

IN THE MAGISTRATES' COURT OF ABIA STATE OF NIGERIA.
IN THE SMALL CLAIMS COURT, ABA ZONE.
BEFORE HIS WORSHIP, U. J. YOUNG-DANIEL (ESQ) CHIEF MAG. GRD 1.
THIS 8TH DAY OF APRIL 2025.

SCC/AB/79/25

BETWEEN:

DR. ACHOAKAWA PRINCE UBA ----- CLAIMANT
(By Attorney KINGSLEY UCHE IHEANACHO Esq.)

AND

FAVOUR CHARLES AHUKANNAH ----- DEFENDANT

Claimant Present.

Defendant Present.

Appearances: Kingsley Iheanacho Esq appears for the Claimant.

Eze U. Isiofia Esq appears for the Defendant.

MATTER IS FOR JUDGMENT.

JUDGMENT.

Claimant by Attorney claims from the Defendant the sum of **₦5,000,000.00 (Five Million Naira)** being owed by the Defendant from business transaction as it is stated in the Claimant Letter of Demand. Defendant filed a Defence to the effect as it is stated in the Form SCA5 of Defence that she is not owing the Claimant the sum of ₦5,000,000.00 (Five Million Naira) as claimed or any other sum rather that she and the Claimant entered into a partnership agreement of which he contributed sum of ₦10,000,000.00 (Ten Million Naira) and she also contributed her own part including her skills and involved her business outlet and that the goods of the partnership are still packed in her store. Also Defendant in the same *Form SCA5* of Defence avers the mind of the Court to a Sister Claim of *Claim No: SCC/AB/78/2025* and further states that she urge the Court to discountenance the Claimant Claim as it is misleading. Nevertheless, Claimant Attorney in proof of this Claim testified that sometime in the month of May 2024, one Miss Faith of a younger sister to the Defendant also a staff

of the Claimant together with the Defendant approached the Claimant requesting for a financial assistance to boost the Defendant business. Claimant Attorney stated that on the basis of long standing relationship between the Claimant and the Defendant sister, Claimant agreed and or accepted to grant the financial assistance to the Defendant and so on the 1st day of June, 2024, Claimant transferred the sum of ₦5,000,000.00 (Five Million Naira) to the Defendant and *Exhibit A and B* are to that effect. Claimant Attorney further testified that the Defendant promised to return or pay the Claimant the said sum of ₦5,000,000.00 (Five Million Naira) and that uptill moment, Defendant has not paid the Claimant the said sum hence this Claim and concluded his evidence in chief and was cross examined by the Defendant Counsel to the fact that the transaction leading to this Claim is to the tune or sum of ₦10,000,000.00 (Ten Million Naira) which is contained in a partnership agreement between the Claimant and the Defendant which agreement Claimant Attorney had prepared and the Claimant Counsel responded to the effect that what is in this Claim is the sum of ₦5,000,000.00 (Five Million Naira). However, *Exhibit C* of the partnership Agreement was tendered. Nevertheless, Claimant Attorney further responded that while it is a fact that *Exhibit C* contains the sum of ₦10,000,000.00 (Ten Million Naira), however, that the sum of ₦8,000,000.00 (Eight Million Naira) of the ₦10,000,000.00 (Ten Million Naira) was an initial loan sum granted the Defendant by the Claimant and after one month had elapsed in the month of July, 2024 and the Defendant did not liquidate the loaned sum of ₦5,000,000.00 (Five Million Naira) Defendant requested from the Claimant and additional sum of ₦5,000,000.00 (Five Million Naira) all totaling the sum of ₦10,000,000.00 (Ten Million Naira). However, Claimant Attorney in his further cross examination by the Defendant Counsel stated that at the request of the second ₦5,000,000.00 (Five Million Naira) by the Defendant, Claimant had informed the Defendant that she would be granted another ₦5,000,000.00 (Five Million Naira) on the terms that the business would be a partnership hence *Exhibit C* of Partnership Agreement between parties. Nevertheless, Claimant Attorney admitted at his cross examination to the fact that the business transaction between the Claimant and Defendant is of a partnership. Also Claimant Attorney was cross examined to the fact that there is no separate document or agreement between parties to the effect that the sum as contained in *Exhibit C* of Partnership Agreement were loan sums granted the Defendant. However,

