



Government of the Republic of Trinidad and Tobago

MINISTRY OF FINANCE

CORPORATE COMMUNICATIONS UNIT

July 14th 2017

MEDIA RELEASE

No move by Government to wind up CLICO

The Ministry of Finance has taken note of the headline in yesterday's Daily Express Newspaper of Thursday 13th July, 2017 "***Wind up CLICO – Gov't seeks to recover \$15b***".

It must be clarified that the Government's move to appoint a Provisional Liquidator for CL Financial is not to 'wind up' CLICO, as the Colonial Life Insurance Company (i.e. Clico) remains under the control of the Central Bank of Trinidad and Tobago.

The Express has confused CL Financial and Clico, which are two different entities. CL Financial is the original parent company of Clico. In other words, before it was taken over by the Central Bank, Clico was a subsidiary of CL Financial.

It is to be noted that in its petition to the High Court, the Government is seeking to obtain from **CL FINANCIAL**, all funds owed to the taxpayers of Trinidad and Tobago. The funds owed by Clico to the Government, and by extension taxpayers, are already the subject of a court-approved resolution plan.

Clarification is also required of confusing statements made in an article in today's (July 14th 2017) Guardian Newspaper with the headline "***Govt seeks liquidator to block CLF moves***". In this Guardian article, there is a misunderstanding of the quantum of the debt owed by CL Financial to the Government.

At yesterday's post-Cabinet press conference, the Minister of Finance said that the amount of money spent or committed by the Government to bail out CL Financial was in excess of \$23 billion, **not including legal costs or consultancy fees or all contingent liabilities**.

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However, since approximately \$7.5 billion has already been recovered, the debt that has been quantified at this time is **in excess** of \$15 billion, which is the difference between the \$23 plus billion spent and the \$7.5 billion already recovered. There is no discrepancy in the figures, therefore. Further, the Prime Minister's estimate of \$27 billion given in another forum, takes into account **all** of the costs incurred and **all** estimated contingent liabilities, so that naturally it would be more than \$23 billion. Again, there is no discrepancy in that estimate of the maximum total debt owed.

Colm Imbert
Minister of Finance
July 14th 2017

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