

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or the action to be taken, you should consult immediately a person authorised under the Financial Services and Markets Act 2000 (as amended).

If you have sold or transferred all your BCB Holdings Shares, please send this document and the accompanying Form of Direction (if applicable) but not the accompanying Form of Proxy to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold or transferred part only of your holding of BCB Holdings Shares, you should retain this document and consult the stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

BCB HOLDINGS LIMITED
Proposed Demerger of the
the Non-Belizean Businesses
to a newly incorporated company
WATERLOO INVESTMENT HOLDINGS LIMITED
Notice of General Meeting

This document should be read as a whole. Your attention is drawn to the letter from the Deputy Chairman of BCB Holdings Limited recommending that you vote in favour of the Resolution to be proposed at the General Meeting.

A notice of the General Meeting of the Company, to be held at the offices of Allen & Overy LLP, One Bishops Square, London E1 6AD, United Kingdom at 8.30 a.m. on Wednesday, 26th October 2011, is set out at the end of this document. A Form of Proxy accompanies this document. To be valid, the Form of Proxy for use at the General Meeting must be completed, signed and returned so as to be received at the Company's registrar, Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, United Kingdom as soon as possible and, in any event, not later than 8.30 a.m. on Tuesday, 25th October 2011. For BCB Holdings Depository Interest Holders, a Form of Direction is enclosed for use at the General Meeting. To be valid, the Form of Direction for use at the General Meeting must be completed, signed and returned so as to be received at the Company's registrar, Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU, the United Kingdom as soon as possible and, in any event, not later than 12 p.m. on Monday, 24th October 2011. BCB Holdings Depository Interests held in uncertificated form (i.e. in CREST) may be voted through the CREST system. The CREST message must be received by the agent RA10 by 12 p.m. on Monday, 24th October 2011.

Cenkos Securities plc, which is regulated by the FSA, is acting as nominated adviser to BCB Holdings Limited in relation to the Demerger. Cenkos Securities plc will not be responsible to anyone, other than BCB Holdings Limited in relation to the Demerger for providing the protections afforded to customers of Cenkos Securities plc or for providing advice in relation to the contents of this document or any matter referred to in it.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

| | 2011 |
|--|---------------------------------|
| Publication of this document..... | 19 October |
| Ex Dividend Date | 20 October |
| Dividend Record Date | 4.30 p.m. on 21 October 2011 |
| Latest time and date for receipt of Forms of Direction | 12 p.m. on 24 October |
| Latest time and date for receipt of Forms of Proxy | 8.30 a.m. on 25 October |
| General Meeting..... | 8.30 a.m. on 26 October |
| Expected date of completion of the Demerger..... | 26 October |

Notes:

- (1) This timing is indicative only and subject to change. If any of the above times and/or dates change, the revised times and/or dates will be notified to BCB Holdings Shareholders by announcement through the Regulated Information Service.
- (2) References to time are to the time in London unless otherwise stated.

DEFINITIONS

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|---|---|
| AIM | AIM, a market operated by the London Stock Exchange; |
| AIM Rules | the AIM rules for companies as published by the London Stock Exchange from time to time; |
| Articles | the articles of association of BCB Holdings (as amended); |
| Associates | Grupo Agroindustrial CB, S.A., Tower Strategic, Ltd., Mesocafta International, S.A. and BVI International Holdings Inc., companies operating in the edible oil and related products business sector in Central America; |
| Assumed Loan Notes | a Series 2 Loan Note, Series 3 Loan Note or Series 4 Loan Note; |
| Assumed Loan Noteholder | a holder of a Series 2 Loan Note, Series 3 Loan Note or Series 4 Loan Note; |
| BCB Holdings or Company | BCB Holdings Limited, an international business company incorporated in Belize under the IBCA with registered number 1; |
| BCB Holdings B Shares | the 100,007,864 class B ordinary shares of US\$4.40 par value each in the share capital of BCB Holdings; |
| BCB Holdings Board | the board of directors of BCB Holdings; |
| BCB Holdings Depository Interest Holders | Holders of BCB Holdings Depository Interests; |
| BCB Holdings Depository Interests | dematerialised interests issued or to be issued by the Depository in respect of, and representing on a one-for-one basis, BCB Holdings Shares; |
| BCB Holdings Group | BCB Holdings and its subsidiary undertakings from time to time; |
| BCB Holdings Loan Noteholder | a Series 1, Series 2, Series 3, or Series 4 Loan Noteholder (as applicable); |
| BCB Holdings Loan Notes | the Series 1, Series 2, Series 3, and Series 4 Loan Notes; |
| BCB Holdings Optionholder | a holder of a BCB Holdings Option; |
| BCB Holdings Options | outstanding options issued pursuant to the Long Term Incentive Plan; |
| BCB Holdings Shareholder | a holder of a BCB Holdings Share; |
| BCB Holdings Shares | the 100,007,864 ordinary shares without par value in the share capital of BCB Holdings, not including Treasury Shares; |
| BCB Holdings Warrantholders | a holder of a BCB Holdings Warrant; |