Claimant Attorney responded and referred to the Partnership Agreement of *Exhibit C* as the proof of the loan Agreement. Claimant Attorney was further cross examined to the fact that when a Demand Notice of *Form SCA1* was served on the Defendant, that the Defendant through her Counsel wrote to the Claimant Attorney/Counsel tendered as *Exhibit D* and that Claimant did not reply to same neither the Claimant Attorney/Counsel. However, Claimant Attorney/Counsel responded and stated that *Exhibit D* is more or less a Defence. Claimant Attorney/Counsel admitted at his cross examination that the sum of ₦10,000,000.00 (Ten Million Naira) was invested in the importation of Human Hair which is the said business of the Defendant. Also Claimant Attorney/Counsel admitted at his cross examination that the Claimant through his own customers had sold the partnership goods to the tune or sum of ₦600,000.00 and did not account to that effect in the partnership. Claimant Attorney admitted that *Exhibit C* of the Partnership Agreement which he had prepared contains to the fact that in the circumstance of any dispute between parties that parties must submit to Arbitration first and that parties never submitted to any arbitration first before this Claim was initiated. Claimant Attorney/Counsel at his further cross examination stated that he is not aware that the partnership goods are still packed in the ware house unsold till moment, thus concluded the cross examination of the Claimant Attorney and the proof of the Claimant Claim by Attorney. Defendant opened her defence and stated that she did not approach the Claimant with her younger sister for a loan as being alleged by the Claimant Attorney in his evidence/testimony in Court. Rather, Defendant testified that in the year 2024, Claimant had called her on phone, however, that she got to know the Claimant through her younger sister who works for the Claimant. Defendant testified that in her telephone discussion with the Claimant, Claimant had told her that he wants to come into her business and then that in the month of May, 2024, Claimant called and told her that he is ready for them to enter into a partnership business. Defendant further testified that all the calls in respect of indication of interest in her business by Claimant was while the Claimant was overseas and not that the Defendant and her younger sister who works for the Claimant approached him requesting for a loan as being alleged by the Claimant Attorney/Counsel. Defendant testified that it was after their discussions in respect of the partnership business that led to the Claimant transfer to her business account the sum of money as contained in *Exhibits A and B*.

Defendant further testified that after the transfer of the sum of ₦5,000,000.00 (Five Million Naira) as contained in *Exhibits A and B*, Claimant called her on phone once more and informed her that he would come back to Nigeria for the purpose of sighting her shop and to get to know whom he is doing business with and at that Claimant visited Nigeria and visited her shop and after his visit decided to add or invest another sum of ₦5,000,000.00 (Five Million Naira) into the partnership business hence the sum of ₦10,000,000.00 (Ten Million Naira) invested in the partnership business by the Claimant as contained in *Exhibit C* of the Partnership Agreement. Nevertheless, Defendant testified that after the Claimant had visited her shop, he had directed or instructed her to procure a Lawyer to prepare a Partnership Agreement between them and that her lawyer had done so however, Claimant rejected it and then his Counsel also Attorney in this Claim had prepared partnership Agreement of *Exhibit C*. Also that she had invested the sum of ₦2,000,000 (Two Million Naira) in the partnership business and then that the remainder of the goods are still in the store unsold because of the prevailing economic situation of Nigeria at the moment which circumstance Defendant testified she had also brought to the attention of the Claimant. Defendant concluded her testimony by stating that the transaction between her and the Claimant was not a loan transaction as being alleged by the Claimant Attorney rather a partnership business. Defendant was cross examined by the Claimant Attorney/Counsel to the fact that the sum as contained in *Exhibits A and B* of ₦5,000,000.00 (Five Million Naira) were paid or transferred into her business account which fact Defendant admitted. Defendant also admitted at her cross examination that she had a partnership business with the Claimant and does not owe the Claimant a loan sum. Nevertheless, Claimant Attorney further cross examined the Defendant to the fact that she with her husband and children visited his office sometime in September, 2024 promising to pay the Claimant his money at the end of November, 2024. Defendant in her response admitted to have pleaded and or promised to pay the Claimant as stated however she did not visit the Claimant Attorney office rather that she made the promise to pay the Claimant at the stated time on phone when the Claimant Attorney/Counsel had informed her that the Claimant wants to sue her wherein she had pleaded with the Claimant Attorney that she has not sold the goods in the shop so as to raise the funds to pay the Claimant as he had invested. Defendant admitted owing the Claimant but not as a loan or any

