

COMMONWEALTH OF THE BAHAMAS
IN THE SUPREME COURT
Equity Side

No. 436 of 2001

IN THE MATTER OF SUISSE SECURITY BANK & TRUST LIMITED
(In Liquidation)

AND

IN THE MATTER OF THE COMPANIES ACT, 1992 Nassau, Bahamas



AFFIDAVIT OF RAYMOND L. WINDER IN SUPPORT OF
THE FOURTH REPORT OF THE OFFICIAL LIQUIDATOR

I, **RAYMOND L. WINDER**, of the Western District of the Island of New Providence, one of the Islands of the Commonwealth of The Bahamas, Certified Public Accountant and Managing Partner in the accounting firm of Deloitte & Touche, 2nd Terrace West, Centreville, on the Island of New Providence, one of the Islands of the said Commonwealth,, make oath and say as follows that:

1. That I am the Official Liquidator of Suisse Security Bank & Trust Limited (In Liquidation) hereinafter referred to as ("SSBT"), pursuant to an Order made by the Honourable Mr. Justice Stephen Isaacs dated and filed on the 13th day of November 2006.
2. That as a condition of my appointment I was ordered to file Reports giving the Court information on the status of the liquidation.
3. That pursuant to that order I hereby file the **FOURTH REPORT** of The Official Liquidator covering the period January 1, 2011 to December 31, 2016.

4, That I depose to the truth of the contents of this Affidavit from my knowledge, information and belief gained while investigating the affairs of SSBT and I verily believe them to be true and correct.

SWORN to at Nassau,

New Providence, Bahamas this 26th

day of July, A.D 2017

BEFORE ME:

)
) *Raymond Whinder*
)



NOTARY PUBLIC

COMMONWEALTH OF THE BAHAMAS

436 of 2001

IN THE SUPREME COURT

In Equity

**IN THE MATTER OF
SUISSE SECURITY BANK & TRUST LIMITED**

A N D

**IN THE MATTER OF THE BANKS & TRUST COMPANIES
REGULATIONS ACT, 2000**

A N D

IN THE MATTER OF THE COMPANIES ACT, 1992

CERTIFICATE

This is a copy of the FOURTH REPORT OF THE OFFICIAL LIQUIDATOR covering the period January 1, 2011 to December 31, 2016 issued on the 24th day of July, 2017 mentioned and referred to in the Affidavit of Raymond L. Winder sworn to before me this 26th Day of July, A.D. 2017



NOTARY PUBLIC

FOURTH REPORT OF THE OFFICIAL LIQUIDATOR

OF

**SUISSE SECURITY BANK & TRUST LIMITED
(In Liquidation)**

**TO
THE SUPREME COURT OF
THE COMMONWEALTH OF THE BAHAMAS
AND
THE CENTRAL BANK OF THE BAHAMAS**

Period Covered:

January 1, 2011 to December 31, 2016

Issue Date: July 24, 2017

Confidential

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1. INTRODUCTION

1.1 This is my fourth Report since being appointed on November 13, 2006, as Official Liquidator of Suisse Security Bank and Trust Limited (In Liquidation) (the "Bank" or the "Company"). I hereby draw your attention as follows:

2. BACKGROUND

2.1 As the Bank's Official Liquidator, I continue to perform the duties and powers conferred upon me as directed by the Court's order of my appointment, outlined in my previous reports filed with the Supreme Court Registry and posted on the company's website at www.ssbthinliquidation.com.

3. PURPOSE OF REPORT

3.1 This report has been prepared for the purpose of informing the Supreme Court of the Commonwealth of The Bahamas, the Central Bank of The Bahamas and the Company's depositors and creditors of the state of affairs and steps taken by the Official Liquidator during the period.

4. SOURCE OF INFORMATION AND APPENDICIES

4.1 Details of the sources of information used and relied upon are referred to throughout this Report.

5. LIMITATION

5.1 During the reporting period I have relied on the integrity of the information and documents contained in the Company's records and received from other interested parties.

5.2 Even though I have sought to cross check information from different sources to confirm its accuracy, I have not independently verified all of the information and documentation upon which I have relied during the course of the reporting period; neither has the Company's financial records, since the commencement of the liquidation been subject to an audit. As the Company's Official Liquidator, I report solely on factual matters. While I believe all of the information in this report to be true and accurate, this report may be amended should additional information come to light.

