



PRESS RELEASE

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OEM Liquidation: Claims against Government to be heard in Court

Her Majesty's Government of Gibraltar and the Liquidator of the OEM group of companies have been in dispute for some time now as to whether or not the Government is liable to pay the Liquidator compensation in respect of certain property developments taken over by the former Government from OEM companies in 2007.

The sum claimed by the Liquidator is £ 6,977,738, or alternatively £8,614,643, as well as interest and costs against HMGOG.

It will be recalled that the GSD administration had also granted an unsecured loan to OEM in the sum of £ 4,000,000. The liquidator is also seeking a release and discharge of all the liabilities in respect of this loan.

Given that it has not been possible to settle that dispute, the Government and the Liquidator have decided that the most appropriate way to determine the dispute is to refer it to the Supreme Court.

Accordingly, a claim has now been filed in Court by the liquidator, Mr Freddie White of Messrs Grant Thornton, after prior notification to the Government, which will shortly be filing its defence.

The case is expected to take some months at least.