

RESOLUTION NO. BR/R-04/2002
OF THE BOARD OF GOVERNORS OF THE CENTRAL BANK OF LIBERIA
CONCERNING SEVERANCE PACKAGE FOR
EXECUTIVE GOVERNOR AND DEPUTY GOVERNOR OF
THE CENTRAL BANK OF LIBERIA

RECOGNIZING that Article 11(2) of the Central Bank of Liberia Act provides, inter alia, that the Executive Governor and the Deputy Governor not engage in any business, profession, or employment but devote the whole of their professional time to the services of the Central Bank, a restriction which therefore represents an opportunity cost to holding either of the two offices;

AFFIRMING the importance of Article 12 of the CBL Act in maintaining the integrity of regulatory authority of financial institutions in Liberia; and


CONVINCED of the need to lessen the difficulties inherent in resumption of private professional life by any Executive Governor or Deputy Governor departing the Bank for cause other than the commission of a crime or breach of the CBL Act;

NOW THEREFORE, the Members of the Board of Governors of the Central Bank of Liberia, following due deliberations at the Fourth Quarterly meeting held on Wednesday and Thursday, December 18 and 19, 2002, have unanimously resolved as follows:

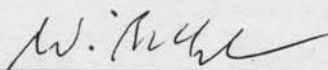
1. That henceforth each and every Executive Governor and Deputy Governor of the Central Bank of Liberia who has to leave the Bank for reason other than the commission of a crime or a breach of the CBL Act, within the period of his tenure shall be entitled to a severance package of 20% of the annual salary of each year served, provided that the total amount of the severance package shall not in any case exceed the annual salary of an Executive Governor, in the case of a departing Executive Governor, or the annual salary of a Deputy Governor in the case of a departing Deputy governor.
2. That in the computation of tenure for the purpose of the severance package provided in Count (1) above, any period less than a year is rounded up to the nearest whole such that any period from six months upward shall be considered a year. Additionally, to the extent that the Bank pays bonus, a departing Executive Governor or Deputy Governor whose tenure includes the year for which bonus is being paid is entitled to share in the bonus as if (s)he were still an Executive Governor or a Deputy Governor, and without prejudice to his/her severance package.

ADOPTED by the Board of Governor of the Central Bank of Liberia, sitting in its Fourth Quarterly meeting of 2002 held on Wednesday and Thursday, December 18 and 19, 2002.

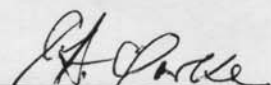
SIGNED:



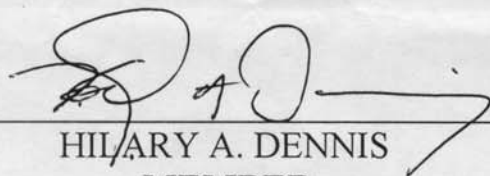
ELIE E. SALEEBY
CHAIRMAN



WILLIE BELLEH, JR.
MEMBER



DR. CHARLES A. CLARKE
MEMBER



HILARY A. DENNIS
MEMBER

RESOLUTION NO. BR/R-03/2002
OF THE BOARD OF GOVERNORS OF THE CENTRAL BANK OF LIBERIA
CONCERNING SEVERANCE PACKAGE
FOR MEMBERS OF THE BOARD OF GOVERNORS

WHEREAS, the Board of Governors of the Central Bank of Liberia recognizes that the provision of the Central Bank of Liberia Act that prohibits members of the Board from engaging in many commercial activities is related to another requirement of the Act dealing with the professional qualification and experience of Board members, and that the two provisions restrict considerably most present and prospective members of the Board from engaging in many spheres of their training/occupation and in turn affect their income-generating capacity during their tenure on the Board, thereby representing an opportunity cost to them;

WHEREAS, while affirming the importance of the two laws in maintaining the integrity of the regulatory authority of financial institutions in Liberia, the Board has also determined the need to lessen the difficulties inherent in resumption of private professional life by members of the Board departing for cause other than the commission of a crime or breach of the CBL Act;

NOW THEREFORE, the members of the Board of Governors present at a Special Meeting held on Thursday, December 11, 2002, upon due deliberations have unanimously resolved as follows:

