

the logistics and engineering directorate has been transferred to MPU as the officer in

become the in charge of discipline at MPU. Moses Karakire Musinguzi was transferred

Aryampa from Gulu, were also transferred to MPU, although without stipulated portfolios.

and their charges should be dismissed in the interest of fairness and justice," he said.

Swedish agency wants Multiplex declared insolvent over sh2.8b debt

By Andante Okanya

Sweden has petitioned court in Kampala to declare city street parking manager Multiplex Limited insolvent, over a \$785,285 (about sh2.8b) debt.

Swedish government entity National Export Credits Guarantee Board Exportkreditnämnden (EKN), filed a petition at the civil division of the High Court on Monday. Insolvency is the term used to describe a company's inability to meet its debt obligations when due for payment.

Through AF Mpanga Advocates, EKN wants court to

declare that Multiplex should cease conducting business over breach of contract resulting from a debt that has been pending since 2010.

The debt allegedly stems from a credit facility extended by Atlas Copco Customer Finance to Multiplex. EKN promotes exports by Swedish companies through issuing export credit guarantees to Swedish exporters. Accordingly, it is the petitioner by virtue of being the assignee in law of the rights of Atlas. EKN wants a pronouncement that Multiplex is unable to pay its debts.

"The petitioner humbly prays that this honourable

court declares and orders that Multiplex Limited be wound up and a liquidator appointed over its assets," the petition requests.

The petition is supported by affidavits of EKN legal counsel Victor Wilding, Atlas Trade Finance and Structured Finance head Jonas Gunnar Axel Kalfors and Atlas vice-president Group Treasury Esther Anna Ulrica Simu Vesterlund.

How the debt arose

Court documents show that Multiplex signed a purchase agreement with manufacturer Dynapac for Dynapac Compaction construction equipment valued at \$973,045

(about sh3.5b). Multiplex requested Atlas to partly finance the purchase by paying the manufacturer \$827,088 (about sh3b). In May 2010, Multiplex executed a supplier credit agreement number 203490 with Atlas, which paid the sh3b.

EKN provided Atlas with a guarantee under the export credit scheme. EKN guaranteed that it would indemnify Atlas in respect of claims in the event that Multiplex failed to pay under the agreement.

Subsequently, Dynapac supplied equipment to Multiplex, which acknowledged receipt. EKN contends that Multiplex has failed to honour

its obligations, with the debt escalating daily.

"It was a fundamental term of the supplier credit agreement between Multiplex and Atlas that Multiplex would repay the sums advanced in 36 monthly instalments commencing August 31, 2010 and ending July 31, 2013 as set out in appendix 4 of the agreement," the petition states.

Documents further show that in light of the default, the loan payment was rescheduled. As at March 30, 2012, the debt stood at \$853,851, with the new payment plan of 48 monthly instalments. The first instalment date was due May 31, 2012 and

last instalment due April 30, 2016. But the reschedule did not yield fruit, as the default continued.

EKN contacts Multiplex

In a letter dated July 11, 2017, EKN requested Multiplex to pay \$826,285. Subsequently, a statutory demand notice dated September 25, 2017 was sent to Multiplex. The notice lapsed on October 24, 2017.

In a letter dated October 30, 2017, EKN warned Multiplex that insolvency proceedings would be instituted. Court filings show Multiplex payment receipt of \$41,000 dated November 3, 2017.

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