



THE TURKS AND CAICOS ISLANDS FINANCIAL SERVICES COMMISSION

PRESS RELEASE - Financial Services Commission, 9th April 2010

Turks and Caicos Islands Bank

On 9th April 2010 an Order for the appointment of a provisional liquidator was made by the Supreme Court of the Turks and Caicos Islands, appointing Anthony Kikivarakis and Mark Munnings, Partners of Deloitte & Touche as liquidators for the Turks and Caicos Islands Bank (TCIB). This means that for the time being at least TCIB will be closed and account holders will not have access to their funds.

The Financial Services Commission (FSC) was forced to take this action after the bank suffered a number of significant withdrawals of funds which left the bank unable to operate normally and meet its obligations on a timely basis. The FSC asked the Court to intervene only once it became clear that the Board of TCI Bank was unable to obtain the additional financial support necessary for the bank to continue to trade. In these sad circumstances, the only solution was to seek a liquidation in order to safeguard the remaining assets and to ensure their fair distribution to creditors.

The provisional liquidators have been charged by the Court to quickly protect the assets of TCI Bank and explore all avenues available to rescue it. The FSC has asked the Liquidators to move as quickly as possible in communicating guidance to account holders, staff and other creditors in an effort to minimize the inevitable uncertainty that they now face.

Those affected may contact the provisional liquidators at TCI Bank on telephone number: 941 7504 during office hours. A website with more information will shortly be available: www.tcibliquidation.com

On the announcement, Mr Sandy Lightbourne, Chairman of the FSC said:

“It is extremely sad that we have had to take this serious step and seek to close down TCI Bank, the country’s only indigenous bank. The bank’s position as a new and stand-alone operation has left it very vulnerable to the current global economic downturn. The FSC had been working closely with the bank’s current Board and management to find a solution to the difficulties, and some progress was being made. But regrettably it seems that in recent weeks the bank suffered a growing loss of confidence on the part of some of its important depositors. While efforts were made to find new investors, regrettably none was forthcoming in the time available.”

“The FSC took the difficult decision to petition the court to close the bank so that its remaining assets could be preserved. Obviously, we must await the conclusions of the provisional liquidators’ work; but I am afraid that depositors must expect that they might not be able to recover all of their savings.”