

\$3.3 Million Jury Verdict In Commercial Litigation

On September 14, 1998, a Palm Beach County jury awarded Mr. Phillip Carnes and his wife NanC \$3,271,725.61 in a case against Great Harbour Cay Realty and Investment Company, Limited, a Bahamian Corporation. The Carnes were represented by attorney Jack Scarola.

Mr. Carnes was hired in 1989 as the CEO of a group of entities involved in developing a major real estate project in the Berry Islands in the Bahamas. The project focused primarily on Great Harbour Cay and other surrounding islands. The development activities had begun a decade earlier and included

a large marina, airport, hotel, golf course, private residences and attendant infrastructure such as roads, power plants and water treatment plants.

Mr. Carnes had a previous ownership interest in the project, but lost that interest when the group ran out of development capital in the 1970s.

In 1989, Mr. T. D. Fender took over the project and sought out Mr. Carnes to assist him due to his extensive prior experience with the project.

Although Mr. Carnes began working on the project in 1989, it was not until **Continued on Page Three**

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July 1991 that the business relationship was formalized in a written contract. Under the terms of the contract, Mr. Carnes was authorized to hire his wife, NanC, as a secretarial assistant and was promised a compensation package which included cash severance benefits and a 10% interest in the value of the corporation overseeing the further development activities. After accomplishing many of the major tasks for which he was responsible, Mr. Carnes was terminated in September 1992. Upon termination, Mr. Fender refused to pay Mr. Carnes.

Jack Scarola undertook Mr. Carnes' representation shortly after his termination and continued to represent him for the following six years, both in prosecuting his claims against his former employer and defending a variety of related actions brought in an effort to justify his termination. A jury rendered a verdict representing 10% of the value of the corporation, as well as the severance benefits due the Carnes. Additionally, the Carnes are entitled to be reimbursed for attorneys fees and costs in amounts yet to be determined by the court. ■