6. CURRENCY OF THE LIQUIDATION

6.1 All references to currency in this report are quoted in United States Dollars (USD). The determination of currency of the liquidation states in the Companies Liquidation Rules, 2012, (hereinafter referred to as the CLR) Order 16, Rule 13:

- (2) In the case of an insolvent liquidation, a company's liabilities shall be translated into the functional currency of the company (referred to in this rule as the "currency of the liquidation") at the mid-market exchange rate prevailing:
 - (a) On the date of the commencement of the liquidation; or
 - (b) The date on which the winding up Order was made, (referred to in this rule as the "applicable exchange rate").
- (5) When a creditor proves for his debt in a currency other than the currency of the liquidation, the amount claimed shall be translated into the currency of the liquidation at the applicable exchange rate.
- (6) A creditor shall not be entitled to claim against an insolvent company in liquidation any compensation for exchange losses resulting from changes in the market exchange rate occurring during the period between the date on which the winding up order was made and the date on which the dividend is paid.

7. STEPS TAKEN BY THE OFFICIAL LIQUIDATOR

- An attempt was made to issue a written interrogatory on a former member of the Bank's Management which was unsuccessful.
- Continued pursuing the recovery of the assets belonging to the Bank's clients and its related companies.
- Continued publications in an effort to notify depositors and fiduciary clients to submit their claim in the liquidation.
- Continued to receive, review, examined, process, accept and/or reject proof of debt claims.
- Sought directions from the Court regarding the new provisions set out in the CLR, 2012, which replaced the Companies (Winding Up) Rules relating to depositors.
- Fiduciary clients were notified as to the availability of their holdings.
- Disseminated dividend to depositors whose claim were agreed.

8. BANK DEPOSITORS

- 8.1 Further to my last report filed with the Court on August 4, 2011, I have continued to preserve the Bank's and its clients' fiduciary assets held under my control. I have written further letters and emails following up with holders of securities and registered depositors respectively, to whom valid addresses are available to me notifying them of the availability of their security holdings and to submit their claim in the liquidation in reference to receiving their deposit(s) held with the Bank.
- 8.2 I have also continued to advertise further Notices in both local and international gazettes calling for prospective creditors to prove their claims, advising that, it was intended to declare a first dividend. Moreover, an official liquidation website has been created in an effort to keep creditors and depositors abreast of new developments based on information published via the aforementioned gazettes. Due to this venture, additional proofs of debt claims have been lodged and numerous telephone calls and emails received.

9. PROOF OF DEBT CLAIMS

- 9.1 As at December 31, 2016, I have received 385 proof of debt claims which were registered in the Bank's system (referred to in this report as the "Depositors Database" or Electronic Database"). Refer to Appendix V for details.
- 9.2 The proofs of debt claims accepted by me were processed due to the fact that these depositors' names, account numbers and balances were registered within the bank's electronic database. Nevertheless, upon review of the files and proof documents submitted by the depositors, it was revealed that the majority of their deposits intended for their accounts with SSBT were wired for deposit to non-related SSBT accounts as per instructions provided to them by the bank.
- 9.3 Depositors whose claims were not agreed were entitled if dissatisfied with my decision to make an application within 28 days from the date of communication to the Supreme Court of The Bahamas to have the Court reverse or vary my decision.

10. BANK'S ASSETS

- 10.1 The market value for securities held on behalf of the Bank at December 31, 2016 was valued at \$20,905,679 not inclusive of income comprising of interest, dividends and mandatory redemptions to date amounting to \$7,276,081.

10.2 In November of 2015, \$1,380,404 was placed in a money market USD fund account with Ansbacher (Bahamas) Limited. The value of this investment at December 31, 2016 was \$1,387,600.

11. ASSETS HELD IN FIDUCIARY CAPACITY

11.1 The fiduciary accounts held under my management since inception of the liquidation were 102. To date, I have not been able to make communication with 74% of the clients. Nevertheless, I have been successful in releasing 10% of fiduciary holdings. I await further documentation on 16% of the holdings in anticipation of releasing same. During the period a total of \$194,413 was paid. Further to paragraph 8.1 above, fiduciary clients were notified initially by mail and email as to the availability of their securities.

11.2 The assets held on behalf of the Bank's clients in a fiduciary capacity under my control was valued at \$10,133,038 at December 31, 2016, inclusive of income comprising of interest, dividends and mandatory redemptions to date amounting to \$1,245,632.

11.3 Upon receiving and processing these claims, clients whose claim were in compliance with my instructions were provided the options of having their shares transferred to another broker dealer or requesting the shares be redeemed and the proceeds paid. In cases where an International Business Company ("IBC") held shares, it was mandatory for the Company to produce a Certificate of Good Standing ("COGS") indicating that all its fees were paid up to date. Upon receiving proof of the COGS, the IBC was provided the opportunity to assign its share to the IBC or an individual.

12. LEGAL MATTERS SUBSEQUENT TO THIRD REPORT - CONTINUED

12.1 Suisse Security Bank & Trust Limited (In Liquidation) v. Sonja Harajchi - Mortgage to Mohammed Harajchi Suit - 2012/CLE/gen/00491.

