

Caydion E. O'Neil Campbell, FCA, FCCA, MBA, BSc (Hons.)
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Strictly Private & Confidential

16 January 2023

The Directors
Stocks and Securities Limited
33½ Hope Road
Kingston 10
St. Andrew, Jamaica

Dear Sirs:

Re: Stocks & Securities Limited – Company # 11,168

Introduction

This letter confirms that you have advised me that you intend to undertake the reorganisation of the business, operations, and entire undertakings of Stocks and Securities Limited (“SSL”) and require the services of a Licensed Trustee to undertake this engagement. This letter outlines the terms under which I am prepared to accept this appointment.

Background and purpose

SSL is registered with the Companies Office of Jamaica (COJ) and was incorporated on 3 April 1973. The corporate details of SSL based on the records at COJ are as follows:

Shareholders	Shareholdings	Directors	Company Secretary
SSL Growth Equity Limited (“SSL Growth”)	125,215,477	Laurance Adamson	Anya Hylton
George Chai	75,129,240	Ivan Carter*	
Total Ordinary Shares Issued	<u>200,344,717</u>	Jeffrey Cobham	
		Hugh Croskery	
		Zachary Harding*	
		Peter Knibb	
		Sarah Meany	

*Resignation was previously tendered but the records at COJ have not yet been updated.

It has recently come to light that a now former employees of SSL may have perpetrated fraudulent transactions and activities on certain wealth management clients of SSL. The matter is now under active investigations by not only SSL but also, your regulator, the Financial Services Commission (“FSC”), and the Financial Investigations Division.

You have advised me that the indications to date are that no proprietary assets of SSL have been affected. Furthermore, SSL is now being permitted to operate under certain enhanced governance protocols that have been directed by the FSC.

I have been advised that SSL Growth and Mr. Chai have decided the business operations and entire undertakings of SSL need to be reorganised and there may be the need for rebranding and transitioning to a new entity.

You have decided that it would be best if such reorganisation is facilitated by a Licensed Trustee who could potentially execute some noncash en bloc “realisation” of assets with “distribution in specie” to the creditors and members. A Trustee would also have the option of a Scheme of Arrangement and Reconstruction as permitted under Sections 206 to 213 of the Companies Act among the creditors and members of the company with the sanction of the Court.

In that regard, it is my understanding that you propose to place the company in Members’ Voluntary Liquidation (“MVL”). You have also requested that I, Caydion Campbell, serve as the Trustee for Stocks and Securities Limited.

I confirm having advised you that if I am appointed as Trustee under the Companies Act (“the Act”), I will be acting under this jurisdiction with my primary duty to the general body of creditors and members.

I have also advised you that I will also be under the directions of the FSC which has imposed certain enhanced governance procedures concerning the operations of SSL in addition to the normal regulatory requirements.

While I will endeavour to work cooperatively with you throughout the assignment to facilitate as far as practical the reorganisation of SSL for the benefit of the stakeholders, primarily the creditors and members, my statutory duties and obligations under the Act and compliance with directives from the FSC must take priority over your wishes should there be a conflict.

As Trustee, I may require independent legal advice on a variety of matters including, without limitation, the validity of any claims, the existence of preferences and reviewable transactions and the preparation of documents required to facilitate the reorganisation of the business and operations of SSL.

I may also require the services of forensic accountants and other professional to assist in the administration of the company and any necessary investigations, assets tracing and recovery activities.

Please note that the costs of any such legal services and other professional services that may be required will constitute a recoverable expense in addition to my fees.

Scope of Services

The scope of my services will be as permitted by the Companies Act and the FSC where applicable. A summary of some of the key tasks that I will perform as Trustee is outlines below:

1. Take control of the affairs of SSL as the powers previously exercised by the directors and management of the company will vest in the Trustee.
2. Ensure that all necessary conservatory measures are in place to protect the assets of SSL.
3. Continue the operations of SSL and ensure compliance with the enhanced governance protocols that have been directed by the FSC and under which SSL now operates.
4. Contact and notify the known creditors of the reorganisation and restructuring plans and invite them to submit their Proof of Claim to assist in the determination of the liabilities whether they be on-book, contingent or unliquidated.
5. Undertake independent claim adjudication as is required under the Act and advise creditors and claimants as to their status.
6. With support from legal counsel, manage responses to any new litigations from creditors and contingent claimants, including permissible stay of proceedings were applicable.
7. Conduct an Independent Business Review (“IBR”) and other investigations into SSL’s operations to determine among other things its financial situation as of 16 January 2023 and assess its viability.

8. Use the results of the IBR to explore the restructuring and reorganisation options that are available to preserve and enhance the value of the business, operations and undertakings of SSL for the benefit of all its stakeholders.
9. Develop and agreed with the FSC a “Resolution Plan” which would then be implemented.

Access and co-operation

In order to carry out our work under this engagement, I will require unrestricted access to any assets, property, books, records and other financial documents of SSL. I will also require the full co-operation of yourself, management team or other personnel who may be able to assist with ascertaining the state of affairs of SSL. Assistance may also be required to facilitate the restructuring and reorganisation of the company.

Declaration of Solvency

The directors have executed the attached declaration of solvency which is a pre-requisite to place the company in Members’ Voluntary Liquidation.

