



Office of the Minister
of State without Portfolio

REPUBLIC OF LIBERIA

EXECUTIVE MANSION
P.O. BOX 9001
CAPITOL HILL, MONROVIA, LIBERIA

SS/AM/MOS/012/2024/RL

April 18, 2024

Hon. J. Aloysius Tarlue, Jr.
Executive Governor
Central Bank of Liberia
Monrovia, Liberia

Hon. Tarlue:

By directive of the President, I am transmitting the attached documents from SIB Liberia Limited. His Excellency asks for an update on the progress made and the path to address the claims.

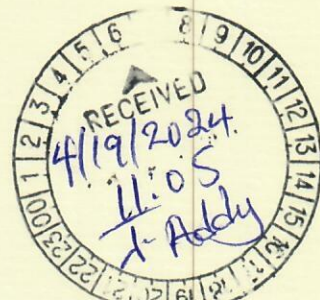
Kind regards.

Sincerely,

Samuel A. Stevquahn
Acting Minister of State for Presidential Affairs



DGO/DGEP
For your review and advise.
[Signature]
04/19/2024





4th April 2024

HIS EXCELLENCY
THE PRESIDENT
REPUBLIC OF LIBERIA
EXECUTIVE MANSION
MONROVIA, LIBERIA

ATTN: HIS EXCELLENCY PRESIDENT JOSEPH N. BOAKAI

Dear Sir,

GRATITUDE AND REQUEST

We wish to express our gratitude for the audience you granted to us today. We deeply appreciate the time and the genuine attention you spent to listen to our appeal.

In line with the discussion held with you, please find attached the formal request we submitted to your office on 28th December 2023 on the matter. In addition, we have also attached the full petition we submitted to the Executive Governor of the Central Bank, Honorable J. Aloysius Tarlue Jr., on the same matter dated December 2nd, 2021.

I am confident that these two letters would be adequate to inform your action on the matter.

Once again, be assured that Groupe Nduom believes in your vision and remains committed to continue its investment in Liberia. We also wish to assure you that SIB Liberia Limited remains committed to build a sound and resilient bank that retains the trust and confidence of the general public.

Thank you.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'Papa Kwesi Nduom'.

Papa Kwesi Nduom (Dr.)
Group President / Board Chairman

28th December 2023

HIS EXCELLENCY
THE PRESIDENT
REPUBLIC OF LIBERIA
MONROVIA, LIBERIA

ATTN: HIS EXCELLENCY PRESIDENT JOSEPH N. BOAKAI

Dear Sir,

IMPORTANT MATTER REQUIRING URGENT ATTENTION – SIB LIBERIA LIMITED

BACKGROUND:

On 3rd June 2016, the Central Bank of Liberia (CBL) in exercise of the power vested in it, issued a License to **GN Bank Liberia Limited/ SIB Liberia Limited (SIBLL)** to function as a Bank Financial Institution and to do Commercial Banking Business in Liberia.

The CBL during the licensing process also tabled and negotiated the matter of the troubled Bank then (now defunct), First International Bank Liberia Limited with the owners of SIBLL. The CBL saw the need to prevent the total collapse of the legacy Bank (FIBLL) and to protect the soundness of the Liberian Banking System.

Accordingly, the CBL and SIBILL agreed and signed a Purchase and Assumption Agreement that sought to protect the parties involved and also reach that objective. In line with that objective, the Central Bank approved the liquidation of First International Bank Liberia and endorsed that SIB Liberia Limited should assumed significant portions of the Assets and Liabilities of the now defunct First International Bank Liberia Limited.

The transaction maintained the Nation's confidence in the Financial Industry and prevented a complete collapse of the former Bank, which event, would have caused significant damage to the Financial Industry.

EXPANSION:

Since its entry into Liberia in June 2016, SIB Liberia limited (SIBLL) grown into a key Financial Institution providing financial services in Sixteen (16) strategic

locations and offers full branch banking services to customers from our eleven (11) main branches across Liberia.

THE ISSUE:

SIBLL has paid off US\$ 14.7 million of the Legacy Depositors' liabilities inherited from the defunct FIBLL. This effort notwithstanding, the Bank still have **US\$8.5 Million** outstanding liabilities to pay-off to legacy depositors, with some Depositors threatening legal actions on the Bank.

The payment of the **US\$14.7 Million**, out of the working capital of GNBL/SIBLL has significantly impacted the Cash flows of the Bank negatively. Accordingly, the bank appealed to the Central Bank to intervene in the repayment of the outstanding liabilities to the legacy depositors since that debt rightfully belongs to the Government of Liberia and the Central Bank.

The Board of Governors saw the need and upheld the request of the Bank after a thorough review of the matter for over two (2) years. The board has concluded and approved the payment of the outstanding legacy deposits liabilities of **US\$8 Million** to the Bank, but this is yet to be executed.

APPEAL

Your Excellency, it is against the aforementioned background, that we are compelled to seek your intervention in this matter.

As a Bank, we have done all we can do to maintain the Nation's confidence in the Financial Industry, an effort without which this Country would have experienced significant damage to its Financial Industry.

The Bank has made significant strides to ensure sustained operations and we seek your intervention and collaboration to ensure that the gains made so far is not eroded.

Thank you.