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|---|---|
| BCB Holdings Warrants | the outstanding warrants issued by BCB Holdings pursuant to the Warrant Instruments; |
| BCB International | British Caribbean Bank International Limited; |
| Belize Bank | The Belize Bank Limited; |
| British Caribbean Bank | British Caribbean Bank Limited, a bank licensed to carry on banking business in the TCI; |
| BVI | the British Virgin Islands; |
| BVI Act | BVI Business Companies Act 2004 (as amended); |
| Capita Registrars | a trading name of Capita Registrars Limited; |
| Central American Holdings | Central American Holdings, Inc., the holding company of BCB Holdings' interests in the Associates; |
| CREST | the relevant system (as defined in the Uncertificated Securities Regulations 2001 (as amended) for the paperless settlement of share transfers and the holding of shares in uncertificated form in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in those regulations); |
| Demerger | the demerger of the Non-Belizean Businesses from the BCB Holdings Group; |
| Depository | Capita IRG Trustees Limited; |
| Directors | the directors of BCB Holdings, whose names are set out on page 10 of this document; |
| Dividend Record Date | 21 October 2011; |
| Ex Dividend Date | 20 October 2011; |
| First BCB Holdings Board Meeting | the meeting of the board of directors of BCB Holdings which is to resolve on the declaration and payment of a dividend distribution, in favour of Qualifying BCB Holdings Shareholders, of 100,007,864 BCB Holdings B Shares on the basis of 1 BCB Holdings B Share for each BCB Holdings Share; |
| Form of Direction | the form of direction accompanying this document for use by holders of BCB Holdings Depository Interests for use at the General Meeting; |
| Form of Proxy | the form of proxy accompanying this document for use by BCB Holdings Shareholders at the General Meeting; |
| FSA | Financial Services Authority; |

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| General Meeting | the general meeting of BCB Holdings to be held at the offices of Allen & Overy LLP, One Bishops Square, London E1 6AD, United Kingdom at 8.30 a.m. on 26 October 2011 (or any adjournment thereof); |
| IBCA | the International Business Companies Act, 1990 of Belize (as amended); |
| Independent Directors | the independent directors of BCB Holdings, being the Directors other than Andrew Ashcroft, Peter Gaze, Philip Johnson and Philip Osborne; |
| JP Jenkins | a division of Rivington Street Stockbrokers; |
| London Stock Exchange | London Stock Exchange plc; |
| Long-Term Incentive Plan | the BCB Holdings Limited 1997 Long-Term Incentive Plan (as amended); |
| Memorandum | the Memorandum of Association (as amended) of BCB Holdings; |
| New Loan Note | the loan note to be issued by Waterloo to BCB Holdings equal to the amount of principal and accrued interest on the Series 2 Loan Note, Series 3 Loan Note and Series 4 Loan Note as at the date of the transfer of Central American Holdings to Waterloo; |
| Non-Belizean Businesses | the Non-Belizean Financial Services Businesses, certain off shore business interests and services and BCB Holdings' approximate 25 per cent interest in the Associates; |
| Non-Belizean Financial Services Businesses | the non-Belizean financial services businesses of BCB Holdings which are owned by Waterloo and its subsidiaries and are proposed to be transferred to WIHL pursuant to the Demerger, the principal assets and businesses being the British Caribbean Bank and loans associated with properties located in principally in the TCI; |
| Qualifying BCB Holdings Shareholders | the BCB Holdings Shareholders on the share register of BCB Holdings at the Dividend Record Date; |
| Regulated Information Service | an information dissemination provider approved by the FSA to receive, process and disseminate regulatory information in respect of listed companies and whose name is set out in the list maintained by the FSA; |
| Resolution | the resolution set out in the notice of General Meeting set out at the end of this document; |
| Resolution of Directors | means either: <ul style="list-style-type: none"> (a) a resolution approved at a duly convened and constituted meeting of the directors of WIHL or of a committee of directors of WIHL by the affirmative vote of a majority of the directors present at the meeting who voted except that where a director is given more than one vote, he shall be counted by the number of votes he casts for the purpose of establishing a majority; or |