12.2 On April 12, 2012, Sonja Harajchi filed an Affidavit and an Affidavit of Mortgagee in the Supreme Court in her capacity as mortgagee for her husband's Mohammed Harajchi's properties at Paradise Island.

As advised in my previous Report, Mrs. Sonja Harajchi obtained an Order from the Court on July 30, 2012, granting her permission to foreclose on two (2) mortgages from Mohammed Harajchi to Sonja Harajchi with respect to real estate located at Paradise Island, Bahamas.

The aggregate of the sum allegedly borrowed by Mr. Harajchi is Nine Million five Hundred Thousand Dollars (\$9,500,000.00) together with accrued interest.

The Paradise Island Properties were allegedly mortgaged without proper regulatory permission being granted pursuant to Section 5 of The Immovable Properties (Acquisition by Foreign Persons) Act 1983. This Act made it mandatory that approval be applied for and granted for the sale/mortgage of real property in The Bahamas by foreigners.

Mrs. Sonja Harajchi did not apply for nor did she obtain permission to execute these mortgages with Mohammed Harajchi. The Immovable Property (Acquisition by Foreign Persons) Act was repealed and replaced by The International Persons Landholding Act, 1993 (the Act). This Act like its predecessor, the 1983 Act also makes it mandatory that a foreigner buying or acting as mortgagee of real estate in The Bahamas should first obtain a Certificate from the Investment Board. Additionally, the Act does allow a buyer/mortgagee to apply for a Certificate of Validation if prior approval for the purchase/mortgage was not obtained. Mrs. Harajchi did not apply at the time of the alleged mortgage but she has now applied for a Certificate to validate the purported mortgages.

I have made strong and detailed representations to the Investment Board opposing the grant of the Certificate of Validation requested by Mrs. Harajchi.

In my opinion the alleged mortgages are no more than a paper transaction contrived to defeat legitimate creditors of Mohammed Harajchi. My position in this regard is re-enforced by the fact that both Mr. and Mrs. Harajchi were aware of the requirement for approval under the 1983 Act and failed to seek or request it. Further, both of them failed to advise The Central Bank of The Bahamas of the payment of the sum being loaned/borrowed and there is no paper trail evidencing the actual payment by Mrs. Harajchi to Mohammed Harajchi.

12.3 Based on my instructions, my Attorney has been in contact with the Central Bank of The Bahamas regarding this matter as recent as December 12, 2016.

12.4 As detailed above, this matter is still being actively pursued.

13. Suisse Security Bank & Trust Limited (In Liquidation) v. Mohammed Harajchi et al – 2007/CLE/gen/00894.

13.1 On May 30, 2011, my attorney received a letter together with attachment pertaining to this matter advising that applications filed with the Supreme Court were pending.

I was informed of the same on June 16, 2011. The applications attached were Bill of Costs, filed on April 28, 2011 together with and an Affidavit and Summons filed on February 25, 2011.

13.2 The hearing date was set for August 11, 2011, seeking further and better particulars of the plaintiff's Statement of Claim.

13.3 On December 9, 2011, my attorney filed a Summons with the Supreme Court wherein, inter alia, an application to stay the payment of the Order for Costs is been sought. This matter remains pending.

14. Suisse Security Bank & Trust Limited (In Liquidation) - Respondent v. Michel Harajchi - First Appellant and Sonia Harajchi - Second Appellant - SCCivApp & CAIS No. 32 of 2009

14.1 On January 31, 2011, a substantive Appeal was heard before The Honorable Mr. Justice Blackman, JA, The Honorable Mr. Justice Newman, JA, and The Honorable Mr. Justice John, JA, made by Michel Harajchi against the refusal of the Supreme Court Judge, The Honorable Mr. Justice Stephen Isaacs, to strike out the writ and the statement of claim. The other matter which was before the court was the appeal of Sonia Harajchi in connection with costs ordered.

14.2 The Honorable Mr. Justice Blackman, JA writing the Judgment of the Court concluded that the appeal of the first appellant be dismissed and he allowed the appeal in respect of the second appellant to proceed. The Order of the court was that the second defendant should file its defence within 28 days of the date of the hearing. And if, for good reason, which can be established, that more time is required, a proper application may be made to the Court Judge for an extension of time, but it will have to be on good grounds.

14.3 The costs for the applications were ordered to be accepted by SSBT as, respondent.

14.4 To date, no formal application for the payment of costs has been filed by the previous Third Defendant in this action and Second Appellant in the above noted Appeal. I have been advised by my Attorneys that they have had informal discussions with the Attorneys on the other side about the payment of costs, however, these discussions were inconclusive.