Yours Sincerely,



Papa Kwesi Nduom (Dr.)
Group President / Board Chairman

REF: SIBLL/002/MD/012/0001

December 2nd, 2021

Hon. J. Aloysius Tarlue, Jr.
Executive Governor
Central Bank of Liberia
Ashmun & Lynch Streets
Monrovia, Liberia

Dear Hon. J. Aloysius Tarlue,

**Petition of Ghana Growth Fund Company ("GGFC")/GN Bank (Liberia) Limited
/ SIB Liberia Limited
To the Central Bank of Liberia (CBL)**

THIS PETITION is made and submitted this 2nd day of December A.D. 2021 to the Central Bank of Liberia through its Executive Governor Hon. J. Aloysius Tarlue, Jr., by the Ghana Growth Fund Company ("GGFC")/GN Bank (Liberia) Limited / SIB Liberia Limited herein referred to as SIB Liberia Limited by and through its, Managing Director, Mr. Joseph K. Anim, for and on behalf of the Board of Directors of the Bank.

Please note that prior to this petition, GN Bank / SIBLL through its Managing Director had made several representations to the Central Bank on the need to revisit and review the Purchase and Assumption agreement (Copies attached). In addition, that the Managing Director has also held meetings with Officers of the Central Bank calling for a critical need to review the Purchase and Assumption Agreement to ensure that as the Bank continuous implements the agreement, it will not suffer irreparable damages.

PETITION

1. GN Bank / SIBLL and the Central Bank of Liberia (CBL) entered into a Purchase and Assumption Agreement dated June 1, 2016 under which GN Bank/SIBLL agreed to purchase some of the Assets of the failed First International bank of Liberia (FIBLL) and assume some of its liabilities (including the deposits of National Social Security and Welfare Corporation of Liberia (NASSCORP). Subsequently, the two parties signed an addendum to the Agreement on November 14, 2017 which

changed the values for assets and liabilities specified in the original agreement.

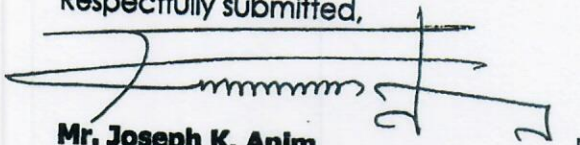
2. Under the aforesaid Purchase and Assumption Agreement, the Central Bank made certain representations to the SIBLL regarding the value of the purchased Assets and the Assumed liabilities, including in particular that the Purchased Assets included Loans and Advances with high prospect of recovery amounting to Six Million Five Hundred Thousand United States Dollars (**\$6,500,000.00**), as well as other assets valued at \$913,809.36; and regarding Assumed Liabilities, that the FIBLL Bank has Customer Deposits (including NASSCORP) amounting to **\$24,420,402.23**, as well as other liabilities amounting to **\$402,950.00**. These figures were slightly amended by the addendum aforementioned and referenced under paragraph one.
3. That the aforesaid are material representations made by CBL on which GN Bank/SIBLL relied and which induced GN Bank/SIBLL to enter into the "Purchase and Assumption Agreement as well as the subsequent "Take over Agreement" and to make the major financial investment of **\$18,500,000.00** into the Bank to revitalize it and to make it operational.
4. That under Article XV of the aforesaid Purchase and Assumption Agreement, under the caption, CBL's obligations and Communication, the CBL undertook to take steps and do all in its power to prevent panic withdrawals by major customers and depositors of FIBLL and ensure the success of the transaction. **In this regard, the agreement also contemplated continuous review by the parties with the view to taking corrective and appropriate actions.**
5. That following the takeover of the FIBLL, GN Bank/ SIBLL has experienced a disappointment of its expectation in that the loans which were represented to have a high prospect of recovery turned out to be non-performing.

Out of the \$6,500,000.00 stated as loans with prospect of recovery, only \$2,000,000.00 have been recovered and the prospects of recovering the balance remain slim; and "other Assets" valued at \$913,809.34 have proven to be worthless.

Major depositors including NASSCORP along with other government and Public sector depositors, have gradually withdrawn and significantly depleted their deposit base with the bank. These developments undermine the success of the transaction and frustrates the contemplation of GN Bank/SIBLL when it entered into the Agreements

6. That as a result of the failure of the representations and guarantees made by the Central Bank, GN Bank/SIBLL has applied over \$14.4 million United States Dollars of the \$18,500,000.00 infused in the Bank toward the payment of outstanding liabilities alone. These liabilities were inherited under the agreement with no commensurate recovery of loans due to the Bank.
7. That consistent with the guarantees made by the Central Bank under Article XV of the Purchase and Assumption Agreement and in order to make the transaction agreements successful, it is imperative that the Central Bank takes steps to ameliorate the difficulties that have arisen from its representations with the view to making GN Bank /SIBLL effective, resilient and profitable.
8. Consequently, GN Bank/SIBLL, petitions the Central Bank to initiate a legal and financial review of the agreements in place to ensure equity and fairness to the parties.
9. Specifically, we propose revision to the terms and conditions to:
 1. Provide \$8.0 Million United States Dollars to GN Bank/SIBLL to pay the remaining outstanding legacy deposit liabilities.
 2. Permit GN Bank/SIBLL to write off the legacy loan balance in the amount of \$4.0 Million from its Books with the view for it to be managed without affecting its capital and profitability.

Respectfully submitted,



Mr. Joseph K. Anim
(Managing Director-SIBLL)

Cc: Deputy Governor / Economic Policy
Deputy Governor / Operations

Chairman of the Board – Dr. Papa Kwesi Nduom

Enclosed:

- ✓ 1. Purchase and Assumption Agreement – 1st June 2016