

RESS RELEASE

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High Court in London orders LAP to pay invoices in the sum US\$ 15 million

On 21 September 2012, Catalyst Managerial Services (“CMS”) issued a claim against the Libyan Africa Investment Portfolio (“LAP”) in the High Court, London. CMS carried out management services for LAP in 2009/10. In August 2010, LAP lawfully ended the engagement, disappointed with CMS’s performance. More than two years after the engagement ended, CMS claimed various sums from LAP, including US\$ 15,422,924 in relation to alleged outstanding invoices, and more than US\$ 525,000,000 in damages for alleged wrongful termination. LAP denies CMS’s claims entirely.

In August 2014, a further two years after the claim was issued, CMS applied for summary judgment with respect to the part of its claim relating to the alleged outstanding invoices. The summary judgment application was heard before Master Kay Q.C., sitting in the Queen’s Bench Division of the High Court in London. On 15 July 2015, Master Kay Q.C. ordered LAP to pay to CMS US\$ 15,422,924 with respect to the alleged outstanding invoices.

Whilst recognising the present difficulties in Libya, Master Kay Q.C. placed importance on the fact that, as at the date of the summary judgment hearing, LAP had been unable to procure direct evidence from LAP personnel who dealt with CMS during the relevant period. Accordingly, Master Kay Q.C. held that LAP had no real prospect of successfully defending the claim with respect to the alleged outstanding invoices. LAP rejects Master Kay’s decision, both in terms of the findings of fact made (which were based solely upon the uncorroborated evidence advanced by CMS’s witnesses) and by reference to the relevant legal principles which apply to summary judgment cases. LAP intends to appeal the summary judgment decision at the earliest opportunity.

Master Kay Q.C.’s judgment has no bearing on the remainder of CMS’s claim for damages for alleged wrongful termination, which is to be determined by way of full trial at a later date, and in relation to which LAP denies that any sums are due.

Commenting on CMS’s claims, Ahmed Kashadah, LAP’s Managing Director, said “LAP was specifically established as a future generation fund for the people of Libya. It is therefore our duty to protect these assets from abuse, from both internal and external forces, who have sought to leverage the current instability that prevails in the country to the detriment of the fund. Consequently, we are prepared to continue our defence of our position through the courts.”