

# RESERVE BANK OF FIJI



## *PRESS RELEASE*

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### **COURT OF APPEAL STRIKES OUT CLAIM AGAINST RESERVE BANK**

The Court of Appeal has struck out a claim by one Trevor Robert Gallagher, in which Gallagher claimed an injunction to restrain the Reserve Bank from exercising its statutory powers under the Exchange Control Act. The claim had been made by Gallagher in a private dispute between himself and one Alan Charles Newham, that dispute concerning a transaction for which Exchange Control consent was required.

The High Court of Lautoka had earlier granted the injunction sought by Gallagher, and dismissed an application by the Reserve Bank to strike out that claim as showing no reasonable cause of action and being frivolous and vexatious and an abuse of process. The Court of Appeal, however, on appeal by the Reserve Bank, has held in favour of the Reserve Bank, and dissolved the injunction sought by Gallagher. The Court of Appeal observed that, "It is quite wrong for a public body such as the Bank to be joined in litigation between individuals without some proper cause of action being shown. None was shown in this case."

The Court of Appeal held that the dispute between Gallagher and Newham was a private dispute into which the Reserve Bank should not have been drawn, and awarded to the Reserve Bank the costs of the hearings both in the High Court and the Court of Appeal.

The Governor of the Reserve Bank of Fiji Mr Savenaca Narube said, "That this vital clarification by the Court of Appeal will assist in avoiding the Reserve Bank being unnecessarily impeded and distracted in the exercise by it of its public functions by frivolous and vexatious attempts by litigants to draw it into private litigation."

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