- (b) a resolution consented to in writing by all directors or by all members of a committee of directors of WIHL, as the case may be;

Resolution of Shareholders

means either:

- (a) a resolution approved at a duly convened and constituted meeting of the shareholders of WIHL by the affirmative vote of a majority of in excess of 50% of the votes of the shares entitled to vote thereon which were present at the meeting and were voted; or
- (b) a resolution consented to in writing by a majority of in excess of 50% of the votes of shares entitled to vote thereon;

Retained BCB Holdings Businesses

the financial services businesses of BCB Holdings which are owned directly by BCB Holdings or indirectly by B.B. International Limited (a member of the BCB Holdings Group) and which are proposed to be retained by BCB Holdings following the Demerger, the principal assets and businesses being Belize Bank and BCB International;

Second BCB Holdings Board Meeting

the meeting of the board of directors of BCB Holdings to be held on 26 October 2011 which is, if the Independent Directors so resolve, to approve amongst other things:

- the reduction of BCB Holdings' share capital by cancellation of all the BCB Holdings B Shares;
- the transfer of BCB Holding's shares in Waterloo to WIHL in consideration for WIHL issuing 100,007,864 ordinary shares of US\$1.00 par value to the Qualifying BCB Holdings Shareholders on the basis of one WIHL Consideration Share for each BCB Holdings B Share previously held; and
- the transfer of the New Loan Note to WIHL in consideration for WIHL assuming the obligation of BCB Holdings under the Assumed Loan Notes by way of an issue of the WIHL Debentures to the Assumed Loan Note Holders;

Series 1 Loan Noteholder

a holder of a Series 1 Loan Note;

Series 2 Loan Noteholder

a holder of a Series 2 Loan Note;

Series 3 Loan Noteholder

a holder of a Series 3 Loan Note;

Series 4 Loan Noteholder

a holder of a Series 4 Loan Note;

Series 1 Loan Notes

US\$50,000,000 10 per cent fixed rate, unsecured loan notes due 2013 and issued pursuant to a loan note instrument dated 23 March 2007;

Series 2 Loan Notes

US\$50,000,000 10 per cent fixed rate, unsecured loan notes due 2014 and issued pursuant to a loan note instrument dated 10 October 2007;

Series 3 Loan Notes

US\$57,000,000 10 per cent fixed rate, unsecured loan notes due 2015 and issued pursuant to a loan instrument dated 31 March 2010;

