THE REPUBLIC OF UGANDA

IN THE HIGH COURT OF UGANDA AT KAMPALA

(COMMERCIAL DIVISION)

MISCELLANEOUS APPEAL NO. 1559 OF 2022

(ARISING OUT OF MISC. APPLICATION NO. 1100 OF 2022)

(ARISING OUT OF CIVIL SUIT NO. 0680 OF 2022)

1. **CAIRO BANK UGANDA LTD**
2. **EXIM BANK UGANDA LTD :::::::::::::::::::::::::::::::::: APPELLANTS**

VERSUS

JOHN KANYAGO :: RESPONDENT

BEFORE: HON. LADY JUSTICE HARRIET GRACE MAGALA

[An appeal against the ruling of H/W Nakitende Juliet, Ag. Assistant Registrar delivered on 5th October 2022 vide Miscellaneous Application No. 1100 of 2022]

JUDGMENT

[1] Background

The 1st Appellant through a facility letter dated 21st October 2019 advanced to M/s Teopista & Jesus Holdings Ltd, herein, the 'borrower,' loan facilities amounting to Ugx 6,000,000,000/- (Uganda Shillings Six Billion only) and the facility was secured by mortgages registered on properties comprised in LRV 4409 Folio 10 Plot 3 Martin Road and Kyadondo Block 265 Plot 3180 at Bunamwaya both in the name of Teopista Nabbale, ('the mortgagor') herein 'mortgaged properties.'

The 2nd Appellant through a facility letter dated 10th September 2018 advanced to M/s Teopista and Jesus Holding Ltd (Borrower) a loan facility which was secured by mortgage on property comprised in Kyadondo Block 244 Plot 541 at Kisugu in the name of Nabbale Teopista, herein 'mortgaged property.'

The Borrower defaulted on repayment of the loan facilities and the Appellants advertised the mortgaged properties for sale to recover their respective outstanding sums on the facilities.

The Respondent, who is alleged to be a spouse to the Mortgagor (Teopista Nabbale), thus filed Civil Suit No. 0680 of 2022 against the Appellants and Teopista Nabbale (the mortgagor) before this honorable court for declarations that the mortgaged properties were matrimonial property, the alleged mortgaging and advertising of the mortgaged properties was fraudulent and illegal and a permanent injunction against the Appellants amongst other remedies.

Subsequently, the Respondent filed Miscellaneous Application No. 1100 of 2022 for a temporary injunction restraining the Appellants from advertising for sale, selling or auctioning the mortgaged properties until final disposal of the main suit.

On the 5th day of October 2022, the learned acting deputy registrar of this honorable court at the time, H/W Nakitende Juliet granted the orders under Misc. Application No. 1100 of 2022. Hence this Appeal.

[2] The Appeal

The Appellants filed this Appeal before the honorable court under **Order 50 rule 8 and Order 52 Rules 1, 2 & 3 of the Civil Procedure Rules S.I 71-1**, as amended.

I have noted that this Appeal is cited as an *'Appeal from the ruling of Her Worship Juliet H. Hatanga, issued on the 5th October 2022.'* However, the ruling on record was delivered by **H/W Juliet Nakitende**. It is therefore prudent to correct the record and state that this appeal is from the ruling of **H/W Juliet Nakitende** not **H/W Juliet H. Hatanga** as stated by the Appellants.

This Appeal seeks the following orders:

1. *That the learned registrar erred in law and fact when she found that the Respondent will suffer irreparable damage that cannot be atoned for by an award of damages.*
2. *That the learned registrar erred in law when she declined to order the Respondent to deposit in court 30% of the outstanding loan sum.*
3. *That the ruling of the learned registrar allowing the application for an order of a temporary injunction in Misc. Application No. 1100 of 2022 be set aside and be substituted with an order dismissing the application and;*

4. *In the alternative, the Respondent be ordered to deposit in this honourable court a sum of Ugx 5,544,389,946/- being 30% of Ugx 18,481,299,821/- which is the total outstanding sum due to the Appellants.*

[3] Representation

At the hearing of this Appeal, the Appellants were jointly represented by M/s MMAKS Advocates whereas the Respondent was represented by M/s Sebbowa & Co. Advocates.

Both parties filed their respective submissions before this honorable court and the court has taken into consideration the pleadings and submissions of the parties to determine the matter.

