

**MIL-TEC CORPORATION LIMITED**

RAGNAL HOUSE, 18 PEEL ROAD, DOUGLAS-ISLE-OF-MAN

7th DECEMBER 1994.

THE MINISTER OF DEFENSE,
REPUBLIC OF RWANDA,
BUKAVU.
ZAIRE.

YOUR EXCELLENCY,

RE: OUTSTANDING PAYMENT.

We refer to a meeting held in Nairobi on the 5th December 1994 at your Embassy, with His Excellency the Minister of Finance His Excellency the Ambassador to Kenya and Col Kayumba Cyprien.

The meeting was arranged by MIL-TEC, after months of uncertainty and loss of contact due to the current situation in Rwanda and most of all the lack of communication.

Your excellency, as you are well aware, we have been suppliers to your Ministry for over 5 years, and were able to assist you with supplies during your time of need.

We were asked to supply goods in April and May of 1993 (ANNEX 1 AND 2) for which we were promised payment but never paid.

We were approached for very urgent supplies on the 10th of April 94, after the tragic death of His Excellency the President, we received this urgent request from Col Kayumba, Major Tereraho and finally from the, then Minister of Defense Augustin Bizimana, as you will see our first shipment was delivered 8 days later at this time we insisted to the then Minister for the outstanding payment and we were assured these would be paid forthwith, the schedule of our shipments amounts of our invoices and payments received are reflected in our statement (ANNEX 3).

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CORSERA



Payments were made to us from Kigali, Belgium, France and Cairo, we also received 1 payment of 450.000 dollars from one of your suppliers (DYL INVESTMENTS) who was unable to fulfil his delivery commitments to you, but had been paid by your Ministry.

A transfer of U.S.Dollars 578.645.00 was effected from Cairo for our last shipment on 18/7/94, we however never received the payment, we reported this matter to Col Ksyumba, Mr. Bizimana and Mr. Zikamabhari of your Cairo Embassy, who informed us that the funds had been blocked in the U.S. We believe the blockade was initiated by the U.S. due to the situation in Rwanda at that time.

It was suggested by some of your officials that the amount of U.S.\$ 578,645.00 was received by us, we enclose a confirmation from our Bank (ANNEX 7) we can assure you, that had we received this payment we would not be making any claims for it.

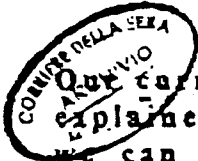
We spoke to Major Tereraho on various occasions, who confirmed to us the receipt of all the goods in good order.

We also believe that we were the only suppliers who successfully supplied your Government with goods, where as your other suppliers did not perform despite having been paid for the goods in question.

As you are aware that the credit given to you is against borrowing from Commercial Banks and as such we have to charge you interest at the rate of 1.25% per month, from the time the money has been outstanding.

You will realize that we have gone out of the way to assist your Ministry in times of need.

CORSERA



Current and very difficult financial situation has been explained to His Excellency, the Minister of Finance, and we can not express our very serious problems with our Bankers because of this long outstanding of U.S.Dollars 1,708,313.09 as per (ANNEX 3) plus the interest as per (ANNEX 4-5 AND 6).totaling to U.S.Dollars 254,062.90 respectively, making a grand total outstanding of U.S.Dollars 1,962,375.90

Under the circumstance we will be obliged if you would kindly review the above situation urgently and we await your most urgent action and settlement.

May we also add that we are able to assist you in the future if you so require.

Yours sincerely,

A handwritten signature consisting of a vertical line intersected by a diagonal line.

**FOR AND BEHALF OF:
MIL-TEC CORPORATION LTD.**

c.c. HIS EXCELLENCY THE PRIME MINISTER
HIS EXCELLENCY THE MINISTER OF FINANCE
HIS EXCELLENCY THE AMBASSADOR TO KENYA
COL KAYUMBA CYPRIEN
MAJOR TERERAHO CYPRIEN
MR.BIZIMANA AUGUSTIN (FOR INFORMATION)

Traduction non officielle

MIL-TEC CORPORATION LIMITED
Ragnal House, 18 Peel Road, Douglas-Isle-of-Man

07.12.1994

Monsieur le Ministre de la Défense
République du Rwanda
Bukavu
Zaire

Nous nous référons à la réunion tenue à Nairobi le 5 décembre 1994 à votre ambassade avec le Ministre des Finances, l'Ambassadeur du Kenya et le Colonel Cyprien Kayumba.

