

# **BON BANK LTD**

## **NOTICE OF SPECIAL MEETING OF BON BANK LTD. (THE 'COMPANY')**

NOTICE is hereby given that a Special Meeting of the Shareholders of the Company will be held at the St. Paul's Anglican Church Conference Hall, Main Street, Charlestown, Nevis on Wednesday 29<sup>th</sup> March 2023 at 5:00 p.m. as well as virtually on an online platform for the following purposes:

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### **SPECIAL BUSINESS**

1. To consider and, if thought fit, approve the following resolution as a Special Resolution with or without modifications:

#### **SPECIAL RESOLUTION #1**

Be it and it is hereby resolved that:

1. BON Bank Ltd. be voluntarily wound up pursuant to section 428(1)(a) of the Companies Ordinance, Nevis;
2. The firm of Grant Thornton St. Kitts & Nevis be appointed as Liquidator;
3. The remuneration to be paid to Grant Thornton be set at a maximum total fee of EC\$100,000.00.

BY ORDER OF THE BOARD



L. Everette Martin  
Corporate Secretary

## **EXPLANATORY STATEMENT ON RESOLUTION**

### **Special Resolution #1**

By an Asset Purchase Agreement dated 30<sup>th</sup> September 2022 between BON Bank Ltd. (as Seller) and The Bank of Nevis Limited (as Buyer), the Seller agreed to sell and the Buyer agreed to purchase 100% of the Assets and Liabilities (save for specified Excluded Liabilities) of the Company for the purchase price of US\$6,307,967.00, by the way of sale via a Banking Business Vesting Order.

At a Special Meeting of Shareholders of the Company on 3<sup>rd</sup> November 2022, the Shareholders resolved that the Board of Directors of the Company be authorised to sell 100% of the Assets and Liabilities of the Company to The Bank of Nevis Limited (“BONL”) for the purchase price of US\$6,307,967.00 and that the Asset Purchase Agreement between the Company and BONL dated 30<sup>th</sup> September 2022 be and was thereby ratified.

On 31<sup>st</sup> January 2023, the Minister of Finance approved and issued the Banking Business Vesting Order, which resulted in the transfer of 100% of the Assets and Liabilities (save for the Excluded Liabilities) of the Company to BONL.

Based on the foregoing, all business operations of the Company have ceased and it is now required to have it voluntarily wound up pursuant to section 428(1)(a) of the Companies Ordinance, Nevis. In this regard, it is proposed that the firm of Grant Thornton St. Kitts & Nevis be appointed pursuant to section 434(1) of the Companies Ordinance as Liquidator to conduct the winding up.

Grant Thornton is a major accounting firm providing a host of services to clients including audits, tax advice, and corporate restructuring. Their brand is respected globally by capital markets, regulators and international standards setting bodies.

Grant Thornton St. Kitts & Nevis operates in the heart of Basseterre St. Kitts. Established in 2013, Grant Thornton offers a full range of advisory services with an initial focus on the financial services sector to support their clients operating in the Eastern Caribbean and in the wider Caribbean region. The firm also works closely with Grant Thornton member firms in the region to support their clients’ cross-border business requirements.

In accordance with section 434 (1) of the Companies Ordinance, Nevis, the company in a general meeting may fix the remuneration to be paid to a liquidator. A fee proposal was provided by Grant Thornton for services related to the voluntary liquidation of the Company. However, the fee is conditional on the following:

- The content of the balance at the liquidation date.
- There are no claims from any known or unknown creditor, minority shareholders or government agencies.
- There are no tax filing obligations with any governmental agency nor is there any obligation for the liquidator to pursue the finalization of any outstanding tax assessments of the company.

**Section 428**

**Winding-up resolutions.**

428. (1) A company shall be wound-up voluntarily if—

(a) a general meeting so resolves by special resolution; or

(b) a general meeting so resolves by an ordinary resolution which states that the company is unable to pay its debts.

(2) In this Ordinance, “a resolution for voluntary winding-up” means a resolution passed under subsection (1).

**Section 434**

434. (1) The company in general meeting shall appoint one, or more than one, liquidator for the purpose of winding-up the affairs and distributing the assets of the company, and may fix the remuneration to be paid to him or them.

(2) Subject to subsections (3) and (4), the company may by special resolution remove a liquidator and appoint another liquidator, but the removal or appointment does not have effect—

(a) until after the expiration of the period of fourteen days after the date on which the resolution is passed; or

(b) if, within that period an application is made to the court under subsection (4), unless the Court dismisses the application or the application is withdrawn.

(3) In addition to the other requirements of this Ordinance with respect to the giving of notice of meetings, the company shall give to all creditors and contributories of the company notice of any meeting at which a resolution under subsection (2) will be proposed, giving in the notice particulars of the proposals.

(4) A creditor or contributory of the company may, within the period of fourteen days after the date on which a resolution under subsection (2) is passed, apply to the Court for an order cancelling the resolution and the Court may, if it is satisfied that it is fair and reasonable to do so, allow the application, but if not so satisfied shall dismiss the application.

(5) On the appointment of a liquidator all the powers of the directors shall cease, except so far as the company in general meeting or the liquidator, sanctions the continuance thereof.