15. **Suisse Security Bank & Trust Limited (In Liquidation) v. PKF Chartered Accountants et al - 2008/CLE/gen/00457.**

15.1 Notwithstanding the fact that litigation is still possible, a review of the information available to me and their legal underpinnings, I am still determining whether I should proceed to take legal action.

16. **Suisse Security Bank & Trust Limited (In Liquidation) v. Ryan & Co. a Firm/MED Holdings Enterprises Limited and Mohammed Harajchi et al - 2007/CLE/gen/00894.**

16.1 As at the date of my preparation of this Report, this matter remains pending.

17. **Sonia Harajchi and Raymond Winder v. PricewaterHouseCoopers, The Central Bank of The Bahamas and The Honorable Attorney General - 2005/CLE/gen/00958.**

17.1 This matter is still pending as my Summons for Dismissal of the action for want of prosecution has not been heard.

18. **J. Virgil Waggoner et al v. Suisse Security Bank & Trust Limited (In Liquidation)**

18.1 Subsequent to my telephone discussion with local Counsel for the subject on February 22, 2011, issues surrounding the clients claim filed in the liquidation and the terms outlined in the United States Bankruptcy Court Stipulation and Order, namely costs (copy of Oder submitted for counsel information) were discussed. I received a letter dated February 23, 2011, recapping our communications in addition to a request of my position on the claim for \$2.3m together with an accounting of the funds. I advised on March 9, 2011, that my attorney will address such affairs.

18.2 On June 28, 2011, I spoke via telephone with an attorney who had contacted me from the United States informing me that he is an outside general counsel for the Waggoner parties, and had not entered an appearance in The Bahamas due to the fact that the parties had appointment a local counsel to represent them in the Bahamas. This telephone conversation was followed by an email stating that his understanding of the following issues that were required to be negotiated and resolved:

- i. Whether the \$2.3 million his client placed with SSBT is being held in trust;
- ii. Whether interest is payable on the \$2.3 million and that whatever interest is to be paid on the \$350,000, Ordered by the New York (NY) Court for attorney fees to be paid to SSBT. I suggested that the same interest rate should be applied to the \$2.3 million; and
- iii. Payment of the \$350,000 ordered by the NY Court.

18.3 On September 5, 2011, my attorney provided his opinion on the \$2.3 million which was addressed in a letter by me to Waggoners local Counsel on September 15, 2011. I advised, based on the opinion that it was concluded that the claim was that of an unsecured creditor and not as a secured creditor as provided in Section 257 of the Companies Act.

In my letter, I also directed Counsel pursuant to Rule 62, of the Winding Up Rules, that the client is entitled to make an application to the Supreme Court of The Bahamas to have the court reverse or vary my decision within twenty-eight days (28), from the date of receipt of my letter if dissatisfied.

18.4 On September 23, 2011, Waggoners US Counsel submitted an email to me advising that their local Counsel was preparing a Summons to be filed in court in order to preserve their position and requested a conference call. The Summons was filed on October 5, 2011, by way of letter dated same by Waggoners local counsel seeking an Order to appeal the contents contained within my letter dated September 15, 2011, and requesting a memorandum from me outlining my reasons for treating the clients as unsecured creditors. It was also noted that, pursuant to Rule 66 of the Winding Up Rules, the same shall be filed within three (3) days of receipt of their notice.

18.5 Since my last Report, there has been no movement in this matter from J. Virgil Waggoner et al. Consequently the matter of costs is still pending.

19. Christopher Lunn (Appellant) v. Suisse Security Bank & Trust Limited (In Liquidation) (Respondent) - 2010/SCCivApp Side/191 & Notice of Appeal Motion (Pursuant to S 21(1) of The Court of Appeal Act)

1. The appeal made by Christopher Lunn via Summons to parties to settle the record was heard on February 23, 2011. The following were outlined:

- a. To settle the Record of appeal herein;
- b. To fix the amount to be deposited by the appellant(s) or secured by bond for:
 - i. The due prosecution of the appeal; and
 - ii. Security for costs; and
- c. To fix the time within which:
 - i. The records shall be prepared and filed in the Registry by the appellant; and
 - ii. The amount fixed under rule 13(1) (b) must be deposited or secured by bond.

2. It was further noted that:

- a. All parties shall submit, on the day appointed, a proposed schedule of documents that the party desires to comprise the records;
- b. The matters aforesaid shall be settled and determined at the stated time and place (Registry of the Court of Appeal, Wednesday, February 23, 2011), if only the appellant is present at the appointed time, and
- c. Failure by the appellant to be present at the appointed time and place may result in the appeal being dismissed with or without costs.

