

QUESTIONS

Draft questions for FINSAC.

1. For what purpose was Finsac incorporated?
2. What was the policy of Finsac in dealing with the failed institutions, namely, commercial banks, merchant banks and insurance companies?
3. What criteria did Finsac use to determine whether an institution was insolvent or have a liquidity problem?
4. Did Finsac rehabilitate any of the failed institutions? If so, which ones?
5. How was such re-establishment accomplished?
6. Did Finsac inject cash into any of the failed institutions? If so, which ones?
7. Did Finsac take shares or acquire shares in any of the failed institutions? If so, which ones?
8. What was the total quantum of funds which Finsac injected into failed institutions?
9. Were depositors in the failed institutions repaid 100% of their capital plus interest to date of repayment?
10. What was the source of the money to make the abovementioned repayment to depositors?
11. In cases where Directors or shareholders of the failed institutions had deposits in their respective institutions, were they repaid deposits plus interest as in the case of other depositors? If not, why?
12. What was the aggregate indebtedness of the failed institutions at the time of take over by Finsac?

13. What was average rate of interest on the delinquent loans acquired by Finsac and held from 1997 to 2002?
14. How much money did Finsac required from delinquent loans between the periods 1997 to 2002?
15. What were the total administrative and operational expenses of Finsac and its subsidiaries from 1997 to 2002?
16. What was the aggregate of the debt sold by Finsac to Jamaica ReDevelopment Foundation (JRF) in 2002?
17. What was the average interest rate on those debts at that time?
18. What is the amount received by Finsac from JRF from 2002 to 2008 as proceeds from delinquent debtors?
19. What administrative, operational and legal expenses have been incurred by JRF from 2002 to 2008?
20. What was the average interest rate that JRF charged delinquent debtors from 2002 to 21008?
21. What is the total amount of indebtedness, still outstanding by delinquent borrowers as of June 2009?
22. In cases where Finsac released securities by way of sale was their valuation prior to sale?
23. Were sales of delinquent borrowers' properties by way of Public Auction? If so, how many by Public Auction and how many by Private Treaty?
24. How many delinquent borrowers there were with secured debts?
25. How many with unsecured debts?
26. Were any law suits brought to recover debts, and if so, how much was recovered consequent on litigation.

NOTE

Please prepare a Schedule without using the names of delinquent borrowers, but use alphabetical letters with the following information in respective columns

(i) Debt with interest due;

(ii) Valuation; and

(iii) Sale price.

No names ought to be used for confidentiality, hence, use letters or symbols.

27. Did Finsac render accounts to delinquent debtors when requested? If not, why.

October 01, 2009