| | |
|----------------------------------|--|
| Series 4 Loan Notes | US\$60,000,000 10 per cent fixed rate, unsecured loan notes due 2016 and issued pursuant to a loan instrument dated 31 March 2010; |
| TCI | the Turks & Caicos Islands; |
| Treasury Shares | the 3,635,120 ordinary shares without par value in the capital of BCB Holdings held by a subsidiary and a nominee of BCB Holdings in treasury; |
| United Kingdom or UK | the United Kingdom of Great Britain and Northern Ireland; |
| United States or US | the United States of America; |
| US\$ | the lawful currency of the United States of America; |
| Warrant Instruments | the BCB Holdings warrant instrument dated 23 March 2007 and the BCB Holdings warrant instrument dated 10 October 2007; |
| Waterloo | Waterloo Capital Holdings Limited, a company incorporated in the British Virgin Islands with registered number 1628512 whose registered office is at Craigmuir Chambers, Road Town, Tortola, British Virgin Islands; |
| WIHL | Waterloo Investment Holdings Limited, a BVI business company with registered number 1628508 and registered office at Craigmuir Chambers, Road Town, Tortola, British Virgin Islands; |
| WIHL Articles | the articles of association of WIHL; |
| WIHL Board Meeting | the meeting of the board of directors of WIHL to be held on 26 October 2011 which is to resolve on, amongst other things: <ul style="list-style-type: none"> ● the approval of the Demerger; ● the issue of 100,007,864 ordinary shares of US\$1.00 par value to Qualifying BCB Holdings Shareholders on the basis of one WIHL Consideration Share for each BCB Holdings B Share as consideration for the transfer by BCB Holdings to WIHL of its shares in Waterloo; and ● the repurchase of the WIHL Initial Share; |
| WIHL Consideration Shares | the 100,007,864 ordinary shares of US\$1.00 par value each in the share capital of WIHL, credited as fully paid up ranking <i>pari passu</i> in all respects with the WIHL Initial Shares, to be issued by WIHL to Qualifying BCB Holdings Shareholders in consideration for the transfer by BCB Holdings to WIHL of its shares in Waterloo; |
| WIHL Group | WIHL and its subsidiary undertakings from time to time; |
| WIHL Initial Share | the one ordinary share of US\$1 par value each in the share capital of WIHL held by Jose Alpuche; |

| | |
|-------------------------|---|
| WIHL Loan Notes | the loan notes to be issued by WIHL pursuant to its assumption of the obligations of BCB Holdings under the Assumed Loan Notes; |
| WIHL Memorandum | memorandum of association of WIHL; |
| WIHL Shareholder | a holder of WIHL Shares; and |
| WIHL Shares | the WIHL Consideration Shares and the WIHL Initial Share. |

LETTER FROM BCB HOLDINGS

BCB Holdings Limited
60 Market Square
PO Box 1764
Belize City, Belize
Central America

Directors

| | |
|------------------|---------------------------------|
| Cheryl Jones | (Non-Executive Deputy Chairman) |
| Lyndon Guiseppi | (Chief Executive Officer) |
| Peter Gaze | (Chief Financial Officer) |
| Philip Osborne | (Executive Director) |
| Andrew Ashcroft | (Executive Director) |
| Philip Johnson | (Non-Executive Director) |
| Dr Euric Bobb | (Non-Executive Director) |
| John Searle | (Non-Executive Director) |
| Philip Priestley | (Non-Executive Director) |

19 October, 2011

To BCB Holdings Shareholders, BCB Holdings Warrantholders, BCB Holdings Optionholders and BCB Holdings Loan Noteholders

Dear Shareholder,

Demerger of the Non-Belizean Businesses to WIHL

1. Introduction

As announced today, BCB Holdings proposes to reorganise its group by demerging its Non-Belizean Businesses into a new holding company, WIHL, which has recently been incorporated in BVI to become the new holding company for the Non-Belizean Businesses.

It is intended that the Demerger will be effected by way of the declaration and payment by BCB Holdings of a dividend in kind to Qualifying BCB Holdings Shareholders, followed by a capital reduction and repayment to those Qualifying BCB Holdings Shareholders to be satisfied by the transfer of the Non-Belizean Businesses to WIHL, in consideration for the issue of shares by WIHL to the Qualifying BCB Holdings Shareholders. BCB Holdings will also transfer the New Loan Note to WIHL in consideration for WIHL assuming the obligations of BCB Holdings under the Assumed Loan Notes by way of the issue of the WIHL Debentures to the Assumed Loan Noteholders.

