Company Witness Statement Establishing Demand Delivery and Later Bond Payment

Educational sample 198 | Nairobi

Educational reconstruction from a reported Kenyan judgment. This is newly drafted text, not an original court filing and not a matter handled by our team. Identifying details are replaced with bracketed fields. Verify the facts, current law, jurisdiction and court directions before signing, swearing or filing.

Reconstructed formal document

REPUBLIC OF KENYA

IN THE HIGH COURT AT NAIROBI MILIMANI COMMERCIAL AND TAX DIVISION

CAUSE CIVIL SUIT OR APPLICATION NO [correct reference]

[CLAIMANT PLAINTIFF OR APPELLANT] v [RESPONDENT OR DEFENDANT]

WITNESS STATEMENT

1. I am [authorized officer] of the Plaintiff and identify my authority [record]. The company required performance security from [contractor]. The bank issued the two bonds, whose originals or authenticated copies are at [pages].

2. The company prepared the demands dated 6 October and delivered them on 7 October at the bank’s office. I identify the delivery evidence and distinguish my direct involvement from records supplied by [custodian]. No delivery acknowledgement is invented.

3. The contractor’s subsequent suit attached copies of the demands. I identify the actual filed pleading and attachment relied on to establish that fact. How the copies were shared is described only to the extent established by admissible evidence.

4. The later court orders, expiry and partial judgment are [record references]. The bonds were paid on 20 April 2023 in the source matter. The payer, principal, interest and payment allocation must be copied from the actual payment record.

5. This statement separates the bank’s delay, the company’s project difficulties and any alleged collusion. I do not assume the amount of profit earned by the bank or a fiduciary relationship merely from holding a bond. The remaining damages issues require their own evidence.

DATED at [place] on [date]. Signed [party or advocate]. DRAWN AND FILED BY [name and address for service]. TO BE SERVED UPON [each affected party and address].

Use and evidence notes

Use the witness own first-person account, distinguish observed events from information supplied by others and give sequential bundle-page references. ELRC rules 7 and 35 govern witness statements; additional statements require the applicable leave. In civil suits follow the case directions and required witness pack. A statement is not a substitute for expert evidence and remains subject to adoption, document production and cross-examination.

Supporting material schedule: [document date]; [author or custodian]; [description]; [bundle page]; [authenticating witness]; [admission or permission]. Attach only genuine available records and mark missing records accurately.

Source and procedural limits

A project company held two bank-issued on-demand performance bonds of KSh 62,263,936 and USD 474,634, valid until May 2022. Demands dated 6 October 2021 were delivered on 7 October. The bank did not pay. The contractor obtained a later order restraining calling up the bonds, extended only for a limited period. A 2023 partial ruling dealt with the bond debt; payment followed on 20 April 2023. The remaining trial concerned fraud and additional damages, with evidence about shared demand letters and the bank's internal funding arrangements.

The final 2026 judgment found collusion and awarded KSh 1.5 million exemplary damages for fraud, plus costs and interest of the suit. It refused separate general damages for fraud, contract, trust or fiduciary breach and disgorgement. The bond principal had already been paid after the earlier partial decision, so the final exemplary award is not a new second principal award. The mirror labels the outcome Dismissed, but the judicial final order expressly awards the exemplary damages and says the other claims fail.

On-demand bond liability follows the wording of the independent guarantee and a complying demand; internal arrangements do not automatically excuse the bank. Fraud requires particular pleading under Order 2 rule 10 and strict proof above ordinary probability but below criminal proof. A later order must be read for its precise scope, parties and duration. Do not assume a beneficiary who is not a bank customer has a fiduciary relationship or equate every delay with fraud. General damages and disgorgement are not automatic additions to paid principal and interest.

[2026] KEHC 7143 (KLR) — 16 April 2026. Original judgment: https://sheriahub.com/cases/ke/caselaw/magnate-ventures-limited-v-credit-bank-plc-2026-kehc-7143-klr

The original decision may identify participants. The specimen replaces their identifying details. A source decision is not proof that a draft was filed, that an allegation succeeded, or that the same result will follow in another case.