La rencontre a été organisée par MILTEC, après des mois d'incertitude et des pertes de contact dues à la situation au Rwanda et la faiblesse des moyens de communication.

Comme vous le savez, nous avons été vos fournisseurs pendant cinq ans, et nous avons été en mesure de vous approvisionner à temps et en fonction de vos besoins.

On nous a demandé de fournir des marchandises en avril et mai 1993 (annexe un et 2) : le paiement promis n'a pas été effectué.

On nous a contactés pour des approvisionnements urgents le 10 avril 1994, après le tragique décès du Président ; cette demande venait du Colonel Kayumba, du Major Tereraho et finalement du ministre de la défense Augustin Bizimana ; notre première livraison intervenait 8 jours plus tard et nous avons alors réclamé les paiements en attente ; on nous a donné l'assurance que les paiements seraient effectués sans délai. Voir le détail de nos expéditions et le relevé de nos factures en annexe.

Les paiements ont été faits de Kigali, de Belgique, de France et du Caire ; nous avons reçu aussi un paiement de 450 000 dollars de l'un de nos fournisseurs, qui n'avait pas rempli ses engagements envers vous, mais qui avait déjà été payé par votre Ministère.

Un virement de 578 645 dollars a été effectué du Caire pour notre dernière livraison du 18 juillet ; mais nous n'avons pas reçu le paiement et en avons référé au Colonel Kayumba, à M. Bizimana et à M. Zikamabhari de votre ambassade au Caire, qui nous ont informés que les fonds étaient bloqués aux Etats-Unis. Nous pensons que ce blocage a été causé par une initiative américaine due à la situation au Rwanda à cette époque.

Certains de vos collaborateurs ont insinué que nous avons reçu les 578 645 dollars ; nous joignons une confirmation de notre banque (annexe 7) ; nous pouvons vous assurer que si nous avons reçu ce paiement, nous ne l'aurions pas réclamé.

.../...

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Nous avons parlé au Major Tereraho à plusieurs reprises, il nous a confirmé la bonne réception des marchandises. Nous pensons avoir été seuls fournisseurs réguliers et performants, alors que d'autres n'ont pas assuré les livraisons malgré les paiements.

Comme vous le savez, le crédit vous a été accordé sur emprunt à des banques commerciales, et en conséquence nous devons comptabiliser un intérêt de 1,25 % par mois pour toute la durée de souffrance des paiements.

Vous comprendrez que nous ne pouvons plus répondre aux demandes de votre Ministère.

Notre difficile situation financière actuelle a été décrite à votre Ministre des Finances, et nous encourons de sérieux problèmes auprès de nos banquiers en raison de la dette de 1 708 313,09 dollars (principal) plus un total de 254 062,90 dollars (intérêts) à savoir un montant total de 1 962 375,90 dollars.

Nous vous serions obligés d'examiner d'urgence la situation décrite par la présente, pour laquelle nous attendons au plus vite de votre part action et règlement.

Nous serons prêts à vous apporter notre concours à l'avenir si vous le souhaitez.

Salutations.

Copies :

M. Le Premier ministre
M. Le Ministre des Finances
M. L'Ambassadeur du Kenya
Colonel Kayamba Cyprien
Major Tereraho Cyprien
M. Bizimana Augustin (pour information)

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ANNEX 2

MIL-TRA CORPORATION LTD

201 DIXON ST
3101
CORSERA ESTERI
ARCHLID
TEL (44) 273-73513
Fax (44) 273-62614

28th APRIL 1993.