The Demerger will result in BCB Holdings Shareholders holding shares in two distinct entities, which will be the holding companies of two distinct groups with separate strategic, capital and economic characteristics and management teams:

- BCB Holdings, whose shares will continue to be admitted to trading on AIM, the Trinidad and Tobago Stock Exchange and the Bermuda Stock Exchange, will remain the owner of the largest banking operation in Belize, through Belize Bank, as well as international operations through BCB International.
- WIHL, whose shares are intended to be traded by JP Jenkins, will become the holding company for the Non-Belizean Businesses which have large exposure to the TCI through British Caribbean Bank. WIHL will also hold the interests in Associates.

The Demerger will constitute a fundamental change of business of the Company which, under Rule 15 of the AIM Rules, requires that the Demerger be conditional on BCB Holdings Shareholder approval. In accordance with the AIM Rules, the Company is required to send a circular to BCB Holdings Shareholders setting out the reasons for, and principal terms of, the Demerger and to seek BCB Holdings Shareholder approval for the Demerger. If the Resolution is passed, the Directors expect that, subject to the Directors considering at the Second BCB Holdings Board Meeting that the Demerger is in the best interests of the Company, the Demerger will become effective on 26 October 2011.

A notice of General Meeting of the Company, to be held at the offices of Allen & Overy LLP, One Bishops Square, London E1 6AD, United Kingdom at 8.30 a.m. on 26 October 2011, to consider the Resolution, is set out at the end of this document.

2. Background to the Demerger

The BCB Holdings Board believes that the BCB Holdings Group currently consists of two geographically separated financial services businesses which, due to recent economic developments, have become diverse from each other and which possess very different economic drivers. Belize Bank and BCB International (which together form the principal assets of the Retained BCB Holdings Businesses) provide a comprehensive range of banking services to both retailing and commercial customers. In contrast, the business of the British Caribbean Bank (which forms part of the Non-Belizean Businesses subject to the Demerger) focuses on the provision of lending and as such its assets are principally comprised of loans which were in part funded by the BCB Holdings Loan Notes. These loans have a high concentration in asset backed lending to the tourism and property development sectors.

The BCB Holdings Board believes that, given the differences in both strategy and funding structure between these two financial services businesses, the BCB Holdings Group and, therefore its shareholders, would benefit from separation of these financial services businesses, which will assist each financial services business to focus on its individual strategic direction and realise its future growth potential. More specifically, the performance of the Retained BCB Holdings Businesses will continue to be closely linked to the general economic performance of Belize which has a diverse and increasingly indigenous economy with increased banking regulation and political influence in domestic business policy, whilst the performance of the Non-Belizean Financial Services Businesses will be more closely tied to the general economic performance of the Turks & Caicos Islands which are almost exclusively dependent on the tourism industry and related service sectors.

In addition, BCB Holdings Group holds, through Central American Holdings, an aggregate interest of approximately 25 per cent in Associates which own a successful edible oil and related products business based in Costa Rica with operations in Central America. The business and performance of Associates (the shareholding in which is to be held by the Non-Belizean Businesses) is closely tied to world demand for palm oil and the world markets for edible oil bi-products. The Board believes that these should form part of WIHL going forward, as holding this interest as an investment fits more closely with the strategy of WIHL and the medium to long term nature of its portfolio of assets.

The Directors believe that the Demerger will demonstrate more clearly the value of the various diverse business sectors identified above and will thereby create improved potential for an increase in value for BCB Holdings Shareholders as a whole, as investors will be able to analyse more closely each group's fundamentals. The Directors believe that an informed current value of BCB Holdings is not fully reflected at present, as BCB Holdings is currently valued at a discount of more than 80 per cent to its tangible net assets based on its share price as at 13 October 2011 and the latest audited financial statements as at 31 March 2011.

3. Principal Terms of the Demerger

The principal terms of the Demerger and details of how it is intended that the Demerger will be effected are set out in paragraph 1.2 of Part 1 of this document.