[4] Decision on the preliminary objections

The Respondent raised two preliminary objections. The first was whether the appeal was incurably defective and the second was whether the application out to be dismissed for failure to comply in a timely manner with the directions of the court.

a) *Whether the appeal of the 2nd Appellant is incurably defective?*

Counsel for the Respondent submitted that in order to competently present the appeal, evidence must be led by the 2nd Appellant to the effect that it is among others dissatisfied with the decision being appealed against and such evidence is by way of affidavit as provided for under **Order 50 Rule 8 of the Civil Procedure Rules** and **Order 52 rule 3 of the Civil Procedure Rules S.I 71-1** as amended. He submitted that the appeal of the 2nd Appellant was not supported by an affidavit and there was no written authority from the 2nd Appellant authorizing the 1st Appellant or their authorized representative to depose the affidavit on behalf of the 2nd Appellant. Counsel relied on the case of **Luggya *Andrew –vs- Kikonyogo Richard & Anor., Civil Application No. 248 of 2021***.

For the Appellants, it was submitted that the argument of the Respondent was misconceived because **Order 50 rule 8 of the CPR** provides for appeals from the registrar to proceed by way of notice of motion that contains grounds of appeal, and itself can commence an appeal and an affidavit is merely required to adduce the record of the registrar without any new evidence. Therefore, **Order 52 rule 3 of the CPR** is distinguishable from **Order 50 rule 8 of the CPR**.

In rejoinder the Respondent emphasized that when a notice of motion is filed without an affidavit in support, there is no application filed. He cited and relied on the case of **Uganda *Commercial Bank versus Abaasi Kibirige and another Civil Appeal No. 59 of 1991*.**

Order 50 rule 8 of the Civil Procedure Rules states that:

> "*Any person aggrieved by any order of a registrar may appeal from the order to the High Court. The appeal shall be by motion on notice".*

Order 52 Rule 3 of the Civil Procedure Rules states that:

> "*Every notice of motion shall state in general terms the grounds of the application, and where any motion is grounded on evidence by affidavit, a copy of any affidavit intended to be used shall be served with the notice of motion".* Emphasis is mine.

Whereas I agree with counsel for the Respondent that a notice of motion which is not supported by an affidavit is incompetent and ought to be dismissed, the notice of motion under **Order 50 rule 8 of the CPR** is different from the ordinary notice of motion that relates to ordinary applications that are provided for under Order 52 rule 3 of the CPR.

Under **Order 50 rule 8 (supra)**, an appeal takes the form of notice of motion. The case of ***FX Mubuuke Versus UEB Miscellaneous Application No. 098 of 2005 (unreported)*** defines an Appeal as rehearing of substantial questions of law or fact by an appellate court. The **Black's Law Dictionary 11th Edition at page 121** defines an appeal as:

> *"A proceeding undertaken to have a decision reconsidered by a higher authority's the submission of a lower court 's agency's decision to a higher court for review or possible reversal".*

The general principle is that an appellate court should not travel outside the record of the lower court and cannot take additional evidence on appeal. The other principle is that there must be an end to litigation. However, it is only in exceptional circumstances and court in exercise of its inherent powers that court can admit additional evidence. **See Michael Mabikke vs Law Development Center – Supreme Court Misc. Application No. 16 of 2015 and Attorney General vs Paul Kawanga Semogere – Supreme Court Constitutional Application No. 2 of 2004.**

Therefore, just like ordinary appeals that are commenced by a memorandum of appeal which sets out the grounds of the appeal, in the instant case the notice of motion is the tool through which the appeal is commenced against the orders of the registrar. This does not require the Appellants to file an affidavit(s) in support of the appeal. In the instant case, the current matter is not an application but rather an appeal. It is not grounded on evidence but rather arguments and questions of both fact and law.

I am therefore in agreement with the Appellants' counsel that the Appellants notice of motion need not be supported by the affidavit of the second Appellant.

Therefore, this objection fails.

b) *Whether the application ought to be dismissed for failure to comply in a timely manner with the directions of the court.*

The Respondent submitted through his lawyers that none of the directives of the court were complied with by the Appellants because the notice of motion was served upon them on 4th January 2022. Counsel relied on **Direction 7 of The Constitution (Commercial Court) Practice Directions S.I 6** and therefore prayed that this appeal ought to be dismissed.