19.1 On the same day, the Court of Appeal made an Order that:

- i. The record of this Appeal shall consist of the documents scheduled hereto;
- ii. Counsel for the respondent prepare and file the record within thirty (30) days hereof in accordance with the undertaking; and
- iii. The Appellant deposit or secure by bond within thirty (30) days the sum of two thousand five hundred dollars (\$2,500) for the due prosecution of the appeal.

19.2 Further to my attorneys review of the Court of Appeal Notice posted of its List of Appeals for October 2012, I was informed that a Notice of Motion, Substantive hearing was filed by Lockhart and Co. and was scheduled to be heard on October 9, 2012.

19.3 The Applicant's Notice of Appeal and Supplementary Notice of Appeal filed on September 3, 2012, was heard by the Court of Appeal on March 25, 2013, and in an unwritten decision the Court dismissed the Applicant's appeal.

19.4 The decision of Justice Isaacs was upheld and the Respondent was awarded costs to be taxed, if not agreed and the Respondent was subject to taxation, if not agreed.

19.5 In the circumstances, the Applicant is now seeking leave to appeal to the Judicial Committee of Her Majesty's Privy Council to reverse the Decision of the Court of Appeal as of right pursuant to section 23(1) of the Court of Appeal Act (Cap 52).

19.6 On April 12, 2013, an Affidavit and Notice of Motion was filed for leave to Appeal to the Privy Counsel.

20. Former Employees of the Bank v. Suisse Security Bank & Trust Limited (In Liquidation)

20.1 On June 24 and August 2, 2011, this matter was heard. On November 9, 2011, a decision was made by Mr. Justice Stephen G. Isaacs, whereby it was ordered that the former employees Proof of Debt be admitted in the amount of \$107,682.56, by me and costs be awarded to the Applicants to be taxed if not agreed.

20.2 On April 4, 2012, an Order was filed in the Supreme Court reversing the rejection of proof. It was ordered that my decision rejecting the said Proof of Debt be reversed and that such proof be admitted in the winding up of the company and costs awarded to the applicants be taxed if not agreed {and paid out of the assets of the said company}.

20.3 The applicants cost awarded were \$48,800, and have since been paid and settled together with the former employees claim.

20.4 I have since informed the Attorney that all remaining employees seeking relief will be paid by the guideline set forth in the Employment Act and based on the records in my custody, which he acknowledged. Moreover, he was requested to direct the remaining former employees of the Bank who seek compensation directly to me in the future.

20.5 Subsequent to the award by the Court, additional employees' claims have been presented by Lockhart & Co. and have been settled.

20.6 I have been advised that Mr. Lunn has not proceeded with his Application for Leave to Appeal to the Privy Counsel and should he apply now, it is unlikely that leave to appeal will be granted due to inordinate delay.

21. LEGAL MATTER - NEW

21.1 Liabilities - Deposits

21.2 Further to section 8 of the CLR, as Official Liquidator of the Bank, I made an application by way of an Affidavit and Summons to the Supreme Court dated November 20, 2013 and November 5, 2013 respectively, through my attorney seeking direction from the Court in light of the new provisions set out in the CLR regarding those claimants who have submitted proof of debt claims in

the liquidation to determine whether or not they should be considered creditors of SSBT and receive dividends due to the fact that their deposit(s) were intended for further credit to SSBT however, deposited to and retained in the accounts of SSI and SSH.

Such instructions were given to depositors by the Bank's management to utilize the three accounts rather than that of SSBT which was the only entity licensed by the Central Bank.

21.3 The electronic database records that were maintained by the Bank to records clients' information and transactions, similar to a bookkeeping system were used to rely on in particularly to assess balances. To date, I have not been able to locate ledgers or factually ascertain whether double entry bookings on incoming deposit via SSI and SSH for SSBT accounts was transacted.

21.4 The funds on accounts of SSI and SSH held with BBPLC and UBS continue to remain under control of the Bank's former management (refer to schedule in paragraph 25.1).

21.5 The Summons for this matter was heard on November 26, 2013 before the Honourable Acting Mr. Justice Ian Winder.

22. OTHER MATTERS

22.1 K.D. Trinh

22.2 On September 20, 2012, I received a letter from the offices of Ausley and McMullen (A&M) advising me of unclaimed property relating to a litigation by a class of investors by Edwin Cowan et al against K. D. Trinh Investments, Inc. and SSBT et al.

22.3 This action which commenced on November 4, 1996, prior to my appointment by way of a Third Amended Complaint was alleging breach of federal and state securities laws, fraud, negligent misrepresentation, breach of contract, breach of trust and civil theft claiming damages, fees and costs.

