



CARIBBEAN COURT OF JUSTICE

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MEDIA RELEASE

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CCJ JUDGMENT- ERROL PRATT AND TOUCAN HELICOPTER LTD v KARL R. REINZ III, CONTINENTAL HELICOPTERS INC, WAYNE MACAULAY AND ATLANTIS HELICOPTERS DE MEXICO S.A DE C.V.

CCJ, Port of Spain. Today a reserved judgment was delivered in the Appellate Jurisdiction in the matter of Errol Pratt, doing business as Toucan Helicopter Ltd and Toucan Helicopter Ltd v Karl R. Reinz III, Continental Helicopters Inc, Wayne Macaulay and Atlantis Helicopters de Mexico S.A de C.V., at the CCJ Headquarters in Port of Spain.

The issue in the appeal centered on the true nature of a Lease/Purchase agreement for a 1973 Bell Helicopter. The Appellants challenged the decision of the High Court and Court of Appeal of Belize that the helicopter be returned to the Respondents, that the US\$100,000 deposit paid by the Appellants be treated as forfeited and that damages be assessed to carry interest at 6% from the date of issue of the claim to the date of the judgment.

The Court held that the agreement was a lease/hire purchase agreement for the period 30th April 2005 to 30th April 2006 with an option to purchase the helicopter for US\$240,000 and was not a contract of sale by instalments. The option could not be exercised because the agreement had been duly terminated by service of valid notices of default and termination properly based upon the failure of the Appellants to pay the US\$6,000 monthly rental fee for March and April 2006 and to report the hours flown those months. It refused to disturb the findings of fact and law made by the lower courts except for finding that the US\$100,000 payment was not an enforceable deposit but an unenforceable penalty. It was theoretically returnable to the Appellants if it exceeded the amount of damages for the period since 30 April 2006 and US\$12,000 unpaid rent payable by the Appellants. Therefore the appeal failed, the Appellants having to give up possession of the helicopter and to pay costs. The Court also ordered that the deposit be returned to the Appellants to the extent not absorbed by US\$12,000 due for unpaid rent and damages for breach of contract, which damages are to be assessed by a judge in chambers.

The final judgment of the Court and an Executive Summary is available on the CCJ's website at www.caribbeancourtjustice.org.

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