

THE TURKS AND CAICOS ISLANDS

2024

IN THE SUPREME COURT

CAP 122

IN THE MATTER of  
**TCI BANK LIMITED**  
(In Liquidation by Order of the Supreme Court of the Turks & Caicos Islands)

AND

IN THE MATTER of  
THE COMPANIES ORDINANCE (CAP 122)

TWENTY-EIGHTH REPORT OF THE OFFICIAL LIQUIDATOR  
TO  
THE SUPREME COURT OF THE TURKS & CAICOS ISLANDS

**June 30, 2024**

Respectfully Submitted by  
Mr. Anthony S. Kikivarakis Sr.  
As Official Liquidator for  
TCI Bank Limited

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# **1 INTRODUCTION**

## **1.1 Background**

I, Anthony S. Kikivarakis Sr., Chartered Accountant and Chairman and CEO of Kikivarakis & Co., am the Official Liquidator for TCI Bank Limited (hereinafter referred to as the “Company”). I first took office as one of the Provisional Liquidators for the Company on 9 April, 2010, by order of the Honourable Justice Richard Williams of the Supreme Court of the Turks and Caicos Islands (the “Court”). On 29 October, 2010, I was appointed as one of the Joint Official Liquidators of the Company by the Court. This Joint Official Liquidator position remained in place until 23 October, 2012 when I became the sole Official Liquidator of the Company as appointed by the Court.

My powers, as Official Liquidator, are set out in section 107 of the Companies Ordinance (CAP 122), which is exercisable without the sanction or intervention of the Court, pursuant to the Order of Mr. Justice Richard Williams dated 29 October, 2010.

In my said position and as an officer of the Supreme Court, I hereby submit to the Court, The Turks and Caicos Islands Financial Services Commission (the “FSC”), shareholders, depositors and creditors of the Company the twenty-eighth report on the liquidation. This report covers the period January 1, 2024, to June 30, 2024.

## **1.2 Sources of Information**

- 1.2.1 Specific details of the sources of information used and relied upon are given where referred to in this report.

## **1.3 Limitation**

- 1.3.1 During the reporting period I have relied on the integrity of the information and documents contained in the Company’s records, supplied by former employees and other interested

parties. Although I have sought to cross check information from different sources, to confirm their accuracy, I have not independently verified all of the information and documentation upon which I have relied during the reporting period; neither has the Company's financial records, as of June 30, 2024, been subject to an audit.

1.3.2 As the Company's Official Liquidator, my report is solely based on factual matters. While I believe all of the information in this report to be true and accurate, I reserve the right to amend this report should additional information come to my attention.

#### **1.4 Currency**

1.4.1 The Company's activities are conducted in United States Dollars (US\$) therefore, unless otherwise stated, all references to currency are in US\$.

## **2 OBJECTIVE OF THIS REPORT**

The objective of this report is to provide parties interested in the Company's liquidation with the steps that have been taken since the twenty-seventh report as of December 31, 2023, and the progress made since that date. Topics included in this report are dealt with in the following sections:

- (a) Collections on outstanding loans
- (b) Proof of debt and dividend payments
- (c) Shareholder Banks Balances
- (d) Cash
- (e) Other Matters

## **2.1 Collections on Outstanding Loans**

- 2.1.1. During the reporting period, January 1, 2024, to June 30, 2024, there were loans that were either renegotiated or refinanced and final settlements made.
- 2.1.2. During this period, USD\$221,785 was collected from customers as noted in Appendix I. This amount was obtained from, sales of private treaty properties, proceeds from payouts and/or refinancing's of customers' loan balances.
- 2.1.3. As of the date of this report, there are loans and overdrafts that continue to be the subject of foreclosure proceedings arising from non-payment of outstanding amounts,

To date I have initiated foreclosure proceedings against the properties of one hundred and twenty-six (126) borrowers with significant overdue loans and overdrafts. These proceedings have resulted in applications being made to the court to conduct private treaty sales. Most sales arise from private treaty court orders giving me the power to list the properties with real estate brokers.

Foreclosure proceedings and auctions as of the date of this report are as follows:

1. 121 section 64 notices served
2. 97 private treaty orders obtained
3. 15 properties have completed the 1<sup>st</sup> and 2<sup>nd</sup> auction processes
4. 4 auctions in total carried out to date
5. 2 properties sold to date by auction.
6. 100 loans settled after foreclosure proceedings started.

## **2.2 Proof of Debt and Payment of Dividends**

- 2.2.1. As noted in Appendix I, during the reporting period a total sum USD\$630,909 was paid to unsecured depositors/creditors arising primarily from the fourth interim dividend distribution declared.

## **2.3 Shareholder Banks Balances**

2.3.1. As stated in our previous report a small number of shareholder banks still have outstanding loan balances with the Company. Discussions are continuing with such banks to resolve these matters. The delayed discussions and resolutions of some outstanding matters are due to the fact that a number of entities and related parties are themselves also either in receiverships or liquidations and the outcome in terms of distribution is uncertain.

