

Classification: Company Winding Up

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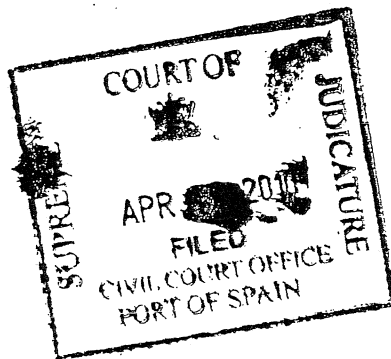
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TRINIDAD AND TOBAGO

IN THE HIGH COURT OF JUSTICE
Claim No. CV 2010 - 0 14 42
IN THE MATTER OF
THE COMPANIES ACT, CHAP. 81:01

AND

IN THE MATTER OF
CLICO INVESTMENT BANK LIMITED

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To His Honour the Chief Justice and their Honours the Puisne Judges.

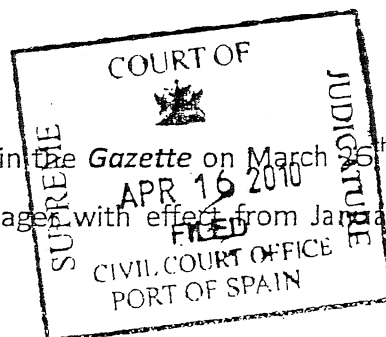
The Humble Petition of CLICO INVESTMENT BANK LIMITED showeth as follows:

1. The CLICO INVESTMENT BANK LIMITED (hereinafter called "the Company"), was on June 15th, 1988 incorporated under the Companies Ordinance, Ch. 31 No. 1, as Colonial Trust and Finance Company Limited and changed its name on January 24th, 1991. The Company was continued under the Companies Act Chap. 81:01 on August 27th, 1997.
2. The registered office of the Company is at #1 Rust Street, St. Clair, Port of Spain.
3. One of the objects for which the Company was established is as follows:

To carry on in Trinidad and Tobago and elsewhere the business of a Finance Institution under the provisions of the Financial Institution (Non Banking) Act 1979 of the laws of Trinidad and Tobago in all its branches and to transact and do all matters and things incidental thereto or which may at any time hereafter, at any place where the company shall carry on business, be usual in connection with the business and other objects set forth in the memorandum of association thereof.
4. The Company is a member of the CL Financial group whose parent is CL Financial Limited (hereinafter referred to as "CLF") and is owned 81% by CLF and 19% by CLF in trust for Colonial Life Insurance Company (Trinidad) Limited (hereinafter referred to as "CLICO").
5. On January 15th, 2009 as part of its normal regulatory process, the Central Bank of Trinidad and Tobago held a meeting with officials from the Company to share findings arising from its examination of the Company's operations with them. At the said meeting Ms. Devati Mooleedhar, the Senior Vice President of the Company, stated that the Petitioner was experiencing a liquidity problem.
6. Commencing on January 22nd, 2009 the Central Bank visited the Company to further examine its books in order to confirm what was earlier revealed to the Central Bank.

This examination, which continued for approximately 1 week, confirmed that the Company was unable to meet its financial obligations as they fell due.

7. Discussions continued between CLF as parent of the Company, the Government of Trinidad and Tobago (hereinafter called "the Government") and the Central Bank. Eventually on January 30th, 2009, CLF, in its own capacity and as agent for the Company, entered into a Memorandum of Understanding with the Government.
8. On January 31st, 2009 in the exercise of its powers pursuant to sections 44D and 44E of the *Central Bank Act; Chap. 79:02* (the "Central Bank Act") and by *Legal Notice No. 20 of 2009* published in the *Gazette* on the said day (hereinafter called "the *Central Bank Notice*"), the Central Bank assumed control of the Company and took over the property and undertaking of the Company as described in the *Central Bank Notice* and the Inspector of Financial Institutions was appointed Manager of the Company. The Manager commenced management of the Company in accordance with the provisions of the *Central Bank Act*.
9. Further, by *Legal Notice No. 67 of 2009* published in the *Gazette* on March 26th, 2009, the Central Bank delegated its powers to the Manager with effect from January 31st, 2009.
10. Since the date of his appointment, the Manager has continued to manage the Company in accordance with *section 44D (3)* of the *Central Bank Act* and in particular has been attempting to recover the debts outstanding to the Company. During the course of the management the Manager has received claims from approximately 60 commercial creditors.
11. On March 11th, 2009 Messrs. Ernst & Young was appointed to produce a Statement of Affairs of the Company as of January 30th, 2009. However, given the Company's poor



accounting system, incomplete records and inadequate documentation, it was necessary, amongst other things, to interview ex-directors and ex-officers of the Company, as well as other connected parties and officers of CLF in order to verify transactions. This report was completed and submitted to the Central Bank on June 24th, 2009, which concluded that the Company was insolvent. The fact of the insolvency has remained unchanged following Ernst & Young's follow review in March and April, 2010.