INVOICE NO: 0101

MINISTRY OF DEFENSE
B.P. 23
KIGALI
RWANDA

500 ONLY ACCUS CD N1 - 1,2V, 7Ah @ FF: 421 = 210.500.00

TOTAL C.I.F. KIGALI FRENCH FRANCS = 210.500.00

ORIGIN : E.E.C.

PAYMENT: UPON RECIEPT OF GOODS IN KIGALI.

FOR & ON BEHALF OF: -

036/167
2600/2603
MIL-TRA CORPORATION LTD.
2600-2603

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MIL-TEC CORPORATION LIMITED

RAGNAR HOUSE, 18 PEEL ROAD, DOUGLAS-ISLE-OF-MAN

ANNEX 1

28th MAY 1993.

INVOICE NO:0105.

MINISTRY OF DEFENSE.,
B.P. 23,
KIGALI.
RWANDA.

1.	1,000.000	CARTOUCHES X 5.56mm @ U.S.\$ 210 PER 1000	=	210.000.00
2.	177.640	CARTOUCHES X 7.62mm LOOSE @ U.S.\$ 310 PER 1000	=	55.068.00
3.	417.220	CARTOUCHES X 7.62mm LINK @ U.S.\$ 390 PER 1000	=	162.715.00
4.	40.000	CARTOUCHES X 7.62mm LINK 4 BALL - 1 TRACER @ U.S.\$ 390 PER 1000	=	15.600.00

		TOTAL F.O.B.	U.S.\$	= 443.383.00
		FREIGHT	U.S.\$	= 98.000.00
		INSURANCE	U.S.\$	= 8.120.00

		TOTAL C.I.F. KIGALI	U.S.\$	= 549.503.00
				=====

ORIGIN : ISRAEL

CONTRACT N°: 1626/06.1.9. DATED 11 MAY 1993. AND OUR
PRO-FORMA INVOICE N°:MIL/MINADEF/05/93/05
OF 10-05-1993.

FOR & ON BEHALF OF:-


MIL-TEC CORPORATION LTD.



MIL-TEC CORPORATION LIMITED

ANNEX 3

RAGNAL HOUSE, 18 PEEL ROAD, DOUGLAS-ISLE-OF-MAN

THE HON. MINISTER.,
MINISTRY OF DEFENSE,
BUKAVU,
ZAIRE.

STATEMENT
U.S. DOLLARS

FLIGHT N°	FLIGHT DATE	TRANSACTION NUMBER	INVOICE AMOUNT U.S.\$	PAYMENT RECEIVED US\$	BALANCE U.S. DOLLARS.
1	18.04.94	INVOICE	853.731.00		
		PAYMENT		1.265.500.00	
2	25.04.94	INVOICE	681.200.00		
		INVOICE	56.000.00		
		PAYMENT		667.000.00	
		PAYMENT		596.000.00	
3	03.05.94	INVOICE	942.680.00		
		PAYMENT		450.000.00	
		PAYMENT		130.000.00	
4	09.05.94	INVOICE	1023.840.00		
5	PREVIOUS	INVOICE	549.503.00		
6	PREVIOUS	INVOICE	511.415.09	(EQUIVALENT TO FF:2.710.500)	
7	20.05.94	INVOICE	1074.549.00		
		PAYMENT		500.000.00	
		PAYMENT		523.500.00	
		PAYMENT		500.000.00	
8	18.07.94	INVOICE	753.645.00		
		PAYMENT		175.000.00	
		INVOICE	68.750.00		
			6.515.313.09	4.807.000.00	1.708.313.09
U.S. DOLLARS BALANCE DUE					1.708.313.09.