In reply, the counsel for the Appellants stated that as stated in their rejoinder, the failure to comply with the directions was due to an error on ECCMIS that linked a different law firm to this matter and thus the Appellants were not receiving email notifications of the matter They only became aware after being served with Respondent's affidavit in reply and submissions. It was the submission of the Appellants that failure by the Appellants to adhere to the court directives did not prejudice the Respondent in any way.

Direction 7 of The Constitution (Commercial Court) Practice Directions S.I 6 states that:

> *"Failure by a party to comply in a timely manner with any order made by the commercial judge in a commercial action shall entitle the judge, at his or her own instance, to refuse to extend any period of compliance with an order of the court or to dismiss the action or counterclaim, in whole or in part, or to award costs as the judge thinks fit."*

The **Directions (supra)** are intended to facilitate fast handling of cases before the commercial court as can be deduced from their objectives. This therefore helps in the reduction of case backlog in the Division. It is therefore important that the parties adhere to the guidelines or directives set forth by the presiding judge. The consequences for non-compliance are severe and include dismissal of the suit or an award of costs. The court however must take into consideration the circumstances of each case before penalizing the non-compliant party.

In the case of ***Seruwagi Mohammed Versus Yuasa Investments Ltd HCCS No. 0334 OF 2013*** **Hon. Christppher Izama Madrama J** (as then was) after a careful consideration of a number of authorities on the matter observed that:

> *"Where a party fails to comply with the timelines ordered by court, the following principles would be applied in considering whether to grant an extension of time. The first principle is to identify and assess the seriousness and significance of the failure to comply with any rule, practice, direction or court order. (This principle is embodied in the above cited the rule). If the breach is neither serious nor significant, the court is unlikely to need to spend time on the second and third stages of the principles. The second stage is to consider why the default occurred. Lastly the third stage is to evaluate all the circumstances of the case so as to enable the court to deal justly with the application."* (Emphasis is mine)

This court on the 22nd day of November 2022 directed the Appellants to serve the notice of motion not later than 7th December 2022, the appellants to file written submissions of not more than 5 pages by 14th December 2022 and the Respondent files their reply by 22nd December 2022 and rejoinder of the Appellants by 10th January 2023. However, the notice of motion was served on 4th January 2023, almost twenty-seven days from the date upon which it ought to have been served. The Appellants in their affidavit in rejoinder deposed by one Stella Ladona Watanga stated under paragraph 2 that the appeal was filed online under the ECCMIS system and by error it was linked to another law firm which meant that the Appellants' lawyers were not able to receive the notification that the Notice of Motion was issued and endorsed with court directives by the presiding judge.

Considering the principles stated in ***Seruwagi Mohammed –vs- Yuasa Investments Ltd (supra)*** I note that the ECCMIS is a new initiative/system introduced by the judiciary to streamline the management of cases in the judiciary

and often times has had technical issues in its operation. The system is aligned and linked to the credentials of the user i.e. user account and email at the enrolment stage of the user. There is no cogent evidence on record proving how the error happened or what caused the error of delinking the Appellants' lawyers account to then linking it to another law firm. The notifications on the ECCMIS system are prompt, both on email and on the user account on the system.

However, considering the seriousness or significance of the failure to comply with the directions, the late service of the notice of motion affected the flow of the exchange of the pleadings in this matter in as far as parties ended up filing their pleadings and submissions out of time. The court was not able to promptly pronounce its decision within the limited time available after the parties had exchanged pleadings.

The last principle to consider are all the circumstances of the case, so as to enable the court to justly deal with the application. This is an appeal which revolves on serious matters around mortgaging of property, the interests of the parties and has substantial impact on the commercial industry within the country.

The fact that there was default in compliance with court directives which was attributed to the ECCMIS system (user account). The consequences of failure to follow up an account managed by the Appellants' advocates should be attributed to and be borne by the Law Firm and not the Appellants. It has been held in a plethora of cases that negligence or mistake of counsel shall not be visited on the innocent litigant. **See Banco Arabe Espanol – vs – Bank of Uganda- SCCA No. 8 of 1998**

Further to the above, no prejudice has been occasioned to the Respondent. In the case of ***Hussain Jivani Versus Merali Jivra Tajdin HCCS No. 471 of 2015,*** the court in the interest of justice allowed the plaintiff who had delayed in filing witness statements to be heard.

This court therefore, in the interest of justice and in exercise of its inherent powers allows this appeal to be heard on its merits. However, such behavior of noncompliance with court directions is strongly discouraged.