12. The Statement of Affairs showed that the Company had a net asset value of approximately negative \$4.7 billion as follows:

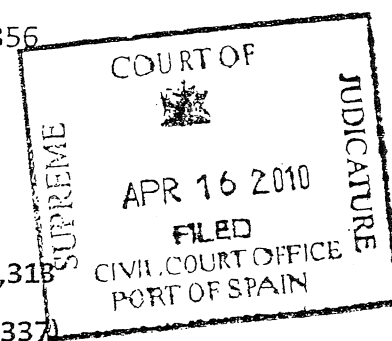
Assets

Cash (Cash Overdrawn)	6,137,093
Central bank reserve	190,812,150
Short term deposits	-
Loans and Advances (net of provision)	1,113,033,800
Derivative Financial Instruments	-
Investment Securities	4,992,380,837
Sundry Debtors and Prepayments	9,590,286
Interest receivable	2,892,662
-Loans	-
-Investments	2,892,662
Due from Related Companies	0
Property and Equipment (fixed assets)	71,810,147
Taxation Recoverable	-
Retirement Benefit Asset	-
Deferred Taxation Asset	-
Total Assets	6,386,656,975

Liabilities

Customer Deposits	6,067,389,744
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Other Fund Raising Instruments	1,913,665,507
Funds under Management	33,326,160
Short and Medium Term Borrowings	342,426,697
Interest Payable	376,935,580
-Deposits	174,479,621
-Long term Debt	154,987,819
-Fund Raising Instruments	47,468,140
Creditors and Accruals	335,277,218
Due to related companies	0
Notes Payable and Long Term Debt	1,926,395,356
Derivative Liabilities	84,595,050
Taxation Payable	-
Deferred Taxation Liability	-
Total Liabilities	11,080,011,313
Net Assets	(4,693,354,337)



13. While the Manager has been managing the affairs of the Company since January 31st, 2009, he has taken steps to recover the debts due and owing to the Company, with limited success.
14. The liabilities of the Company are very large. There has been no attempt by CLF or any other interested party to inject capital towards making the Company solvent.
15. Based on the management of the affairs of the Company since January 31st, 2009, the Company is unable to satisfy all its debts. Taking into account the net position, the Company has insufficient assets with which to satisfy its debts, including contingent and prospective liabilities.

16. The Company is unable to pay its debts. In the circumstances of the current financial condition of the Company, the need to manage the systemic importance of the Company as a member of the CLF Group to the stability of the local financial sector, the state of its records and accounting system, the need to manage the Company so as to avoid deepening the insolvency and to ensure the resolution and wind-up the affairs of the Company in an orderly manner, further management of the Company will not result in it being able to pay its debts including its contingent and prospective liabilities.

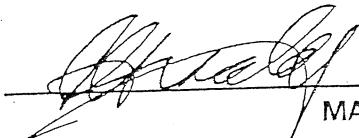
17. Further, or in the alternative, given the state of affairs of the Company, it is just and equitable that the company should be wound up.

Your Petitioner therefore humbly prays as follows:

- (1) That the Company may be wound up by the Court under the provisions of the Companies Act, Chap. 81:01.
- (2) That the Deposit Insurance Corporation be appointed as the Liquidator of the Company.
- (3) Such other order may be made in the premises as shall be just.

STATEMENT OF TRUTH

We, CLICO INVESTMENT BANK LIMITED of #1 Rust Street, St. Clair, certify that all the facts set out in the Petition are true to the best of our knowledge information and belief.

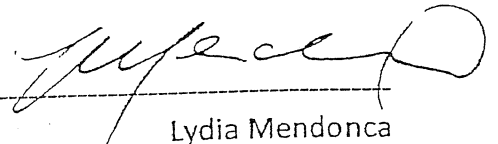


MANAGER
CLICO INVESTMENT BANK LIMITED
Petitioner

Dated this 16th day of April 2010.

We are acting for the Petitioner, our address for service is: Messrs. Lydia Mendonca & Co., Attorneys at Law, Abercromby Court, No. 86 Abercromby Street, Port of Spain, Trinidad and Tobago. Telephone No. 627-1372 Fax No. 623-3617.

Signed



Lydia Mendonca
Lydia Mendonca & Co.
Attorneys at Law for the Petitioner

The Court Office is at [the Hall of Justice, Knox Street, Port of Spain] Trinidad and Tobago, telephone number 690-2156, FAX 690-2674. The office is open between 8:00am and 4:00pm Mondays to Fridays except Public Holidays and Court Holidays.

TO: The Registrar of the Supreme Court
Hall of Justice
Knox Street
PORT OF SPAIN

TO: The Registrar of Companies
Huggins Building
South Quay
Port of Spain

