

6 JAN 1996

Court-Pengiran

FEDERAL COURT DISMISSES APPEAL BY BRUNEI SULTANATE DESCENDANTS

KUALA LUMPUR, Jan 6 (Bernama) -- The Federal Court here today dismissed an application for leave by twin brothers, who are descendants of the Brunei Sultanate, to appeal against the Appeal Court decision upholding a High Court decision striking out their suit against the developer of the RM1.2 billion Karambunai International Golf and Beach Resorts.

Chief Justice of the Federal Court Tan Sri Mohamed Eusoff Chin, who sat with Court of Appeal President Tan Sri Lamin Yunus and Federal Court Judge Datuk Wan Adnan Ismail dismissed the application with cost after hearing submissions from the parties involved.

Mohamed Eusoff said the court's decision was by majority. The grounds of judgment would be given later.

Last March 27, Court of Appeal judges Gopal Sri Ram, Datuk N.H. Chan and Datuk Siti Norma Yaakob, unanimously dismissed the appeal with cost and affirmed the Kota Kinabalu High Court order.

Pengiran Othman Shah Pengiran Mohamad Yusoff and Pengiran Ahmad Shah Pengiran Mohamad Yusoff, 29, appealed against the High Court decision on Oct 22, 1994, striking out their suit without a full trial.

The brothers, were represented by former Lord President Tun Mohamed Salleh Abas who was assisted by counsel Datuk Dr Yaacob Merican and Jonathan Yasin.

In their suit, they named Karambunai Resorts Sdn.Bhd., Lipkland Holdings Sdn.Bhd, Datuk Chen Lip Keong and the Sabah Land and Survey Department director as respondents.

Chen is Karambunai Resorts managing director. Karambunai Resorts was formerly known as Lipkland Holdings Sdn.Bhd. of which Dr Chen was also managing director.

Chen, Karambunai Resorts and Lipkland Holdings were represented by counsel Marina Tiu while the Sabah Land and Survey Department director was represented by Senior State Counsel Juprin Wong Adamal.

In their suit, the twins, who owned 1,541.2 hectares of land in Karambunai, Menggatal, Sabah, held under 999-year lease from March 23, 1898, sought to nullify the agreements made with Karambunai Resorts, claiming that the deals were not beneficial to them.

They claimed that before attaining the age of majority they had, on or about August 1982, been influenced to enter into agreements with the developer.

They claimed that by reason of their inexperience in business and commerce, they had relied on Dr Chen's advice and assurance that the terms of the agreements benefited them.

They had also asked for a declaration that they were the rightful owners of the land.

The twins had also sought for an injunction to restrain the respondents from developing, using or doing anything on the land or to sell, transfer, charge, sub-divide, sub-lease or dispose of or deal with any part of their land.

The billion ringgit Karambunai International Beach Resort was launched by Prime Minister Datuk Seri Dr Mahathir Mohamad on April 3, 1994.

The twins had to date been paid a total of RM10,856,714.79 by the developer.

Under the agreements, they and their descendants would get an annual income of RM75,000 for 99 years with increments tied to the progressive

development of the leased land and a further increment of 10 percent every 10 years.

The brothers inherited the land from their mother, who was a direct descendant of the Brunei sultanate. -- BERNAMA