

ADDENDUM

Addendum- Investigation Report into the Statutory Declarations submitted by The Most Honourable Mr. Andrew Holness, Prime Minister, for the years 2019-2022, in respect of concerns that he owns assets disproportionate to his lawful earnings, and that he made false statements in his Statutory Declarations, by way of omissions, contrary to law.

1. The Director of investigation (hereafter referred to as DI), by way of this addendum, wishes to bring to the attention of the Parliament, a **'Further Witness Statement'**, (hereafter referred to as the statement) which was received after the captioned investigation report (hereafter referred to as the principal report), was submitted to the Parliament for tabling. The principal report is dated August 30, 2024 and was submitted to the Parliament on Thursday September 5, 2024. The statement may be found at appendix 1 of this addendum.
2. The statement was received via electronic mail, on Friday September 6, 2024 at 2:46 pm. For context, the statement clarifies an earlier statement submitted to the DI, by this particular witness, on August 7, 2024. The witness is a duly authorised officer at National Commercial Bank Capital Market (hereafter referred to as NCBCM). The referenced earlier statement can be found at paragraph 5.8.86 (pages 90-92) of the principal report.
3. The statement is the last of the four written statements given by the four officers of NCBCM, who were summoned and examined under oath, by the DI, on August 21 and 22, 2024, see paragraph 5.8.87 (pages 92 and 93) of the principal report.
4. It is important to note, that the statement should be read within the broader context of the principal report. More particularly, the sections captioned "Investment in Bond" and "An asset of particular interest", see paragraphs 5.8.73 to 5.8.92 (pages 85 to 100); and paragraph 5.9.5 (pages 137 to 141), respectively. The statement should also be read in conjunction with the DI's conclusion and recommendation at paragraph 6.1.3 (pages 150 and 151) and paragraph 6.2.3 (pages 155 and 156), respectively.

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5. For clarity, this addendum is not, in any respect, meant to alter the findings, conclusions or recommendations contained in the principal report.



Kevon A. Stephenson, J.P
Director of Investigation

September 9, 2024
Date

ADDENDUM

**Appendix 1: Further statement of a duly authorised officer at NCBCM
which was received after the investigation report was submitted to the
Parliament**

FURTHER STATEMENT OF WITNESS – NAJAH PETERKIN

Statement of: [REDACTED]

Occupation: [REDACTED], NCB Capital Markets Limited

Age: Over 18 years of age

Contact number and email: [REDACTED]

1. Reference is made to Integrity Commission Notice bearing Reference No. 3242024DFISFB (“the Notice”) directed to NCB Capital Markets Limited (“NCBCM”). The following is provided to clarify certain points made in my follow up Witness Statement (“the Statement”) dated August 5, 2024:

As a part of the process of providing outstanding information to the Integrity Commission, the business contacted Mr. Andrew Holness for information as it related to the *proof of payment for the purchase of NFE Bonds in 2019. It is important to note that the *source of funds was noted on the Bond Purchase Agreement (BPA) for Positive Jamaica Foundation which was located from the NCB Capital Market Limited (NCBCM) Investment Banking Team (The Arrangers of the NFE Bond) but unfortunately not noted on the BPA for Andrew Holness. A telephone meeting was held on June 11, 2024 with the client (Mr. Andrew Holness), the Wealth Advisor [REDACTED] and her Manager [REDACTED]. Useful information was received from the client as it relates to the proof of payment which we were able to corroborate on our core system, and same can be seen below and was shared in a correspondence with the commission on June 17th, 2024.

Booking Date	Details of Transaction	Amount	Intended Recipient
5/9/2019	Payment from BNS Jamaica	31,673.80	Andrew Holness
5/9/2019	Payment from Stocks and Securities Limited (SSL)	30,219.18	Andrew Holness
5/9/2019	Payment from Stocks and Securities Limited (SSL)	42,863.99	Positive Jamaica Foundation
4/9/2019	Transfer - NCB Bank Account into - Positive Jamaica Foundation	100,000.00	Positive Jamaica Foundation

Thereafter on July 30, 2024, I was contacted by [REDACTED] of the Integrity Commission (“the Commission”) regarding new information reaching her offices regarding the allocation of the funds received for the purchase of the NFE Bonds. Having not been privy to this information I requested time to have dialogue with the Account Manager which she obliged, I returned her contact the same day however I was not successful in connecting. We were able to connect the following morning of July 31, 2024 where I shared the details received as was outlined to me by the representatives who were in dialogue with the client.

The client notified the NCBCM representatives in June 2024 that the allocations for the purchase of the NFE Bonds in 2019 seemed inaccurate. He advised that the intention was to use the funds received from Bank of Nova Scotia (BNS) in the amount of US\$31,673.80 and Stocks & Securities Limited (SSL) in the amount of US\$30,219.18 to buy the NFE 11% 2036 Bond on Account 750768 held in the name Andrew Holness which totals US\$61,892.98 and not US\$94,000.00. Similarly proceeds from SSL in the amount of US\$42,863.99 and from National Commercial Bank (NCB) in the amount of US\$100,000.00 totaling US\$142,863.99 should have been purchased in the name Positive Jamaica Foundation Ltd, instead of US\$110,000.00. As such, he notified NCBCM that **US\$32,107.02** (*\$142,863.99 - US\$110,000*) should have been allocated to Positive Jamaica Foundation and not Andrew Holness.

