

KIIZA APPLIED FOR A LOAN OF SH300M TO BE PAID IN 48 MONTHS

BY BARBRA KABAUMUZA
AND MICHAEL ODENG

MINISTER DRAGGED TO COURT OVER SH151M LOAN

The Masindi Municipality MP and Minister of State for Bunyoro Affairs, Ernest Kiiza, has been dragged to the Commercial Court over sh151m debt, owed to dfcu Bank.

Dfcu, through their lawyers, are seeking to recover the said debt, being the unpaid loan obtained from Global Trust Bank with interest at an agreed rate of 17% per annum on the sums due from the date of filing until payment in full and costs of the suit.

Court documents indicate that the legislator applied for a salary loan facility from Global Trust Bank, of sh300m, which was granted to him payable within a period of 48 months.

However, the MP defaulted on his payment obligation, thus his arrears accumulated to sh151m, as at September 18, 2014.

“Despite various reminders and demands, the defendant has not heeded the demands to pay the plaintiff,” the bank

contends in documents submitted to court.

According to the bank, the claim is of a liquidated nature and ought to be recoverable by way of a suit and the legislator has no defence to the claim.

The bank says notice of intention to sue was served to the MP, upon which he requested for a statement of his loan account and the same, inclusive of the breakdown of his debt, were served to him showing the outstanding balance.

The court registrar, Thaddeus Oopen, has directed the legislator to file his defence within 10 days, warning that if he fails to do so, the bank shall proceed



Ernest Kiiza of Masindi

with the suit and judgment will be delivered in his absence.

Oopen explained that the application for leave to appear and defend this suit

“The bank says notice of intention to sue was served to the MP, upon which he requested for a statement of his loan account

shall be made by filing in the court an application to that effect supported by affidavit

or declarations showing that there is a defence to the suit on the merits of the case.

An affidavit is a formal written statement setting out the facts of a case. It is the main way you present evidence (facts of the case) to a court. It must be sworn, or affirmed, usually before a Justice of the Peace, Commissioner of Oaths or solicitor, as a true record.

Oopen further revealed that a day for the hearing of the application will be fixed at the time when the same is filed in court.

Efforts to reach the legislator, were futile, as he was not picking his phone calls.

In July, last year, Kiiza was kicked out of Parliament after

the High Court found him guilty of electoral malpractice. The court presided over by Justice Elizabeth Nahanya nullified his victory and ordered for fresh elections. The ruling followed a petition by former Bujenje MP, Kabakumba Matsiko.

According to Kabakumba, during the election period, Kiiza gave out five crates of soda and 25 bags of cement to Kabalye Miracle Centre, constructed wells at Bulyango 1, Kibwona, Kirasa and Kabalye settlement in Masindi municipality and put inscriptions “funded by Ernest Kiiza Apuuli,” which she termed as electoral offense.

Dissatisfied with the court’s decision, Kiiza appealed. The Court of Appeal judges, led by deputy Chief Justice Steven Kavuma, recently ruled in favour of Kiiza nullifying the lower court’s ruling directing that fresh elections in Masindi be conducted.

According to the judges, Kabakumba showed no sufficient evidence linking MP Kiiza to the alleged bribery of voters.