other sum outside the money Claimant had invested into the partnership business. Defendant also at her cross examination stated that she has proof by way of bank transactions that she has invested the sum of ₦2,000,000.00 into the partnership business and she did inform the Claimant to that fact and all the facts were contained in Exhibit D thus concluded the cross examination of the Defendant. This Court has considered all that are before it in respect of this Claim including all the *Exhibits A, B, C and D* aforementioned. This Court states that the sum of ₦10,000,000.00 (Ten Million Naira) granted the Defendant is not in dispute by the Defendant to have been received rather Defendant is stating that same is not a loan sum granted her by the Claimant as alleged in proof of the Claimant Claim by his Attorney/Counsel. *Exhibit C* of Partnership Agreement is clear to the circumstance and the true position of the business transaction between the Claimant and Defendant there being no other proof of otherwise. Clause 3 states to the effect that *party B* of the Claimant in this Claim has indicated interest to invest a total sum of ₦10,000,000.00 (Ten Million Naira) only into *Preemoh Virgin Hairs Accessories* owned by *party A* of the Defendant in this Claim as a partner. Moreover, Claimant Attorney at his cross examination by the Defendant Counsel admitted that the sum of ₦10,000,000.00 (Ten Million Naira) as contained in *Exhibit C* of Partnership Agreement was invested in the importation of Human Hair and this Court in view of these obvious facts that the said sum of ₦10,000,000.00 (Ten Million Naira) as granted by the Claimant to the Defendant was in respect of partnership investment and this Court wonder how same is now a loan transaction or grant to the Defendant as is being claimed, testified and or alleged by the Claimant by Attorney. This Court states that it would not go into the merit of this Claim in respect of the content of obligation of parties to each other as contained in Exhibit C, however shall state that the sum as contained of the sum of ₦5,000,000.00 (Five Million Naira) by the Claimant is not a loan sum rather part of a sum of money invested into a business of importation of Human Hair and to that extent is not a liquidated sum owed the Claimant so as to be considered or properly heard and determined in a Small Claims Court. Defendant had testified that the partnership is still ongoing as part of the goods are yet unsold, therefore Claims whatsoever arising at this stage in the partnership cannot be subject of Small Claims Jurisdiction. Claimant Attorney had applied that the Sister Claim of the other sum of ₦5,000,000.00 (Five Million Naira) totaling—~~₦10,000,000.00~~ (Ten Million Naira) invested into the partnership as

contained in *Exhibit C* of Partnership Agreement be struck out and same granted to the effect that the Claimant Attorney realized that assuming the said sums were loans or any liquidated sum granted the Defendant cannot be splited as was done in filing the said Sister Claim already struck out. Nevertheless, as earlier stated by this Court, the sum whether of ₦5,000,000.00 (Five Million Naira) or ₦10,000,000.00 (Ten Million Naira) given or granted to the Defendant by the Claimant are not loans or liquidated sums rather an investment in a partnership between the Claimant and Defendant. At the moment, considering all that are before this Court in respect of this Claim, there is nothing liquidated sum so as to be heard, considered or determined by Small Claims Court, in the circumstance this Claim is hereby struck out. There is no Order as to cost.

U. J. YOUNG-DANIEL (ESQ)

CHIEF MAG. GRD 1.

08/04/25.



NWANOSIKE PATRICK C.

*Head Registrar
SCC Aba Zone*