It is important to note that to our knowledge, June 2024 was the first time that the amount of bonds allocated either to Positive Jamaica Foundation or Mr. Andrew Holness came into question. NCBCM is guided by the BPAs completed and signed by clients for their participation amounts, copies of same dated September 2, 2019 were previously submitted to the Commission as documents labelled “NP/2/2024/AMH” in name of Mr. Andrew M Holness and “NP/1/2024/AMH-NFE” in name of Positive Jamaica Foundation and can be located in the shared file. These documents were used to settle the bonds, which were in turn held for years until they were called by the Issuer (NFE). In light of the client’s recent advisory of the preferred amounts to be allocated, he shared new written instructions to adjust the amounts that would still be held on the respective accounts to match his preferred intentions. Therefore, the amount of **US\$39,081.99** which represents the previously noted amount of US\$32,107.02 + US\$6,974.97 (interest and “principal” payments related to this amount) have since been transferred from account now held in the name Imperium Investment Holdings formerly Andrew Holness (Ac 647156) to Positive Jamaica Foundation (A/c 647584).

*Proof of payment/source of funds:

At the time of account opening (2019), Know Your Customer (KYC) requirements called for: Proof of Income, Proof of Address, Valid identification and a TRN. Source of Wealth and Source of Funds were not required information to conduct a transaction or open an account. The requirement for personal customers to provide Source of Wealth information was not implemented within the organization until June 12, 2023 with Circular No. 59/2023/G (copy saved on the Sharfile Folder). This was subsequently amended December

of 2023 as follows: “Customer who score as medium risk are no longer required to provide source of wealth information. This means, only high risk customers will be required to provide source of wealth information.” The client would have supplied POI at the time of account opening as our Compliance protocols would have prevented the completion of account opening without same, however, our search for same on our organization’s shared file proved futile. Nevertheless, updates in the form of the client’s payslip, dated June 2020 and Job Letter, dated September 2021 were located and also placed on the Sharefile folder to which the Commission has access.

Please see responses below to the Integrity Commissions Act - Summons to Witness dated August 9, 2024

1. The statements submitted by you concerning accounts held with NCBCM: Andrew Holness, Imperium Investment Holding & Positive Jamaica.

I have been in communication with the Commission since receipt of the first notice regarding this matter dated April 11, 2024. Detailed responses have been provided on April 25, June 17, 2024 and August 5, 2024 after careful review of NCBCM core client system (Unibanx), client documentation and client communication (emails) where possible and necessary.

2. The actions you took to provide information concerning accounts held with NCBCM: AMH, Imperium and Positive Jamaica

From inception the matter was kept highly confidential, as such I did not engage the Account Manager nor anyone who may have been close to the matter until I absolutely had to. Instead, [REDACTED] who is the Assistant Manager in the area of Client Support ably assisted with the investigations and reports. However in May 2024 when we were unable to clearly identify the proof of payment for the purchase of the 94,000 units of NFE Bonds on the account of Mr. Andrew Holness, we engaged the Account Manager [REDACTED] and the Head of the Unit [REDACTED].

3. All payouts made to the bondholder, inclusive of Positive Jamaica Foundation (PJF)

Interest and principal payments are made based on mandates which are completed by clients at the time of bond purchase along with the Bond Purchase Agreements. Mandates dictate where interest and principal payments are sent during the life of the bond. A copy of the completed mandate for Positive Jamaica Foundation has been placed in the share file folder to which the Commission has access, it is labelled “Mandate-Positive Jamaica Foundation”. The Positive Jamaica Foundation account was funded by proceeds of the NFE Bond pay-out in the amount of US\$121,679.74 which is comprised of principal in the amount of US\$112,200 and interest in the amount of US\$9,479.74. This amount was transferred from account held in the name Andrew Holness and represents funds from the NFE Bonds previously held by Positive Jamaica Foundation at another investment house. As per the client’s mandate instructions, both interest and principal was to be credited to NCBCM account in the name of Andrew Holness; we note that one mandate was used to indicate client’s instructions on both JCSD accounts (personal and Positive Jamaica Foundation). When the

Positive Jamaica Foundation account was established with NCBCM in January 2021, his request for transfer of the funds was executed as per his emailed instructions and that matter was addressed.

POSITIVE JAMAICA FOUNDATION:

EARLY PAYMENT NFE 8.25% 2034 – US\$112,200 (principal + bonus)

INTEREST: NFE SOUTHPower 8.25% 2034 – US\$9,479.74

ANDREW HOLNESS

EARLY PAYMENT NFE 11% 2036 – US\$95,880 (principal + bonus)

INTEREST: NFE SOUTHPower 11% 2036 – US\$10,801.15

As mentioned in clarification statement above, in recent dialogue held via telephone meeting in June 2024 the client notified NCBCM that the allocations for the purchase of the NFE Bonds in 2019 required amendments, **US\$32,107.02** (\$142,863.99 - US\$110,000) plus interest has since been transferred from Andrew Holness to Positive Jamaica Foundation. Details on how this figure was arrived at has been presented in follow-up witness statement.

