



The National Gas Company of Trinidad and Tobago Limited

## Media Statement

### NGC V SIS and Rain Forest Resorts Limited

July 18, 2018

1. Proceedings are pending before the High Court which have been adjourned to December 2018. Those proceedings involve allegations of fraud against SIS and RFRL and seek remedies in respect of same.
2. Arbitration proceedings were commenced by NGC against SIS in October 2016 seeking to recover more than TT\$400 million from SIS arising out of the breach of contract by SIS leading to its termination. NGC has at all times taken steps to diligently prosecute those proceedings and continues to do so. SIS is due to file its Defence to NGC's claim this month.
3. The sub judice rule prevents parties including their attorneys from commenting on matters that are before a court or tribunal for judicial determination. Breach of the rule is punishable by contempt.
4. Mr Ramesh Lawrence Maharaj S.C. speaking on behalf of both SIS and RFRL held a press conference at his Chambers today during the course of which he made statements relating to the pending proceedings designed to or capable of prejudicing the fair hearing of the above proceedings. NGC does not propose to do the same.
5. However, there were several inaccuracies in the statements made by Mr Maharaj which NGC finds it necessary to correct. The facts are as follows:
  - (i) In terminating the contract with SIS for breach in November 2015, NGC sought and acted upon the advice of Senior Counsel.
  - (ii) SIS has never offered NGC an undertaking not to dispose of its assets up to the value of TT\$180 million pending the hearing and determination of the arbitration proceedings.

(iii) The Court of Appeal in a decision dated 12 June 2017 found that NGC was right to reject any undertakings offered by NGC and stated:

“We are also of the view that NGC would not be sufficiently safeguarded by an undertaking in the form suggested by counsel for both SIS and Rain Forest, namely an undertaking by SIS not to deal with the real property forming the subject matter of the claim. This is because the conduct complained of, namely: (i) the fraudulent mortgage/debenture transactions; and (ii) the releases thereof in breach of the trial judge’s order, casts serious doubts on the reliability of both SIS and Rain Forest to honour any undertakings given.”

(iv) The Court of Appeal and the Privy Council refused SIS and NGC leave to appeal the decision of the Court of Appeal.

(v) The freezing injunction which was granted on 23 December 2015 and which has continued in force since that date is in standard form and includes a provision stating that the injunction will cease to have effect if NGC makes provision for security in that sum by another agreed method.

(vi) SIS has never availed itself of the opportunity to provide security by another method.

(vii) Judgments registered against SIS operate as charges on the assets of SIS thereby encumbering its assets so that they are not available for execution if NGC succeeds in the arbitration.

(viii) In March 2018 SIS allowed one such judgment in the sum of \$18,386,289.66 to be entered against it by failing to enter an appearance to the claim.

(ix) NGC has at all times acted prudently, in its commercial interest and in the public interest in seeking to recover millions of dollars from SIS which were overpaid during the currency of the contract or which are due to NGC arising out of SIS’s breach of contract.