## **2.4 Cash balances**

As of June 30, 2024, the Company's cash balance is USD\$5,217,278. Most of the cash balance consists of interest-bearing deposits. This total cash balance also includes USD\$3,043,852 which is made up of USD\$2,485,448 arising from disputed balances primarily with Shareholder Banks that are subject to resolution and USD\$558,404 arising from uncollected or not cashed dividends. A detailed analysis of cash inflows and outflows is contained in the Receipts and Disbursements Account analysis provided in Appendix I.

## **2.5 Other Matters**

During the period I continued to manage the liquidation process and my activities and those of my agents included, but were not limited to the following:

- (a) Instructing my agents, which included meeting with them, on tasks and procedures to be performed;
- (b) Meeting with and assisting customers in refinancing and restructuring their loan obligations and following up with banks on their behalf;
- (c) Instructing and receiving advice from my attorneys on legal matters arising;

- (d) Preparing and filing affidavits and reports with the Court and attending Court proceedings in person or through my agent on litigation and taxation matters where necessary;
- (e) Meeting with real estate brokers and following up on sales of properties as allowed by the court through private treaty orders;
- (f) Making dividend distributions to depositors and unsecured creditors where necessary;
- (g) Conducting regular 'status update' meetings via telephone, electronic messaging and in person with my agents, customers and shareholder representatives.

### **3 OTHER STEPS TO BE TAKEN BY THE OFFICIAL LIQUIDATOR**

Steps to be taken by myself are listed in the appropriate sections beside the said tasks. Nevertheless, after analyzing the tasks to be performed and prioritizing the same, I still have 701 unsecured depositors that have not submitted claims because of persons not being located or the current beneficiaries not yet being determined. Of the seven hundred and one (701) depositors four hundred and ninety-one (491) of them have balances below USD\$500. As of the date of this report the unclaimed balances not disputed amount to USD\$747,646 of which USD\$463,540 is held in cash and represents a sixty-two percent dividend distribution.

I am currently making efforts to contact these persons via emails, telephone calls and searching on the internet.

I will continue to advise the Court and interested parties of our progress in the Company's winding up proceedings, in subsequent reports.

### **4 DIVIDEND DISTRIBUTION**

I advised the Supreme Court on May 2, 2023, of my intentions and have commenced the payment of a fourth interim dividend of seven cents (USD\$0.07) on the dollar (USD\$1.00).

As a result, four dividend distributions have been made to unsecured depositors/creditors in the amount of twenty cents in the dollar (0.20) for the first and second distributions, fifteen (0.15) for the third distribution and seven (0.07) for the fourth distribution, resulting in an overall payment of sixty-two cents (0.62) to unsecured depositors/creditors since commencement of the liquidation.

## **5 CONCLUSION**

As noted in prior reports the Company's main asset continues to be outstanding loans and mortgage balances. It should be noted that secured depositors/creditors have been paid in full. As a result, most of my efforts will continue to be the collection and/or conversion of the assets in the portfolio to cash. This will involve continuing foreclosure proceedings and selling properties where refinancing by borrowers is not possible.

It is my intention to complete the liquidation within the next twelve months from the date of this report. It is anticipated that a further distribution will be paid during this time.

This report covers the period January 1, 2024, to June 30, 2024, and will be followed by half yearly reports, as of December 31, 2024, and as of June 30, 2025.

Respectfully submitted as of the 25th day of September 2024 this twenty-eighth report.



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Anthony S. Kikivarakis Sr.



Appendix I

**TCI Bank Limited (In Liquidation)**  
**Receipts & Disbursements Account**  
**For the period January 1, 2024, to June 30, 2024**  
*(Unaudited)*  
*(Expressed in United States dollars)*

<b>OPENING BALANCE</b>		<b>6,038,026</b>
<b>RECEIPTS</b>		
Loan Receipts - TCI Bank Customers	221,785	
Interest income - Interest bearing deposits	18,350	
<b>TOTAL RECEIPTS</b>		<b><u>240,135</u></b>
<b>DISBURSEMENTS</b>		
Liquidator and agents fees	280,679	
Legal fees and commissions paid relating to foreclosure proceedings	63,840	
Rent and utilities - office	31,994	
Salaries and related expenses - former employees	19,080	
Rent and utilities - Liquidator and Agents	16,422	
Communication expenses	6,706	
Storage	4,401	
Vehicle costs	4,191	
Cleaning services, equipment maintenance and supplies	2,161	
Bank charges	500	
<b>TOTAL DISBURSEMENTS</b>		<b><u>(429,974)</u></b>
<b>NET RECEIPTS/(DISBURSEMENTS) FOR THE PERIOD</b>		<b>(189,839)</b>
<b>DIVIDENDS</b>		<b>(630,909)</b>
<b>ENDING CASH BALANCE</b>		<b><u><u>5,217,278</u></u></b>
<b>Cash Consist of:</b>		
Interest bearing deposits:		
Operating Account		3,947,215
General Account		1,235,535
Petty cash		32,416
		<u>2,112</u>
<b>TOTAL CASH HELD</b>		<b><u><u>5,217,278</u></u></b>