

Lindquist probe bedrock of Clico lawsuit

By Jada Loutoo Friday, June 10 2011

INVESTIGATIONS in at least several separate jurisdictions unearthed forensic evidence which led to the civil suit being filed this week by the Central Bank and Colonial Life Insurance Company Limited (Clico) against former CL Financial boss Lawrence Duprey and the group's former financial director Andre Monteil.



Bob Lindquist

According to sources close to the issue, investigations which led to the filing of the lawsuit against the two were done both outside of Trinidad and Tobago (TT) as well as locally.

So far, no similar lawsuits have been filed against Duprey or Monteil in foreign jurisdictions, however, sources said they will not rule out the possibility of this happening.

Immediately following the collapse of Clico in January 2009, the Central Bank hired Canadian forensic accountant Bob Lindquist to go through the records of the financially troubled insurance giant.

Lindquist's forensic findings, sources said, formed the bedrock for the civil suit filed against Duprey, Monteil, CL Financial, Dalco Capital Management and Stone Street Capital Limited — investment companies owned by both men — and raised questions which must be ventilated in the courts.

Newsday has been told Lindquist is expected to arrive in Trinidad next week. However, he is expected to meet with authorities regarding yet another high profile case; this one involving Udecott.

In an interview on Wednesday, Attorney General Anand Ramlogan hinted at further legal action being taken against a number of high-profile scandals in the coming months.

A date is yet to be set for the first hearing of the case against Duprey and Monteil,

checks with the Port-of-Spain High Court Registry revealed yesterday.

Sources said the civil suit filed by the Central Bank and Clico was a regular claim as opposed to a fixed claim suit, and as such the first case management hearing will only be scheduled when the defendants put in their defence of the claims made against them.

Duprey, Monteil and the three companies named in the civil suit have been served.

Sources close to the men said their attorneys are in the process of going through the documents and could not say when their defence would be filed.

In July, last year, then acting Police Commissioner James Philbert spoke of a probe into the scandal and was expected to get an update from investigators after witness statements were obtained. There was no response to queries from the TT Police Service's Public Affairs Department on the status of the police investigations.

Duprey and Monteil are accused of mismanagement of Clico, misapplication and misappropriation of the prized insurance giant's income and assets to the detriment of its policyholders and mutual fund investors.

Central Bank, in announcing the filing of the civil proceedings, said the suit rose from the failure of Clico and identifies numerous breaches of duty for which Duprey, Monteil, CL Financial, Dalco and Stone Street Capital are liable.

The lawsuit identifies a series of specific transactions which were designed to benefit other individuals and entities to the detriment of Clico, its policyholders and investors.

The bank and Clico are seeking what could amount to billions in damages and equitable compensation.