



**Lindquist
Avey
Macdonald
Baskerville**

The Forensic & Investigative Accountants

One Financial Place
One Adelaide Street East
30th Floor
Toronto, Canada M5C 2V9

Tel: (416) 777-2440
Fax: (416) 777-2441
TDX 131

Facsimile Message Cover Sheet

Date:	April 4, 1996
To:	Dave Horner
Company:	FIS
Fax Number:	(809) 929-1123
No. of Pages:	4 (including cover sheet)
Location:	Kingston, Jamaica
Client #:	

This transmission should not be read by, or delivered to, anyone other than the person to whom it is addressed. It may contain privileged or confidential information. If you have received this transmission in error or have any transmission problems, please call us immediately (collect if necessary). Thank you.

From:	Howard Williams
Telephone:	(416) 777-2465

Message:

Dave please share a copy with Patrick. Advise him

this is an outline and further detail is to be added

next week.

TBP Investments Limited

On February 21, 1992 TBP Investments Limited("TBP") requested and was granted a \$2.0 million line of credit from Blaise Trust and Merchant Bank("BTMB"). The transaction initiated a business relationship which resulted in TBP Investments Limited having in excess of \$32.0 million outstanding loan liability at the time operations of BTMB were suspended by the Bank of Jamaica.

The shareholders of TBP are not presently known, however company Directors are identified as Orett Hutchinson and Trevor Clarke. Origin for the name TBP have been given as the first letters of Toyota Blaise and Panton, another version suggests Toyota Blaise Premier. The three are involved in marketing coffee to Japan. Either of the explanations indicates some involvement of Mr. Panton. Mr. Hutchinson in his role as General Manager of the Panton Group of Companies and the address of TBP being the same as Dojap would also suggest a relationship.

During March 1992 TBP was granted a \$5 million line of credit which was almost immediately drawn down. Security was a Consolidated Holdings Limited("CHL") debenture with a value of \$2,801,229.51 and a \$2.5 million Investment Certificate. The loan was approved by Mr. Panton, Dwyer and Geddes. On April 10, 1992 Clarke and Hutchinson instruct BTMB to encash the CHL debenture to satisfy \$2.5 million of TBP outstanding loans.

On May 14, 1992 Hutchinson requested the TBP line of credit be increased to \$18 million. The request was not granted however Dwyer and Francis did offer \$8 million which was accepted by Hutchinson and Clarke. On May 20, 1992, \$1.5 million of the loan proceeds were used to purchase a US\$200,000 draft on behalf of TBP.

Correspondence to BTMB dated June 1, 1992 signed by Hutchinson and Clarke requested a credit level increase to \$10.4 million. Reason for the loan was to purchase to purchase foreign currency. The request was denied by Francis who indicated concerns with the central bank, he does not outline detail but it is assumed it concerned

related company loans . On June 24, 1992 CHL(Panton/Dwyer) approved a \$2.6 million loan for the purchase of foreign currency. Security provided by TBP was a Bill of Sale for an aircraft to be purchased and the Directors guarantee. The conditions of the loan were accepted by Clarke/Hutchinson with the exception that no facility fee would be paid.

A transaction on June 25, 1992 resulted in Francis and Edwards transferring US\$100,000 to a Kevin Frater, at the Eastern ?Financial Credit Union, Miami Springs. Correspondence does not indicate the purpose for the payment and the Frater is not known to current bank staff.

On July 24, 1992 the TBP loan limit was further increased by \$3 million. The funds was requested by Hutchinson/Clarke and approved by Dwyer/Francis.

On September 11, 1992 Mr. Audley Stephenson sent a letter to Clarke requesting payment of approximately \$1.04 million outstanding interest on the TBP loans.

On September 28, 1992 Hutchinson requested a further \$3.5 million loan and a \$11.5 million guarantee. Mr. Panton initially does not approve the transaction, however on October 13, 1992 Panton, Dwyer and Francis grant the request.

An internal memorandum dated November 3, 1992 indicates the last payment from TBP on the outstanding loans was received on July 21, 1992.

Correspondence from Francis to Clarke dated December 23, 1992 records the outstanding balance of TBP loans as \$17,228,666.78. On June 9, 1993 Clarke is advised by BTMB that TBP indebtedness is approximately \$25 million. The amount does not include \$2.6 million loaned to Karvin Air which apparently relates to the loan approved by Dwyer/Panton on June 24, 1992 in the name of TBP. The loan was apparently recorded in the name of TBP rather than Karvin Air to avoid questions being raised by the Bank of Jamaica. Karvin Air is believed owned by Mr. Dwyer, Chairman of BTMB.

During the period August 1993 to January 1994 negotiations between BTMB and TBP on a settlement plan for the outstanding

loans were conducted. No settlement was reached and the matter is the subject of litigation.

The file raises several issues which require further investigation to determine if any of the file activity constituted evidence of a criminal act.

Of particular importance is the security provided for the loans by Clarke/Hutchinson/TBP which were in the form of a first charge on lands owned by Mr. and Mrs. Marley granted to TBP and assigned to BTMB. The mortgage and security documents were not perfected in a manner which afforded BTMB any recovery on the loans. We have not established if this resulted from negligence on the part of the individuals involved, or whether it by design.

In November 1994 Mr. Patrick Hylton first became aware of the loan level of TBP and requested the security documents. Mr. Hylton immediately recognized the document defects which nullified them as providing any security to BTMB.

Granting of a loan to Karvin Air and recording it in the name of TBP Investments Limited is an apparent misrepresentation, given the disclosure requirements on related company loans. The actions of Mr. Dwyer as Chairman of BTMB approving the loan also requires explanation.

Further inquiries are required to determine the origin of the CHL debenture encashed by TBP. Interviews with related parties such as Mr. and Mrs. Marley and representatives of Toyota Toucha Company, would also shed light on the history of TBP.