[5] Resolution of the grounds of Appeal

The grounds of this appeal were argued by counsel for the parties in the order they were framed.

1. *The learned registrar erred in law and fact when she found that the Respondent will suffer irreparable damage that cannot be atoned for by an award of damages on the premises that no amount of money can compensate loss of a home or source of livelihood in Kampala.*

Counsel for the Appellants argued that the finding of the learned registrar was contrary to the principles for grant of temporary injunction where irreparable damage is defined in the case of ***Kiyimba Kaggwa Versus Hajji Abdu Nasser Katende (1988) HCB 43*** to mean damage that cannot be adequately compensated in damages. It was his submission that Kyadondo Block 244 Plot 541 at Kisugu and LRV 3271 Folio 6 Plot 3 at Martin Road are commercial buildings which are rented out and the only loss that the Respondent would suffer if any, would be loss of rental proceeds that are monetary in nature and they could be atoned for by an award of damages which the Appellants are in position to pay should the suit succeed. Further, that property comprised in Block 245 Plot 3180 at Bunamwaya being residence of the mortgagor can as well be atoned for by damages as it had already been valued and mortgaged to the 1st Appellant. Learned Counsel for the Appellants cited and relied on the case of ***Kakooza Abuduallah Versus Stanbic Bank Misc. Application No. 614 of 2014***, and argued that the property pledged as security if sold cannot lead to irreparable loss or damage regardless of whether it is matrimonial home or spiritual house since there is anticipation of the risk that the property stands being sold off by the lender in case of default.

For the Respondents, it was submitted that irreparable damage does not mean physical possibility of repairing injury but injury that must be substantial or material and it cannot be adequately compensated in damages. To support his argument, counsel for the Respondent relied on the case of ***Amos Rwamashodi Versus Gatrida Nalwoga and another HCMA 774 of 2022***.

It was further submitted for the Respondent that this suit involved breach of statutory provisions of law, that's section **26(1) and (2) and Section 19 (2) and (3) of the Mortgage Act 2009**, which cannot be atoned by way of grant of damages. He cited the case of ***Parul Ben Barot Versus Victoria Finance Company Ltd HCMA No. 319 of 2017*** to support this argument.

Irreparable damage is defined by the **9th Edition** of the **Black's Law Dictionary** as damage that cannot be easily ascertained because there is no fixed pecuniary standard measurement. In ***Giella v. Cassman Brown & Co. [1973] E.A 358***, it was held that the term irreparable injury does not mean that there must not be

physical possibility of repairing the injury, but it means that the injury or damage must be substantial or material one that is; one that cannot be adequately atoned for in damages.

At page 7 of the learned registrar's ruling, she observed that:

> *"Irreparable injury would in the instant case be occasioned to the applicant who will have lost a home and source of income for his livelihood and more importantly no amount of money can compensate loss of a home and source of livelihood in Kampala. This ground is proved by the applicant."*

The Appellants argued that there was no irreparable loss to be suffered on mortgaged properties since at the mortgaging, the sale was contemplated upon before execution of the loan agreement. However, I should note that the case of ***Kakooza Abdudullah Versus Stanbic Bank (supra)*** that is being relied upon by the Appellants is distinguishable since in that case, the applicant was a party to the loan agreement both as a mortgagor and borrower and he duly executed the loan agreements and the mortgage documents/deeds.

In the present matter, the Respondent alleges to be a spouse to the mortgagor and that he never signed any of the documents relating to the loan transaction being contested. It is agreed by both parties that the mortgagor at the time of the grant of the loan facilities declared to be single and not married.

Among the contested properties, includes property comprised in Block 245 Plot 3180 at Bunamwaya; which is alleged to be used as a residence of the Respondent and his family. In the case of ***Adam Kirumira and another Versus Kamala Lalani and another CACA No. 270 of 2023***, the Court of Appeal observed that the 1st Applicant would be likely to suffer irreparable damage if the contested property, being a residential home and house hold was to be sold.

The other mortgage properties comprised in Kyadondo Block 244 Plot 541 at Kisugu and LRV 3271 Folio 6 Plot 3 at Martin Road are commercial properties where the Respondent derived income and as stated under paragraph 8 of the affidavit in support of Misc. Application No. 1100 of 2022, the Respondent was likely to be evicted together with his tenants since he was in the occupation of the mortgaged properties. This was his source of income.

