



In the Matter of the Securities Act Chap. 83:02 (“Act”) and the Securities Industry (Take-Over) By-Laws, 2005 (“By-Laws”)

And

In the Matter of Rule 61 and Rule 62 of Securities Industry (Hearings and Settlements) Practice Rules, 2008 (“Hearing Rules”)

And

In the Matter of NCB Global Holdings Limited’s along with the National Commercial Bank Jamaica Limited (“NCBJ”) and NCB Financial Group Limited (collectively referred to as (“Offeror”) Offer and Take-Over Bid Circular (“Bid Circular”) dated December 8, 2017 (and amended on January 12, 2018 and February 2, 2018), to acquire 74,230,750 ordinary shares (“Targeted Shares”) in Guardian Holdings Limited (“GHL” or “Offeree Issuer”) so as to result in the Offeror holding not more than 62% of the issued and outstanding ordinary shares of Offeree Issuer and other related transactions leading up to the issuance of same (“the Matter”).

RELEASE

1. On December 8, 2017, NCB Global Holdings Limited (“**NCBGH**”), a wholly owned subsidiary of NCB Financial Group Limited (“**NCBFG**”) made an offer to all shareholders of Guardian Holdings Limited (“**GHL**”) to acquire the outstanding shares in GHL, up to a maximum of 62% of the outstanding shares, at and for a price per share of US\$2.35. The

offer and the terms and conditions applicable thereto were set out in a Bid Circular issued on the said date by NCBGH.

2. Following complaints lodged with the Trinidad and Tobago Securities and Exchange Commission (“**Commission**”) by a group of minority shareholders of GHL headed by Mr. Peter Permell (a minority shareholder activist and GHL shareholder) and pursuant to the Commission’s regulatory oversight of take-overs and upon review of the Bid Circular, the Staff of the Commission (“**Staff**”) determined that there were matters relating to the acquisition of NCBFG’s shareholding in GHL, on May 12, 2016 and the above offer on December 8, 2017 which the Staff required further explanation in order to determine whether NCBFG complied with the requirements of the Securities Industry (Take-Over) By-Laws, 2005 (“**By-Laws**”).
3. In this regard, the Staff, inter alia, recommended to the Board of Commissioners of the Commission that a hearing be convened for the purpose of considering the issues raised by the said group of minority shareholders. Such Hearing was subsequently convened with the Staff and Mr. Permell as applicants and NCBGH, GHL and the Key Shareholders, represented by Messrs. Arthur Lok Jack, Imtiaz Ahamad, Shiraz Ahamad and Reyaz Ahamad, as respondents.
4. Upon such Hearing being convened, the parties thereto each filed various submissions in respect of the subject transactions, as well as established learning and practice applicable to take-over transactions.
5. Prior to any finding being made by the Hearing Panel, but following the review of each other’s submissions, the Staff and GHL agreed to enter into settlement discussions pursuant to section 61(1) of the Hearing and Settlement Rules. Such discussions were entered into on the basis that an appropriate settlement of the matters which were the subject of the hearing could be arrived at that would be in the public interest. Both the Staff and GHL recognised that the particular circumstances of the transactions under consideration by the Hearing Panel and the language of the By-Laws had led to differing views (and arguments) on how the By-Laws should be applied to these types of transactions. There was also a significant concern that the on-going proceedings, while unresolved, would create uncertainty in the capital markets.
6. Having considered such factors, while neither the Staff nor GHL has admitted either party’s claim, and despite GHL’s insistence that it was in compliance with the By-Laws and its resistance to the imposition of a fine, the Staff has imposed the following administrative fine pursuant to the provisions of section 156 of the Act on GHL and the following have been accepted by GHL:

- (i) Without any admission as to liability whatsoever, GHL has accepted the imposition upon it of an administrative fine in the amount of **THREE HUNDRED THOUSAND TRINIDAD AND TOBAGO DOLLARS (TT\$300,000.00)** to be paid to the Commission in full and final settlement of the matters raised against the Offeree Issuer in the Proceedings; and
 - (ii) The terms of the settlement will be in the best interests of the public and the shareholders of GHL and will bring certainty to the local capital market.
7. Mr. Permell has been represented throughout the hearing of the Matter and settlement discussions by his own independent legal counsel. He has indicated to the Staff based on the totality of the documentary and oral submissions made by the relevant parties during the course of the Hearing and the advice of his independent legal counsel that the settlement arrived at is just and equitable.