4. BCB Holdings' strategy

Following the Demerger, the BCB Holdings Board will continue to prioritise maximising shareholder value. It plans to do this by pursuing a strategy which it is currently intended will include the following:

- Carefully managing the loan portfolio in Belize Bank and BCB International, particularly non-performing loans, with a view to maximizing the value of its loans or the realisation of the maximum value of the underlying collateral.
- Managing the excess liquidity of Belize Bank and BCB International created by loan liquidations in order to maximise the long-term business prospects and income of BCB Holdings.

- Pursuing a controlled growth strategy with regard to its loan portfolios by carefully managing new credit in line with established, conservative lending guidelines.
- Pursuing a controlled growth strategy on the provision of other financial services to its client base.

5. WIHL Strategy

Following the Demerger, the board of directors of WIHL will focus on increasing shareholder value in the medium to long term. It plans to do this by pursuing a strategy for each asset and loan to ensure that the value of WIHL is maximised over time and which it is currently intended will include the following:

- Managing its loan portfolio, in particular non-performing loans, with a view to maximising the value of the loans or the realisation of the maximum value of the underlying collateral.
- Selectively taking ownership of certain underlying asset collateral where development potential is anticipated.
- Selectively liquidating loans and assets in order to create a working capital fund, to fund future new investment.
- Retaining its investment in Associates for the foreseeable future to provide short-term funds from dividend income.

6. The BCB Holdings Board and the board of directors of WIHL

Andrew Ashcroft and Philip Johnson will resign from the BCB Holdings Board and Cheryl Jones will become Chairman effective as at the date of the Demerger.

The board of directors of WIHL consist of Philip Johnson, Peter Gaze, Philip Osborne and Andrew Ashcroft.

7. Current trading, prospects and financial reporting

In the year ended 31 March 2011, BCB Holdings Group's financial services division reported an operating loss of US\$21.9 million (2010 - operating income US\$12.7 million) and the BCB Holdings Group reported a net loss of US\$7.3 million (2010 - net income US\$25.9 million), with a loss per ordinary share of US\$0.07 (2010 - earnings per ordinary share US\$0.27). At 31 March 2011, BCB Holdings Group reported total assets of US\$1,199.5 million and net assets of US\$421.3 million.

In the three months ended 30 June 2011, BCB Holdings Group's financial services division reported operating income of US\$0.0m (2010 - US\$6.3m) and the BCB Holdings Group reported net income of US\$4.9m (2010 - US\$8.9m) with earnings per ordinary share of US\$0.05 (2010 - US\$0.09).

The figures presented above for the three months ended 30 June 2011 are unaudited.

Details of the pro forma financial effect of the Demerger on the BCB Holdings Group are set out in Part 2 of this document.

Following the Demerger, BCB Holdings will continue to report on a quarterly basis.

8. Related party transaction

The assumption by WIHL of the obligations under certain of the BCB Holdings Loan Notes (the **Assumption**) and the Demerger are deemed to be related party transactions pursuant to Rule 13 of the AIM Rules, because (i) WIHL and BCB Holdings share common directors; (ii) they will have the same majority shareholder and (iii) the majority shareholder and certain directors of BCB Holdings and WIHL have consented to the Assumption.

The Independent Directors, having consulted with the Company's nominated adviser, Cenkos Securities plc, consider that the terms of the Assumption and the Demerger are fair and reasonable insofar as the BCB Holdings Shareholders and the BCB Holdings Warrantholders are concerned.

9. BCB Holdings Optionholders

Appropriate proposals to the BCB Holdings Optionholders will be made in due course.

10. BCB Holdings Loan Notes

The Company will notify the Series 1 Loan Noteholders of its intention to repay the Series 1 Loan Notes.

The Company has obtained from the requisite majority of Series 2 Loan Noteholders (being the holders of not less than three-quarters of the nominal amount of the Series 2 Loan Notes) consent to the amendment of the Series 2 Loan Notes such that the obligations under Series 2 Loan Notes are assumed by WIHL which will issue WIHL Debentures to the Series 2 Loan Noteholders equal to the principal outstanding and carrying the obligation to pay all accrued interest and otherwise on the same terms as the Series 2 Loan Notes. The Company will cease to have any obligations under the Series 2 Loan Notes.