Fees

Given the nature of the engagement it is impractical to be able to provide an estimate of the fees nor its duration. I would however accept a non-refundable retainer of [REDACTED] plus General Consumption Tax (GCT) at 15% to commence the engagement.

The fees for the Trustee’s and his team will be billed monthly and the applicable hourly charge out rate for the grade of the team members who may assist on this engagement are as following:

Grade	Hourly Rate USD
Trustee	[REDACTED]
Director	[REDACTED]
Senior Manager	[REDACTED]
Senior Associate	[REDACTED]
Junior Associate	[REDACTED]

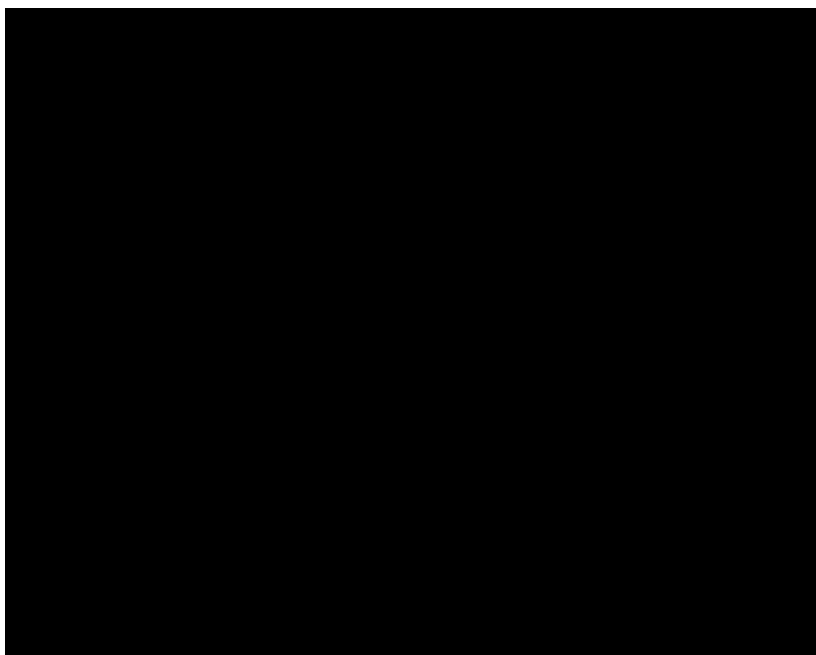
In addition to the fees outlined above, I shall bill for all reasonable expenses. Direct costs, including but not limited to travel, meals and accommodation will be charged as incurred. An amount of **2.5%** of fees billed will be charged to cover costs such as photocopying, telephone, faxes and postage. In addition to my fees, expenses and other charges payable pursuant to the engagement, I shall bill for all applicable taxes.

The Fees are payable to **Phoenix Restructuring, Advisory & Insolvency Services Enterprise** and may be paid by banker's draft or via wire transfer to:

Intermediary Bank:

For onward transmission to:

Beneficiary:



All fees and expenses in connection with this engagement are payable by SSL including all fees and expenses associated with any indemnities provided under this contract.

Confidentiality

All information regarding your business and affairs is privileged and will be kept confidential by the firm at all times, save for the purpose of instructing and dealing with other advisers acting on your behalf, or if it is already in the public domain, or you instruct the firm to disclose information, specifically or by implication, to a third party. **In certain circumstances, however, the firm may be obliged to give evidence and produce such information to courts, law enforcement or regulatory authorities in connection with your affairs.**

Limitation of Liability

It is a condition of this agreement that you will indemnify me against any claims brought by any third party with respect to my role as a Trustee under the Act and any liability for injury, loss or damage not due to an act of gross negligence, wilful misconduct or fraud as determined by a Court of law. You also agree that my aggregate liability to you whether in contract, tort or otherwise will be limited. The limit will be a maximum of the amount **paid** by you in respect of the Services.

Exclusion of liability

Because of the importance to my work of relevant, accurate and complete information being furnished by you (whether requested or not), and because I have to be reliant on the information for the purposes of discharging my obligations under the Act, I shall not be liable for any loss, damage, costs or expenses whatsoever and howsoever caused, incurred, sustained or arising from a failure to disclose such information to me or from incorrect and/or incomplete information furnished to me or from misrepresentations (whether such failure, furnishing and/or misrepresentation is innocent, negligent, reckless or willful).

Confirmation of services and agreement

Additionally, kindly confirm your acceptance of the agreement by signing the enclosed copy and returning it to me along with the initial payment of [REDACTED] (inclusive of 15% GCT).

Yours sincerely



Caydion E. O'Neil Campbell
Principal Advisor & Licensed Trustee
Phoenix Restructuring, Advisory & Insolvency Services Enterprise

Enclosures:

Copy letter to be returned to ***Phoenix Restructuring, Advisory & Insolvency Services Enterprise***

I accept the terms of the agreement for and on behalf of:
STOCKS AND SECURITIES LIMITED

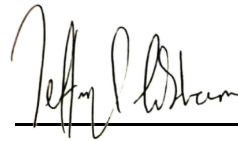


Signed

Name: **Hugh Croskery**

Position: **Chairman**

Date: **16 January 2023**



Signed

Name: **Jeffrey Cobham**

Position: **Director**

Date: **16 January 2023**