

Disputed 51% stake in CLICO Energy...

## Govt agrees sale to Proman

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THE Government has agreed to sell the disputed 51% stake in CLICO Energy to Proman, bringing to a close a legal battle valued at more than US\$185 million that the Office of the Attorney General said was among several matters threatening the country's economic well-being.

In a release issued yesterday, the Office of the Attorney General said the completed transaction allowed the Government to recover significant funds while avoiding the litigation risk of pursuing the matter before the Privy Council.

The announcement follows Attorney General John Jeremie, SC, on Friday laying the Sir Anthony Colman Commission of Enquiry report into CL Financial in Parliament and formally ending civil litigation arising from the conglomerate's collapse.

The Colman report recommended that the Director of Public Prosecutions take 'immediate steps' to determine whether criminal proceedings should be initiated against former CL Financial chairman Lawrence Duprey and former corporate secretary Gita Sakal for larceny of the shares in CLICO Energy.

The report stated that Duprey and Sakal conspired to defraud the Central Bank of Trinidad and Tobago by the secret sale.

A release from the Office of the Attorney General yesterday stated that, upon entering into office, this Government met various legal matters which threatened the economic well-being of this country.

'One of those matters was the Privy Council Appeal of Proman Holdings Barbados Ltd against CL Financial Ltd (CLF) and its related companies. These proceedings concerned the validity and effect of a Purchase and Sale Agreement dated 3 February 2009 through which CLF, purportedly acting through Mr (Lawrence) Duprey, who was then a Director and Chairman of both CLF and CLICO, sought to transfer a 51% shareholding in CLICO Energy Co. Ltd (now PETL) to Proman for the sum of US\$46,500,001,' it stated.

'The transaction was challenged in the High Court with Justice Devindra Rampersad, in September 2021, ordering Proman to return the 51% of CLICO Energy to CLF, and to provide an account of dividends and/or distributions owed, which were ultimately valued at US\$185,916,295.05 plus interest at the time,' it stated.

The Office of the Attorney General stated that this decision was challenged and upheld in the Court of Appeal, where the proceedings were described as 'high stakes, full blown, adversarial litigation involving well renowned Titans of Trade and Industry'.

'Proman went on to pursue an appeal before the Privy Council. Immediately upon entering into office, the Government, being the majority shareholder and largest creditor of CL Financial, sought the advice of eminent King's Counsel in London with respect to the prospects of success and the likelihood of the JCPC upholding the decision of the Court of Appeal. The Government, having received advice, decided to continue negotiations which commenced but were never successfully concluded under the last administration,' it stated.

'After giving careful thought to all the interests involved, the prospects

of success and the very real possibility of certain of the findings of the Court of Appeal being overturned, CL Financial, with the express agreement of the Liquidator and the sanction of the Court, agreed to the sale of the disputed shares to Proman Holdings Barbados Ltd to compromise the proceedings before the Privy Council,' it stated.



LATE CHAIRMAN: Lawrence Duprey



RISKY: AG John Jeremie.