22.4 On September 25, 2012, I contacted the letter writer via telephone acknowledging the letter and advising as to my role and affiliation with SSBT. Thus, I was able to gain a better understanding of what the notification via letter was in relation to. This telephone communication was followed by an official letter and the Order of my appointments. I instructed A&M to close the account and forward the proceeds to me via courier, in addition, to requesting the following:

1. Details of the litigation matter;
2. Details of Distribution and outstanding Fees;
3. History of the Account Activity; and
4. Details for Release of Funds.

22.5 October 5, 2012, a cheque in the amount of \$65,662 was received, not including the requested details noted in paragraph 22.4 section, 1 through 4 above.

On November 7, 2012, I made a further request for the above details to assist me in carrying out my duties as Official Liquidator. On November 13, 2012, the following documents were received via email:

1. Second Amended Complaint;
2. Final Judgment against SSBT; and
3. Order dated July 19, 2002, approving distribution of the funds.

22.6 The final judgment filed in open Court dated July 17, 1998, in this matter was ordered and adjudged that a final judgment be entered against SSBT and in favor of the Plaintiffs and the class, in the amount of \$1,259,070.98 plus pre-judgment interest of \$215,182.12, totaling \$1,474,253.10. On July 12, 2002, the amount of the Common Fund was \$1,735,921.81. The Order in this matter was filed on July 19, 2002. The distributions were granted as follows:

Distribution to Class Members	\$ 1,014,397.77
Class Counsel - In Attorneys' fees	624,931.85
Amount returned to SSBT - Blind Trusts	65,661.98
Class Counsel Costs/Common Fund's Tax	<u>30,930.21</u>
	<u>\$ 1,735,921.81</u>

22.7 The aforementioned concludes this matter.

23. Claim of Share Capital

23.1 On March 18, 2013, I received a claim for the return of share capital and share retained earnings in the amount of US\$225,000 and US\$248,125.12, respectively, for Sonja Harajchi.

23.2 I was instructed by my attorney on March 25, 2014, to advise Sonja Harajchi to submit a claim in the liquidation for same, should she wish. At the date of this report, a claim have not been submitted.

24. Ex-Parte Summons for Interlocutory Injunction – Derek Guise Turner v. Harajchi Et Al.

24.1 On January 25, 2013, I was informed that an application by Derek Turner seeking an injunction against the three Harajchis' namely Mohammed, Michel and Sonia Harajchi and Derek Ryan, restricting them from selling any property owned by the Harajchis' on Paradise Island.

24.2 As this issue is of interest to me as liquidator and should be protected, my attorney appeared at the hearing which was scheduled for January 28, 2013.

24.3 The proposed application was heard on February 21, 2013, with Counsel appearing acting on my behalf, Counsel for Sonja Harajchi as "mortgagee" of properties owned by Mohammed Harajchi at Paradise Island and Counsel for Derek Guise Turner.

24.4 The application for the Injunction was declined as, inter alia, there was already an injunction in place which was granted to me, in my capacity as Liquidator.

25. Amended Schedule of Assets to be Recovered and Potential Losses

25.1 Further to paragraph 21.4 as follows:

SSI's account at Barclays Bank	\$	5,540,631
SSH's account at UBS Geneva		<u>12,176,436</u>
	\$	<u>17,717,067</u>

26. Distribution

26.1 I had anticipated making a first dividend in December of 2012, to creditors of the Bank whose claims have been agreed.

However, due to legislation changes in July 2012 revamping Bahamian liquidation law, I had no other alternative than to seek directions from the Court as I had governed SSBT's liquidation since inception based on the old liquidation Rules. (Refer to section 21 above for further details).

26.2 I am pleased to report that the Court Orders of which I had sought directions were received. These Orders have been posted on the company's website.

26.3 On November 24, 2014 a distribution of 10 cents on the dollar was declared. Dividend paid for the period amounted to \$1,237,510.

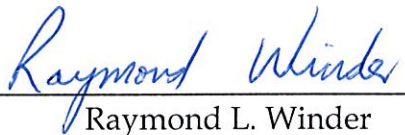
26.4 I anticipate paying a second distribution before the end of year 2017. The amount of such distribution will be reliant on the funds available at the time and should not be less than 10%.

26.5 The amount of future distributions will depend on recoveries we continue pursue.

27. **CONCLUSION**

27.1 As the Company's Official Liquidator, I have exercised my duties in accordance with the order of my appointment. This report covers the period January 1, 2011 to December 31, 2016, and will be followed by annual reports detailing events subsequent to this reporting period.

