

Status of the File as of November 12, 2009

Overview

This update is to provide information as to the progress on the file since June 2009.

Distributions

To date the Custodian has issued two interim distributions, referred to as D1 and D2. The values of these have been previously been reported several times however, for clarity, they are as follows:

D1 – any depositor with a proven claim with a balance of US\$2,500.00 or less has received full payment of their account, in accordance with Barbados law. This included approximately 800+ accounts.

Depositors with proven balances greater than US\$2,500.00 have received \$2,500 plus 10.45477% of the amount greater than \$2,500.

D2 – any proven depositor with a balance remaining after D1 was eligible for a second payment. The Custodian set aside approximately \$8M for this second distribution or approximately 4.5% **of the unpaid balance after D1.**

Exceptions

Some payments are being held in reserve and not paid at this time. If you are otherwise eligible for payment but fall into one of the following categories, your payment will be held until further notice:

1. account holder has received funds from the Fideicomiso FAS;
2. the account holder has a loan due to BIB;
3. the account holder has litigation pending against the Custodian, BIB, or a BIB

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asset; or,

4. otherwise at the Custodian's discretion.

Future Distributions

At present, the Custodian expects to be in a position to make one or more future distributions; however, those will depend on the outcome of certain matters still outstanding.

The first two distributions account for approximately \$35.8M. This figure includes the distribution payments calculated to meet all known and as yet unproven depositors, as well as a reserve for undefined or contingent liabilities.

In the event that these undefined or contingent liabilities are not crystallized, a small but yet undetermined value of funds may become available for the general pool of proven depositors.

In addition, although slow to progress, the Custodian has been active in collecting the loan portfolio that was on the books of the bank when it closed. While the reported value of the loan portfolio was not insignificant, the actual collectible value is proving to be much less than was reported. The extent to which the loan portfolio is successfully converted to cash will have a significant impact on the availability of funds for future distributions.

Another potential source of future distributions will be the outcome of a claim that the Custodian has brought against the estate of Banco del Café. This claim is in the amount of \$65M.

Recently, in the process of prosecuting the \$65M claim, the Custodian has encountered opposition to accessing certain information from the government agency, CORFINA,

which is responsible for winding up the affairs of Banco del Café. The information that is in question could help to explain the significant shortfall in the balance sheet of Bancafe International Bank.

In an effort to secure access to this information, the Custodian has written to the President of the Banco de Guatemala seeking her assistance in this matter.

A copy of the letter that was issued to Banguat is available below.

You can help us update our database by sending your **change of address** or **BA account number** to:

bibinfo@bb.pwc.com