The Series 3 Loan Noteholder and Series 4 Loan Noteholder has consented to the assumption by WIHL of the obligations under the Series 3 Loan Notes and the Series 4 Loan Notes. WIHL will issue WIHL Debentures to the Series 3 Loan Noteholders and the Series 4 Loan Noteholders equal to the principal outstanding and carrying the obligation to pay all accrued interest and otherwise on the same terms as the Series 3 Loan Notes and the Series 4 Loan Notes. The Company will cease to have any obligations under the Series 3 Loan Notes and Series 4 Loan Notes. As a condition to the consent of the Series 2 Loan Noteholders, the Series 3 Loan Noteholder and the Series 4 Loan Noteholder to the assumption by WIHL of the obligations under their respective BCB Holdings Loan Notes, WIHL has agreed to procure that Waterloo grants security over the shares in Central American Holdings to the Series 2 Loan Noteholders, the Series 3 Loan Noteholder and the Series 4 Loan Noteholder. The security will be granted solely for the purpose of securing the repayment of the amounts outstanding under the Series 2 Loan Notes, Series 3 Loan Notes and Series 4 Loan Notes.

11. BCB Holdings Warrants

The issue and subsequent cancellation of the BCB Holdings B Shares (as described in paragraph 1.2 of Part 1 of this document) constitute Adjustment Events (as defined in the Warrant Instruments), under the Warrant Instruments. The BCB Holdings Board has resolved that, although these two events constitute two separate Adjustment Events, the cancellation of the BCB Holdings B Shares shall be deemed to constitute the only Adjustment Event for the purposes of the Warrant Instruments and hereby gives notice, pursuant to clause 2.3 of each of the Warrant Instruments, of such Adjustment Event. The cancellation of the BCB Holdings B Shares and therefore the occurrence of the Adjustment Event is conditional on the Demerger being approved at the Second BCB Holdings Board Meeting. Following the Adjustment Event, the Directors anticipate that the Exercise Price (as defined in each respective Warrant Instrument) for each BCB Holdings Warrant will be within the range of US\$1.84 and US\$2.05. An announcement confirming the Exercise Price will be made on or prior to the Demerger, once the Exercise Price has been certified by the Company's auditor, pursuant to the Warrant Instruments.

In addition, the BCB Holdings Board has resolved in accordance with the Warrant Instruments, to reduce the notice period for notifying BCB Holdings Warrant holders of an Adjustment Event under the Warrant Instruments from 10 business days to 5 business days.

12. General Meeting

The Demerger will constitute a fundamental change of business of the Company for the purpose of Rule 15 of the AIM Rules, and accordingly completion of the Demerger is conditional, amongst other things, upon BCB Holdings Shareholder approval of the Resolution being obtained at the General Meeting. Accordingly, you will find set out at the end of this document a notice of the General Meeting, to be held at the offices of Allen & Overy LLP, One Bishops Square, London E1 6AD, United Kingdom at 8.30 a.m. on 26 October 2011, at which the Resolution will be proposed.

13. Action to be taken by BCB Holdings Shareholders

A Form of Proxy is enclosed with this document for use by BCB Holdings Shareholders at the General Meeting. Whether or not they intend to be present at the General Meeting, BCB Holdings Shareholders are requested to complete and sign the Form of Proxy in accordance with the instructions printed on it and return it to the Company's registrar, Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, United Kingdom as soon as possible and, in any

event, so as to arrive not later than 10 a.m. on 23 October 2011. Unless the Form of Proxy is received by this date and time, it will not be valid.