Respectfully Submitted:



Raymond L. Winder
Official Liquidator

15. APPENDICES

Appendix I

SUISSE SECURITY BANK & TRUST LIMITED (IN LIQUIDATION)

STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2016

ASSETS

Investment in Securities (1)	\$ 20,905,679
Cash and Cash Equivalents (2)	12,514,176
Money Market Investment (3)	<u>1,387,600</u>
Total Assets	<u>\$ 34,807,455</u>

LIABILITIES AND NET ASSETS

Customers' Deposits	56,290,346
Other Liabilities (4)	<u>63,699</u>
Total liabilities (5)	<u>56,354,045</u>
Deficiency of liabilities over assets	<u>(21,546,590)</u>
Total Net Assets and Liabilities	<u>\$ 34,807,455</u>

1. Refer to Appendix IV for details.
2. This amount represents bank deposits held at CIBC FirstCaribbean International Bank and Ansbacher (Bahamas) Limited – Appendix III.
3. In November of 2015, \$1,380,404 was placed in a money market investment and bond fund with Ansbacher (Bahamas) Limited. This amount indicates the value of the investment at December 31, 2016.
4. Refer to section 20 of the report.
5. No estimates for further administrative expenses are included in the liabilities.

SUISSE SECURITY BANK & TRUST LIMITED (IN LIQUIDATION)

Appendix II

**SCHEDULE OF CASH FLOW
AS AT DECEMBER 31, 2016**

	2016		2015		2014		2013		2012		2011	
	Ansbacher	Bank	Ansbacher	Bank	Ansbacher	Bank	Ansbacher	Banks	Ansbacher	Banks	Ansbacher	Banks
OPENING CASH BALANCE	\$ 154,217	\$ 13,450,084	524,084	14,664,829	\$ 266,738	\$ 14,826,525	\$ 67,329	\$ 15,034,239	\$ 39,928	\$ 15,247,014	\$ 485,210	\$ 15,023,062
Cash provided by:												
K.D. Trinh	-	-	-	-	-	-	-	-	-	65,662	-	-
Bank of The Bahamas	-	-	-	-	-	-	-	-	-	469,690	-	650,000
Interest Income on Deposits	-	12,858	-	15,866	-	15,184	-	67,244	-	34,751	-	55,751
Redemption/Mandatory Sale of Securities	-	-	759,922	335	-	-	15,308	-	335,643	3,785	111,910	3,499
Income on Bank's Assets	-	-	-	-	-	-	-	-	-	-	-	13,671
Income on Securities	349,497	-	279,370	282,156	-	-	228,417	-	242,015	-	138,812	-
Other Income	-	-	-	-	-	-	119	7	3	-	31	-
Total Cash Provided	349,497	12,858	1,039,292	15,866	282,491	15,184	243,844	67,251	577,661	573,888	250,753	722,921
Gross Balance	503,714	13,462,942	1,563,376	14,680,695	549,229	14,841,709	311,173	15,101,490	617,589	15,820,902	735,963	15,745,983
Cash used by:												
Ansbacher	-	-	1,380,404	-	-	-	-	-	469,690	-	650,000	-
Agents Fees	-	105,138	-	136,670	-	-	-	180,392	-	-	-	246,571
Liquidator Fees	-	19,350	-	24,600	-	-	-	32,600	-	-	-	60,000
Attorneys Fees - Bahamas	-	22,725	-	36,750	-	-	-	93,588	-	-	-	115,838
Other Legal Fees - Bahamas	-	-	-	-	-	-	-	48,800	-	-	-	-
Attorneys Fees - United States	-	-	-	-	-	-	-	-	-	-	-	4,831
Storage	-	15,479	-	8,679	-	4,013	-	15,451	-	11,336	-	25,047
Severance to Former Employees	-	-	-	-	-	2,960	-	25,198	-	122,767	-	-
Office Rental	-	-	-	-	-	-	-	3,000	-	3,000	-	5,500
Bank Charges	-	686	1,262	638	-	249	-	285	-	4,009	411	3,874
Custodian Fees	-	-	27,493	190,650	25,145	985,614	-	-	190	-	15,183	-
Dividend to Depositor	30,797	61,246	-	-	-	-	20,915	-	18,943	-	-	-
Payment to Fiduciary Clients	-	-	-	-	-	27,634	-	-	-	79,309	-	87,470
Taxes Withheld on Shares	-	-	-	-	-	-	23,520	-	61,437	-	30,441	-
Total Cash Used	30,797	224,624	1,409,159	397,987	25,145	1,020,470	44,435	399,314	550,260	220,421	696,035	549,130
Net Balance	472,916	13,238,318	154,217	14,282,708	524,084	13,821,238	266,738	14,702,176	67,329	15,600,481	39,928	15,196,853
Unrealized Foreign Exchange Adjustment	-	48,574	-	(832,624)	-	843,591	-	124,349	-	(566,242)	-	50,161
ENDING CASH BALANCE	\$ 472,916	\$ 13,286,892	\$ 154,217	\$ 13,450,084	\$ 524,084	\$ 14,664,829	\$ 266,738	\$ 14,826,525	\$ 67,329	\$ 15,034,239	\$ 39,928	\$ 15,247,014

