



CENTRAL BANK OF
TRINIDAD & TOBAGO

Central Bank Governor's Statement on offer of VSEP to CLICO's Staff

Central Bank of Trinidad and Tobago recognizes the difficult circumstances CLICO's employees have endured over the past five years. Meeting CLICO's staff for the first time in June and learning of the challenges they face every day to provide for their families confirmed to the Bank and myself the employees' pain and uncertainty. This meeting coincided with the submission of an operational plan to the Bank by CLICO's management, which recommended voluntary separation of employment for workers (VSEP). Given that recommendation and the need to bring closure to this stressful situation for employees, Central Bank approved VSEP for all CLICO workers and authorized CLICO's management to begin negotiations with the Banking, Insurance and General Workers Union (BIGWU).

While Central Bank is not party to the VSEP negotiations between CLICO and BIGWU, we will review and approve the final agreement on VSEP terms and conditions submitted by CLICO's Board. I am committed to ensuring a quick resolution of this matter and will respect proper industrial relations practices and the rights of CLICO and BIGWU to engage in their negotiations accordingly.

For policyholders, we give the assurance, at this time, that while workers are likely to accept the VSEP offer, the plan is to immediately re-hire a core group of CLICO staff to maintain service to policyholders and to ensure the continuation of the company's operations. The core CLICO staff will continue to receive and process policyholders' premiums and monthly pensions. CLICO will continue to honour health and life claims, and renew all group and health and life contracts.

I take this opportunity to commend all employees at CLICO for their dedication and courage over the last five years in the face of such arduous circumstances.

A handwritten signature in black ink, appearing to read 'Jwala Rambarran'.

Jwala Rambarran

Governor

Central Bank of Trinidad and Tobago