

Federal Court: Elegant Advisory can't sue Umno
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Umno does not deal with middlemen for its supply of election paraphernalia, its lawyer Mohd Hafarizam Harun told the Federal Court today.

NONEHe was submitting today against a leave application by Elegant Advisory Sdn Bhd to reinstate its RM218 million suit against Umno, filed in 2008.

"We (Umno) do not deal with middlemen. We deal directly with sub-contractors who print and supply election paraphernalia," he said.

Hafarizam (left) was referring to the party's out-of-court settlement with four sub-contractors that had filed a suit against Umno over non-payment for election paraphernalia in 2006.

The lawyer said that, if Elegant Advisory is seeking payment, it should have applied together with the other sub-contractors.

Lawyer Yusfarizal Yusof, representing Elegant Advisory, submitted that Umno tried to settle the matter and had held several meetings with the company to pay up, but nothing had come of this.

"This shows there is some form of contract, albeit oral, and Umno is obliged to pay," he said.

"There is also evidence of delivery orders which was submitted to the court, showing that a deal had been made."

Both the company and kuala berang by-election 260804 elegant advisory closeup 02Umno have not disputed the fact that Elegant Advisory had delivered and supplied the material, he said.

Yusfarizal submitted that the company did not provide documents on the billings at the striking-out stage, as it felt that these should be tendered during a full trial.

He said that only a few documents had been provided for the High Court's consideration pending a full trial.

Yusfarizal said, in the suit filed by the four sub-contractors, it was agreed that Elegant Advisory had directed them to print, produce and deliver the campaign materials.

He suNONEbmitted there was privity of contract in this case, which denotes that reasonable cause of action can be instituted against Umno.

However, the three-member bench led by Chief Judge of Sabah and Sarawak Richard Malanjum dismissed the leave application. Sitting with him in the unanimous decision were Justices Zulkefli Ahmad Makinudin and Md Raus Sharif.

Malanjum, held that no new legal issues had been produced under Section 96 of the Court of Judicature Act for the court to grant leave.

Malanjum told Yusfarizal that his client should have supplied all its documentary evidence. He also advised the company to ensure that it signs a written contract in future dealings.

Company may seek review

Elegant Advisory chief executive officer Samsuddin Ibrahim said the company will consider seeking a review of the decision, as he feels that it has strong grounds for its application.

"I will discuss with my lawyers and depending on the Felda Kemahang's suit against Felda case tomorrow, which is also subject for a review, we will decide on the next course of action," he told reporters outside the courtroom.

Samsuddin claimed he has elegant advisory receipt of deliver to umno division in kelantan during 2004 election 110808vidence as to why Umno had hired a contractor (middleman) in the supply of election paraphernalia.

"Where in the world would you have sub-contractors only and not main contractors," he asked.

Samsuddin said Elegant Advisory faces an uphill task in pursuing the suit, as the testimony could reveal that Umno and BN had violated election offences for spending more than the stipulated ceiling.

"With the out-of-court settlement with the four sub-contractors in 2006, Umno has paid more than RM8 million to them to stop the legal action. This brings to question as whether Umno had breached the Election Act by spending more than what had been stipulated," he said.

"This (court) action will be a true revelation of what happen behind the scenes in the 2004 election campaign. Hafarizam knew all about this as he was present at most of the discussions and has also tried to arrange a settlement with us."

Samsuddin hinted that only Umno could have placed the order, given that it knows its election candidates in advance.

"I had to make all these arrangements with several sub-contractors including some in China to supply the materials within a short span of time," he said.

"I am the only person who recognises which campaign material comes from which company, as all of it is coded by me."

Samsuddin said that, if his umno standardlegal action is not right, Umno could have instituted action against him or the company for making a false claim. This, he said, showed that a deal had been made and that "middlemen like us had been appointed" to help Umno to secure the campaign material.

It was previously reported that Elegant Advisory had begun negotiating with potential poll merchandise suppliers - some of which are the country's top printers - in late 2003 on the supposedly 'lucrative government contract'.

In its suit, the company had claimed breach of promise by Umno, in that the party had not paid for the supply of election campaign material in 2004.

It named former Umno administration and finance secretary Ishak Abdul Rahman and Umno as the defendants. The company had obtained judgment in default against Umno at the initial stage before this was set aside.

The Kuala Lumpur High Court had struck out the suit last year, saying the matter need not go for full trial. In an unprecedented move, Justice Anantham Kasinater went into the merits of the case at the preliminary stage.

On appeal at the Court of Appeal in April 28 this year, the judges upheld the decision although they recognised that the High Court judge was wrong to look into the merits so early in the case.

Elegant Advisory then applied to the apex court to reinstate the suit. Although there was no written judgement from the Court of Appeal, the Federal Court decided to hear the leave application today.

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