Appendix III

SCHEDULE OF CASH BALANCES AS AT DECEMBER 31, 2016

		Bank Balance	Fiduciary Balance
CIBC First Caribbean International Bank	\$ 13,286,892	\$ 12,064,594	\$ 1,222,298
Ansbacher (Bahamas) Limited	<u>472,916</u>	<u>449,582</u>	<u>23,334</u>
Total Cash	<u>\$ 13,759,808</u>	<u>\$ 12,514,176</u>	<u>\$ 1,245,632</u>

Appendix IV

SCHEDULE OF BANK'S INVESTMENTS AS AT DECEMBER 31, 2016

<u>Number of Shares</u>	<u>Description</u>	<u>Market Values at December 31, 2016</u>
171,025	Powershares QQQ	\$ 20,263,042
200,000	Russian Federation EuroBond, 12.5% due 6/24/2028	328,725
75,000	Ministry of Russia Finance, Euro issue 12.5% due 6/24/2028	128,027
8,500	Templeton Russia & Europa Fund due 12/22/2015	- (1)
1,500	Stamp.Com Inc	171,975
338,000	Vertical Computer Systems Inc.	8,112
60.06	Time Warner Inc.	5,798
30,200	Safe Technologies International Inc. 5/29/2015	- (2)
21,000	Safe Technologies International Inc. 5/29/2015	- (2)
	National Energy Services Inc. formerly National	
1	Automation Services	- (3)
15,000	Amerquest Technologies International Inc. 7/12/13	- (2)
20,458	National Record Mart Inc. 2/27/2015	- (2)
		<u>\$ 20,905,679</u>

Assumption:

1. This fund matured on December 22, 2015.
2. These securities were delisted during the period indicated.
3. This security had a name changed during the period in addition to a reversed stock split of 18 to 1 unit.

Appendix V

SUISSE SECURITY BANK & TRUST LIMITED (IN LIQUIDATION)

SCHEDULE OF CLAIMS

AS AT DECEMBER 31, 2016

Category of Claims	No. of Depositors	Claims	Difference	Bank's Value	% Number	% Value
RECEIVED & AGREED (1)	<u>44</u>	<u>\$ 12,969,494</u>	<u>\$ -</u>	<u>\$12,969,494</u>	<u>1%</u>	<u>23%</u>
RECEIVED, AGREED & LOST CONTACT (2)	<u>80</u>	<u>3,629,315</u>	<u>-</u>	<u>3,629,315</u>	<u>3%</u>	<u>6%</u>
RECEIVED & NOT AGREED (3)	<u>261</u>	<u>23,045,623</u>	<u>(1,652,000)</u>	<u>21,393,623</u>	<u>9%</u>	<u>37%</u>
CLAIMS NOT RECEIVED (4)	<u>2,685</u>	<u>18,297,914</u>	<u>-</u>	<u>19,535,424</u>	<u>87%</u>	<u>34%</u>
DIVIDENDS PAID	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,237,510)</u>	<u>-</u>	<u>-</u>
TOTAL:	<u>3,070</u>	<u>\$ 57,942,346</u>	<u>(1,652,000)</u>	<u>\$56,290,346</u>	<u>100%</u>	<u>100%</u>

Notes:

1. These claims were received and agreed based on the total amount owed as at the date of which the company went into liquidation. The major of these creditors have been paid a 10% dividend.
2. This category of claims are similar to 1 above. However, we have to date lost contact with these creditors. The contact information previously utilized is invalid. None of these creditor have to date received dividend.
3. These claims were rejected for reasons whereas:
 - an IBC was not in good standing;
 - creditors claiming more than the company balance showed at the date of liquidation; and
 - creditors failing to comply with the mandatory liquidation requirement (e.g. certification of documentation, etc.)
4. Communication was submitted to this category of creditors via their last know addresses within the Bank's records. To date, we have not received a response.

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COMMONWEALTH OF THE BAHAMAS
IN THE SUPREME COURT
Equity Side.

IN THE MATTER OF SUISSE SECURITY BANK & TRUST LIMITED
(In Liquidation)

AND

IN THE MATTER OF THE COMPANIES ACT, 1992

AFFIDAVIT OF RAYMOND L. WINDER
IN SUPPORT OF THE FOURTH REPORT OF THE
OFFICIAL LIQUIDATOR

No. 436 of 2001

Mckinney, Turner & Co
MCKINNEY, TURNER & CO.

CHAMBERS

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13 West Hill Street
Nassau, Bahamas

Attorneys for the Official Liquidator