PLEASE PAY OVERDUE BALANCE IMMEDIATELY



CORSERA

**U.S. DOLLAR INTEREST CALCULATION
OUTSTANDING AMOUNT U.S. 549503.00
RATE OF INTEREST 1.25% PER MONTH.**

	<u>AMOUNT</u>	<u>INTEREST</u>	<u>TOTAL</u>
28/MAY/1993-	549503.00	6868.79	556371.78
28/JUNE/1993	556371.78	6954.65	563326.42
28/JULY/1993	563326.42	7041.58	570368.00
28/AUG/1993	570368.00	7129.60	577497.60
28/SEPT/1993	577497.60	7218.72	584716.32
28/OCT/1993	584716.32	7308.95	592025.27
28/NOV/1993	592025.27	7400.32	599425.58
28/DEC/1993	599425.58	7492.82	606918.39
28/JAN/1994	606918.39	7586.48	614504.86
28/FEB/1994	614504.86	7681.31	622186.17
28/MAR/1994	622186.17	7777.33	629963.49
28/APR/1994	629963.49	7874.54	637838.03
28/MAY/1994	637838.03	7972.98	645811.00
28/JUNE/1994	645811.00	8072.64	653883.63
28/JUL/1994	653883.63	8173.55	662057.17
28/AUG/1994	662057.17	8275.71	670332.88
28/SEPT/1004	670332.88	8379.16	678712.04
28/OCT/1994	678712.04	8483.30	687195.94
28/NOV/1994	687195.94		

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**TOTAL INTEREST
OUTSTANDING
AS AT 28/NOV/1994 U.S. DOLLARS 137693.03**

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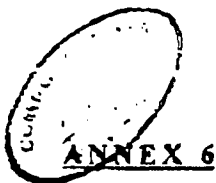
U.S. DOLLAR INTEREST CALCULATION
PRICIPAL AMOUNT 2,710,500 FRENCH FRANCS
AT EXCHANGE RATE 5.3 OFF TO 1 U.S. DOLLAR
OUTSTANDING AMOUNT U.S. DOLLAR 511415.09
RATE OF INTEREST 1.25% PER MONTH.

CORSERA

	<u>AMOUNT</u>	<u>INTEREST</u>	<u>TOTAL</u>
1/12/93	511415.09	6392.69	517807.77
1/1/94	517807.77	6472.59	524280.36
1/2/94	524280.36	6553.51	530833.86
1/3/94	530833.86	6635.42	537469.28
1/4/94	537469.28	6718.37	544187.64
1/5/94	544187.64	6802.35	550989.98
1/6/94	550989.98	6887.38	557877.35
1/7/94	557877.35	6973.47	564850.81
1/8/94	564850.81	7060.64	571911.44
1/10/94	571911.44	7148.89	579060.33
1/11/94	579060.33	7238.25	586298.58
1/12/94	586298.58		

TOTAL INTERST AS AT 1/12/94
U.S. DOLLARS 74883.56

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U.S. DOLLAR INTEREST CALCULATION
OUTSTANDING AMOUNT U.S. 647395.00
RATE OF INTEREST 1.25% PERMONTH.

CORSERA

	<u>AMOUNT</u>	<u>INTEREST</u>	<u>TOTAL</u>
18/07/94	647395.00	8092.44	655487.43
18/08/94	655487.43	8193.59	663681.02
18/09/94	663681.02	8296.01	671977.03
18/10/94	671977.03	8399.71	680376.74
18/11/94	680376.74	8504.71	688881.44
18/12/94	688881.44		

TOTAL INTEREST OUTSTANDING
AS AT 18/12/94 U.S.DOLLARS 41486.46

National Westminster Bank

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ANNEX 7

CORSERA

Millburn Branch
74 Millburn High Road
London NW8 4HR

Telephone 071-624 4822
Facsimile 071-372 7663

Your ref: 039853/CSE001/MF/230
Our ref: 11 November 1994
Date:

Mil-Tec Corporation Limited
c/o Mr Rajpar
Ragnall House
18 Peel Road
DOUGLAS
Isle Of Man

Dear Sir

Re: Mil-tec Corporation Limited

Further to your meeting with Mr Pugh on the 7th November, I write to confirm that we have not received the sum of \$578,645.00 from Cairo.

I trust this is satisfactory but if I can be of any further assistance, please do not hesitate to contact me at this office.

Yours faithfully

M Franklin

Foreign Business Officer
Mrs M Franklin