1. That henceforth each and every member of the Board of Governors of the Central Bank of Liberia who has to leave the Board for reason other than the commission of a crime or a breach of the CBL Act shall be entitled to a severance package of not less than an amount representing 12 months board fees and not more than 24 months board fees calculated at the then prevailing monthly rate, pursuant to the schedule of payments provided herein below:

| <u>TENURE</u> | <u>SEVERANCE PACKAGE</u> |
|--------------------|------------------------------|
| One (1) year | Board fees for twelve months |
| Two (2) Years | Board fees for twelve months |
| Three (3) years | Board fees for 18 months |
| Four years | Board fees for 20 months |
| Five years or more | Board fees for 24 months |

2. That in the computation of tenure for the purpose of the severance package provided in Count (1) above, any period less than a year is rounded up to the nearest whole such that any period from six months upward shall be considered a year. Additionally, to the extent that the Bank pays bonus, a departing governor whose tenure includes the year for which bonus is being paid is entitled to share in the bonus as if (s)he were still a governor, and without prejudice to his/her severance package.
3. That henceforth the Bank shall, on a retainer basis, draw upon the professional services of each departing governor for the period of 12 months for a retainer of US\$ 1,000.00 per month, provided that in the case of each assignment, the ex-governor shall also receive the differential between the retainer fees and the then prevailing commercial rate applicable and consistent with, other comparable Bank assignments. All retainer fees payable to each departing member of the board shall at all times be subject to a set-off against arrears, if any, owed the Bank by the member.

ADOPTED by members of Board of Governors present at the Special Meeting held on December 11, 2002 in the City of Monrovia, County of Montserrado, Republic of Liberia.

SIGNED:



ELIE E. SALEEBY
CHAMAN



WILLIE BELLEH, JR.
MEMBER



DR. CHARLES A. CLARKE
MEMBER



HILARY A. DENNIS
MEMBER

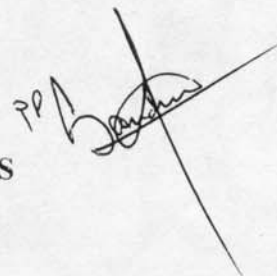
MEMORANDUM

FROM: Elie E. Saleeby
**EXECUTIVE GOVERNOR/
CHAIRMAN, BOARD OF GOVERNORS**

TO: Sie-A-Nyene Yuoh (Cllr.)
**CORPORATE SECRETARY/
SECRETARY, BOARD OF GOVERNORS**

SUBJECT: Re: **Severance Package: Hilary A. Dennis**

DATE: March 11, 2003



Pursuant to CBL Board's Resolution No. BR/R-03/2002 and based on the attached Tenure Report, you are hereby directed to pay to Mr. Hilary A. Dennis, departing member of the Board of Governors, his severance package of US\$45,000.00 to be disbursed in three equal, consecutive monthly installments and subject to appropriate setoff, as per the terms and conditions of the following disbursement schedule:

1. The first payment in the amount of US\$13,500.00 (THIRTEEN THOUSAND FIVE HUNDRED UNITED STATES DOLLARS), which is the result of a setoff between one-third of the total severance package (\$15,000.00) due and otherwise payable to Mr. Dennis and the amount of US\$1,500.00 that is his outstanding net indebtedness to the Bank, shall be paid on March 14, 2003.
2. The second payment in the amount of US\$15,000.00 (Fifteen Thousand United States Dollars), representing one-third of the total severance package, shall be paid one month after the date of the first payment.
3. The third and final installment payment in the amount of US\$15,000.00 (Fifteen Thousand United States Dollars) representing one-third of the total severance package shall be paid one month after the date of the second installment payment.

Attachment

REPORT
TENURE AND SEVERANCE PACKAGE FOR
DEPARTING GOVERNOR, HILARY A. DENNIS

INTRODUCTION

According to Resolution No. BR/R-03/2002, a departing Governor is to receive severance package of not less than an amount representing 12 months board fees and not more than 24 months board fees calculated at the then prevailing monthly rates, pursuant to schedule of payments provided in the Resolution.

Governor Dennis has been a board member for three (3) years, (appointed in December 1999 for a one (1) year period & re-appointed for five (5) years as per the CBL Act of 1999). According to the schedule of payments in the Resolution, upon tenure of three (3) years, a board member is entitled to board fees equivalent to 50% of the annual board fees or eighteen (18) months of service.

SEVERANCE PACKAGE

| | |
|---------------------------------|-----------------------------|
| Number of years served: | 3 years |
| Prevailing monthly rate: | US\$2,500.00 |
| Board fees for 18 months: | US\$45,000.00 |
| TOTAL SEVERANCE PACKAGE: | <u>US\$45,000.00</u> |