconduct is capable of repetition and upon information and belief has been repeated with possibly over 200 timeshare resorts Defendant currently manages.

46. Additionally, Defendant is holding Plaintiff hostage by not allowing Plaintiff to mitigate the financial blow to it by finding a replacement company to pay the maintenance fees for the 500 weeks Defendant owns.

47. Such behavior affects the public interest as it impacts the very existence of timeshare associations and the quality of the ownership/vacation experience they offer.

48. As such, Plaintiff is entitled to actual damages, treble damages and attorneys' fees.

NOW THEREFORE, Plaintiff prays for the following relief from the Court:

1. A declaratory judgement finding that Defendants may not abandon their obligation to pay maintenance fees on the 500 timeshare interests they have and/or immediately upon the cancellation or non-renewal of the parties' Sales and Marketing Agreement;
2. An award of \$209,883.00, plus interest, for their breach of the Sales and Marketing Agreement and the Declaration to date, and treble damages;
3. Reasonable attorney fees;
4. Injunctive relief in the form of an Order requiring Defendants to continue to pay maintenance fees on all 500 timeshare interests that they have for as long as they do so or, alternatively that they must pay two years' worth of maintenance fees or special assessments for any timeshare interests of which they choose to divest themselves pursuant to the Dissolution Policy;
5. Removing Clause 5 (a) from the Sales and Marketing Agreement in its entirety as against public policy which would have a chilling effect on Plaintiff and the other over 200 timeshare resorts Defendant manages; and
6. Any other relief that this Court may deem appropriate.

Barnwell Whaley Patterson & Helms, LLC

s/ K. Michael Barfield

K. Michael Barfield (S.C. Bar No. 69400)

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***Counsel for Plaintiff St. Maarten Sea Palace
Timeshare Owners Association, Inc.***

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Charleston, South Carolina