The creation of a mortgage over the matrimonial property is the subject of the main suit. That is, that the consent of the Respondent was not obtained before

the property was mortgaged and therefore, according to the Respondent, the mortgage was illegal. For this property, the court cannot order for it to be sold otherwise the main suit would be moot.

However, regarding the commercial properties , I do not agree with the finding of the learned registrar that if they were disposed of the Respondent would suffer irreparable damage that may not be atoned for in damages. In any event, there was no suggestion from the Respondent that the Appellants could not pay the damages.

Further to the above, once anyone walks through the doors of a financial institution, borrows money and pledges his or her property as security, there could only be one of many results in the event that there is a default on the loan repayment. **Section 20 of the Mortgage Act, 2009** on Remedies of the mortgagee states that:

> "Where the mortgagor is in default and does not comply with the notice served on him or her under section 19, the mortgagee may—
> (a) require the mortgagor to pay all monies owing on the mortgage;
> (b) appoint a receiver of the income of the mortgaged land;
> (c) lease the mortgaged land or where the mortgage is of a lease, sublease the land;
> (d) enter into possession of the mortgaged land; or
> (e) sell the mortgaged land.

The Appellants, opted to proceed under **section 20(e) of the Mortgage Act**. In the circumstances, disposing of the properties would not in my considered opinion amount to irreparable loss since it is one of the expected outcome when one defaults on mortgage repayments. In the case of **Maithya vs Housing Finance Company of Kenya & Anor [2003] 1EA at page 133,** the court held that property pledged as security is valued before the lending and loss of property by a sale is contemplated by the parties even before the security is formalized. In such a case, an award of damages would be an adequate remedy. This position was reaffirmed in the case of **Matex Commercial Supplies Ltd. & Anor vs Euro Bank Ltd. (In Liquidation) [2008]1 EA at page 216** where it was held that any property which is offered as security for a loan/over draft is made on the understanding that the property stands a risk of being sold by the lender if default is made on the payment of the debt secured.

2. *The Learned Registrar erred in law when she declined to order the Respondent to deposit in court 30% of the outstanding loan sum.*

The Appellants submitted that under **Regulation 13(1) of the Mortgage Regulations 2012**, a spouse intending to stop a prospective sale of the mortgaged property was required to pay 30% of the forced sale value of the mortgaged property or the outstanding sum before the court issues an order stopping the sale under mortgage. Counsel for the Appellants cited the case of ***Masiko Medard versus Equity Bank Uganda Ltd HCMA No. 0204 of 2022*** where the court set aside an application for interim order stopping sale on the basis of non-payment 30% deposit under regulation 13 of the mortgage regulations.

The learned counsel emphasized that the findings of the learned registrar on the basis that there was no valuation of the mortgaged property prior to sale and failure to give notices to the spouse are erroneous because the requirement of notices under section 26 of the Mortgage Act arise when the property is matrimonial home but in this case, the mortgagor declared under oath that she was not married and thus the Respondent was unknown to the Appellants and that further the properties comprised in Kyadondo Block 244 Plot 541 at Kisugu and LRV 3271 Folio 6 Plot 3 at Martin road are commercial buildings and cannot be matrimonial homes.

Further, that **regulation 13(1) (supra)** allows court discretion to order the mortgagor or spouse to deposit 30% of the forced sale value or the outstanding amount. In this case, the court ought to have considered the 30% deposit of the outstanding amount that was not contested by the Respondent. Thus the learned registrar did not exercise her discretion judiciously by solely relying on the absence of a valuation of the mortgaged properties.

On the other hand, the Respondent's advocate submitted that under **regulation 13(6) of the Mortgage Regulations**, the imposing of 30% deposit is discretionary. He cited ***Parul Barot Versus Victoria Finance Co.Ltd HCMA 319/2017*** where it was held that **regulation 13** can be applied after the property has been valued and the forced sale value of the property ascertained otherwise it would be a breach of statute and since the Appellants never valued the mortgage property and served notices onto the Respondent, the 30% deposit provision ought not be imposed by this court on the Respondent.

Counsel further submitted that if the order was not granted unconditionally, the Respondent will be evicted from the suit properties and thereby homeless, poor and will not afford the 30% deposit. Learned counsel relied on the case of ***Nakato Margaret Versus Housing Finance Bank ltd and another HCCA No. 687 of 2021*** where **Hon. Mubiru Stephen, J** laid down the factors to consider when imposing the 30% deposit.

