



**MINISTRY OF FINANCE AND THE PUBLIC SERVICE
PRESS RELEASE**

FOR IMMEDIATE RELEASE

**SSL GETS US\$1M INSURANCE PAYOUT – GOJ FINANCIAL SUPPORT NOT
REQUIRED**

Kingston, Jamaica: Tuesday, September 19, 2023

Minister of Finance and the Public Service, Dr. the Hon. Nigel Clarke has announced that it is no longer necessary for the Government of Jamaica to provide support for the salaries of SSL staff members; an insurance claim made by the Temporary Manager of SSL in April of this year, to SSL's insurers in England, has now been settled. SSL received the insurance payout of US\$1 million on Thursday, September 7th, enabling SSL to settle the remainder of their August staff salary bill last week Monday, September 11.

“As such, with this new development, no taxpayer money, no Government of Jamaica resources, no public funds have, or will be, used to support SSL in the payment of any of its employees or any other of its expenses,” stated Dr Clarke.

SSL's receipt of insurance proceeds occurred prior to the Financial Services Commission's finalization of the steps required for the Commission to provide short term support to SSL. With SSL's receipt of the insurance proceeds, SSL no longer needs the Commission's support. As such, approximately two-thirds of SSL's net salary bill for August was paid last Monday, without any financial support from the GOJ. The other one-third had been paid earlier by SSL.

The Temporary Manager had filed the claim on SSL's overseas insurers, through its insurance brokerage, in April 2023. However, payment from the overseas insurers in respect of the insurance claim was made to SSL five months later in an amount that represents the maximum limit claimable under SSL's insurance policies.

Return of Client Balances, Expected Reduction of Staff

SSL clients directly own J\$ securities (i.e. stocks and bonds) held in the Jamaica Central Securities Depository which form part of SSL's off balance sheet business. Beginning on Friday, September 22, SSL will begin the process of transferring these J\$ client securities from SSL's custody to other security dealers selected by clients, and any J\$ cash balances in client accounts will be transferred to banks specified by clients.

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“While we expect up to one-third of J\$ client balances to be transferred within days, the entire process could take up to six weeks to be completed, given the volume of client accounts,” noted Minister Clarke.

However, the transfer of US\$ securities owned by SSL clients will involve collaboration with US based regulators and US based investment houses which will therefore take more time.

The Jamaica Central Securities Depositary and the Jamaica Stock Exchange are working with the Temporary Manager and the FSC to facilitate the transfer of J\$ securities and balances. SSL clients will be required to complete the relevant Know Your Customer documentation. SSL will communicate directly with its clients on the procedures to be followed.

Given the progress in the investigation recently announced by the Financial Investigation Division, and the expected winding down of SSL’s off-balance sheet book of business, as per the above, SSL’s staff complement is projected to decline from 22 persons currently to no more than 8 persons by the end of November.

It should be noted however that complete removal of SSL as a contingent liability of the GOJ requires a final determination by the Court on the issues surrounding who has proper authority over SSL: whether it is the Financial Services Commission’s appointed Temporary Manager or the SSL Board appointed Trustee.

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