4. The circumstances around NCBCM placing a bond of an amount (\$94,000.00) contrary to the client's instructions

On the contrary, NCBCM purchased the bond exactly as instructed by the client. A Bond Purchase Agreement (BPA) was signed by the client for both assets in the amounts of US\$94,000.00 for Andrew Holness and US\$110,000.00 for Positive Jamaica Foundation, copies of both BPAs were previously shared. After additional detailed investigation we were able to retrieve a copy of the BPA for Positive Jamaica Foundation given that the bond was settled through Mayberry as the broker and NCBCM as the Arranger. NCBCM only uses Bond Purchase Agreements signed by clients to participate in bond transactions arranged by NCBCM. This is a standard document still used to this day for bonds originated through NCBCM.

5. The series of events that resulted in discovery that AMH instructions were not followed when the original bonds were placed in 2019.

The client's instructions were followed by NCBCM in settling the bond as per the BPA received in 2019 which represents the client's instructions. However, the series of events that led to the client advising his Wealth Advisor in June 2024 that it was not his intention to purchase US\$94,000.00 of the NFE Bond on his personal account are as follows:

- Having received the Notice from the Integrity Commission and upon attempting to identify the proof of payment used to purchase the bonds, I reached out to the client's current Account Manager/Wealth Advisor and the Unit Manager for assistance. Having exhausted all methods, we opted to contact the client to ask him to produce the proof of payment. A telephone meeting was held with the client and the NCBCM representatives.

- [REDACTED] (Advisor) reached out to the client via WhatsApp – May 7th, 9th, 17th
- Telephone Meeting held with Unit Manager, Account Manager and client – Tuesday June 11th, 2024 at 9 a.m.
- Of note I did not attend this meeting held on June 11, 2024.
- The meeting was successful with regard to its intended purpose of assisting with identifying the proof of payment. Thereafter the source of funds information was provided to me, and we were able to match the funds with the bond purchases as the 4 payments were located on the NCBCM bank accounts for the two bond purchases. A reminder that there was no Positive Jamaica Foundation account established at NCBCM in 2019 so the Account Manager at the time would have had this knowledge but not us doing the current reconciliation in 2024 as the funds were labeled with Positive Jamaica Foundation. I was able to complete the reports and did so June 17, 2024.
- On or about July 30, 2024, I was contacted by the Integrity Commission and asked about a bond amendment request that the client brought to their attention.
- I was not aware of those further discussions held with the client and so I advised that I would have to speak with those officers to get more information.
- This was done and I was notified of the client’s intention to provide instructions to transfer the amounts that were invested between AMH and Positive Jamaica’s account.
- Instructions were received by the Account Manager and amendments made on the accounts according to the client’s present-day instructions

6. The former staff member who received verbal instructions from bondholder, and provide proof of all payments made in respect to bond.

- I was advised by the officers of NCBCM who were present at the client meeting that the client mentioned being in dialogue with [REDACTED] who was the Head of Investment Banking at the time of the Bond Purchase. I would not be able to state much more on this matter having not been present.

7. Whether it is standard practice for NCBCM to take and act on verbal instructions from clients. State the policy concerning how client instructions should be received.

NCBCM does not act on verbal instructions for bond purchases. A Bond Purchase Agreement or bond letter must be affixed with the client’s signature according to our Client account Opening Agreement Policy to settle transactions.

8. The calculations being made in respect of Positive Jamaica Foundation.

Bond Purchase Agreement received in the amount of US\$110,000.00 for the purchase of the bond to be settled through Mayberry. The NFE Bonds were called on September 22, 2020, ahead of maturity, and principal and interest payments were made in accordance with mandates completed which stated Andrew Holness’ account held with NCBCM. When the client and Account Manager at the time, Mrs.

██████████ realized all payments were going there, instructions were received to transfer US\$121,679.74 which represented principal and interest from Andrew Holness to Positive Jamaica Foundation's account which would now be opened at NCBCM. And finally, in June 2024 after recent dialogue with his present Account Manager, the client notified NCBCM that the allocations for the purchase of the NFE Bonds in 2019 required amendments, **US\$32,107.02** (\$142,863.99 - US\$110,000) plus interest. This has since been transferred from Imperium Holdings formerly account held in the name Andrew Holness to Positive Jamaica Foundation.

As mentioned in clarification statement above, it was in recent dialogue held via telephone meeting in June 2024 that the client notified NCBCM that the allocations for the purchase of the NFE Bonds in 2019 required amendments. Details on how this figure was arrived at has been presented above in follow-up witness statement.

Dated: September 6, 2024

Given by: ██████████

██████████

Witness: ██████████

██████████

This statement consisting of 6 pages each signed by me is true to the best of my knowledge and belief and I make it knowing that, if it is tendered in evidence, I shall be liable to prosecution if I have willfully stated in it anything which I know to be false or do not believe to be true.