In rejoinder counsel for the Appellants submitted that contest was on the learned registrar basing her decision solely on the non-valuation of property yet regulation 13(1) supra has the option of paying 30% of the outstanding sum as well.

That the case of ***Nakato Margaret Versus Housing Finance Bank ltd (supra)*** is distinguishable since herein the mortgagor declared on oath that she was unmarried and thus the bank had discharged its duties.

Regulation 13 of the Mortgage Regulations, 2012 provides that the court may on the application of the mortgagor, spouse, agent of the mortgagor or any other interested party and for reasonable cause, adjourn a sale by public auction to a specified date and time upon payment of a security deposit of 30% of the forced sale value of the mortgaged property or outstanding amount.

In the case of ***Nakato Margaret V Housing Finance Bank Ltd*** **(supra), Hon. Stephen Mubiru** observed at page 6 of his ruling that:

> *"Regulation 13 of The Mortgage Regulations, 2012 is an enactment of the principle "pay now, argue later." It is designed to restrict the ability of the mortgagor to use litigation or the courts, to vexatiously delay the realization of money due to the mortgagee. It is intended to reduce the number of frivolous objections to sales by a mortgagee and guarantee that the mortgagee will not be unnecessarily prejudiced by a delay in payments, inevitably occasioned by litigation. It ensures that the mortgagees are not left out of pocket due to the time that lapses over the course of litigation, while on the other hand encouraging a mortgagor to hasten the progress of litigation so as to improve on its ability to expand its business, or pay debts, or to mitigate any detrimental effect imposition of the condition may have had on the mortgagor's liquidity."* (emphasis added)

Recently, the Court of Appeal in ***Ferdsult Engineering Services Ltd and another Versus ABSA Bank Ltd and another Constitutional Petition No. 18 of 2021,*** sitting

as the Constitutional Court, while holding that **Regulation 13 of the Mortgage Regulations** is not unconstitutional in as far as the right to hearing was concerned, observed that,

> *"The requirement to make a deposit under Regulation 13(1) is clearly devised to stop frivolous and vexatious mortgagors from frustrating mortgagees seeking recovery of monies rightfully owed. The Regulation is necessary to protect mortgagees from unnecessary adjournments or stoppage of sales that would result in satisfaction by defaulting mortgagors."*

In the case of ***John Mutegeki Versus Tropical Bank Ltd and other HCMA No. 109 of 2016*** the court observed that the provision of **Regulation 13(1) (supra)** was mandatory.

In the instant case, the learned registrar found that she could not strictly apply the provisions of **Regulation 13(1) of the Mortgage Regulations** since the Appellants had not proved compliance with serving statutory notices and valuation of the mortgage property.

With due respect to the learned registrar, by concluding that there was none service of statutory notices under **Section 26 of the Mortgage Act, 2010**, she was descending into the merits and demerits of the main suit. The question of compliance with the required statutory notices is an issue to be determined by the court upon full hearing of the parties and it would be premature to make a conclusion at the hearing of the temporary injunction application like my learned sister did.

Upon an application being made under **Regulation 13 (supra)**, the question before court is whether to grant or deny the application on the terms of the construction of the Regulation and the facts before the court. Under **Regulation 13(6) of the Mortgage Regulations**, the court shall determine if that spouse shall be required to pay the 30% deposit or not.

The Respondent relied on ***Nakato Margaret V Housing Bank Ltd (supra)*** which set out the considerations for the application of 30% deposit on the applicant but in that case, the court emphasized that in determination of this question, consideration is on the case by case basis, in other words, each case on its own facts.

In the present case, save for property at Bunamwaya which is a residential home, the other two mortgaged properties are commercial properties. The justification for a 30% deposit is to offer the Bank an equitable remedy for purposes of security in case the order for the injunction is made.

I find that the learned registrar thus erred in declining to order the payment of 30% of the outstanding loan sums.

This appeal partially succeeds and the Respondent is hereby ordered to pay the Appellants Ugx. 5,544,389,946/= being 30% of the outstanding loan amount of Ugx. 18,481,299,821 within 30 days from the date of delivery of this Judgement. Each party shall bear their own costs.

Dated at Kampala and delivered electronically on ECCMIS this 9th day of November 2023.

Harriet Grace Magala

Judge