For BCB Holdings Depository Interest Holders, a Form of Direction is enclosed for use at the General Meeting. Holders of BCB Holdings Depository Interests are required to complete and return the Form of Direction whether or not they intend to be present at the General Meeting. Holders of BCB Holdings Depository Interests wishing to vote on the Resolution are required to instruct the Depository to vote on their behalf, either in person or by proxy, in accordance with the enclosed Form of Direction. Completed and signed Forms of Direction must be lodged with Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, United Kingdom as soon as possible and in any event so as to be received by no later than 12 p.m. on 24 October 2011. Unless the Form of Direction is received by this date and time, it will not be valid. BCB Holdings Depository Interests held in uncertificated form (i.e. in CREST) may be voted through the CREST system. The CREST message must be received by the agent RA10 by 12 p.m. on 24 October 2011. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the agent is able to retrieve the message. CREST personal members or other CREST sponsored members and those CREST members who have appointed voting service provider(s) should contact their CREST sponsor or voting service provider(s) for assistance with instructing the Depository via CREST. For further information on CREST procedures, limitations and system timings please refer to the CREST Manual. We may treat as invalid a direction appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001. In any case, your Form of Direction must be received by the Depository no later than 12 p.m. on 24 October 2011.

14. Recommendation

The Independent Directors consider the Demerger to be in the best interests of BCB Holdings and the BCB Holdings Shareholders as a whole, and accordingly unanimously recommend BCB Holdings Shareholders to vote in favour of the Resolution to be proposed at the General Meeting.

If the resolution is passed, the Directors expect that, subject to the Directors considering at the Second BCB Holdings Board Meeting that the Demerger is in the best interests of the Company, the Demerger will become effective on 26 October 2011.

Yours sincerely,

Cheryl Jones
Deputy Chairman
BCB Holdings Limited

PART 1

SUMMARY OF THE DEMERGER

1. BASIS OF THE DEMERGER

1.1 Reorganisation

In preparation for the Demerger, BCB Holdings will execute an internal reorganisation involving a series of intra-group transactions. BCB Holdings will assign and capitalise a number of intra-group receivables owed by various subsidiaries to be transferred (directly or indirectly) as part of the Demerger. BCB Holdings will also transfer all of the shares in a number of its subsidiaries (including Central American Holdings) to Waterloo in consideration for the issue of shares by Waterloo to BCB Holdings resulting in Waterloo becoming the holding company of the Non-Belizean Businesses.

In addition, the internal reorganisation will also include the transfer of 56.4 per cent of the share capital in Central American Holdings from BCB Holdings to Waterloo. In consideration for this transfer, Waterloo will issue the New Loan Note to BCB Holdings.

1.2 Demerger

It is intended that the Demerger will be effected by way of the declaration and payment by BCB Holdings of a dividend in kind to Qualifying BCB Holdings Shareholders, followed by a capital reduction and repayment to those Qualifying BCB Holdings Shareholders, to be satisfied by the transfer of Waterloo to WIHL, in consideration for the issue of shares by WIHL to the Qualifying BCB Holdings Shareholders. The detailed steps by which it is intended that the Demerger will be effected are as follows:

- BCB Holdings has amended the Memorandum to increase its share capital by 110,000,000 class B ordinary shares of US\$4.40 par value each.
- BCB Holdings will declare and pay a dividend, in favour of Qualifying BCB Holdings Shareholders, of 100,007,864 BCB Holdings B Shares on the basis of 1 BCB Holding B Share for every 1 BCB Holdings Share held by them on the Dividend Record Date; and
- subject to BCB Holdings Shareholders approval of the Resolution being obtained at the General Meeting, BCB Holdings will reduce its share capital by cancellation of all the BCB Holdings B Shares and will repay that capital by transferring its shares in Waterloo, a wholly owned subsidiary of BCB Holdings and the holding company of the Non-Belizean Businesses, to WIHL in consideration for WIHL issuing 100,007,864 ordinary shares of US\$1.00 par value (plus premium) to the Qualifying BCB Holdings Shareholders on the basis of one WIHL Consideration Share for each BCB Holdings B Share previously held.

BCB Holdings will also transfer the New Loan Note to WIHL in consideration for WIHL assuming the obligations of BCB Holdings under the Assumed Loan Notes by way of the issue of the WIHL Debentures to the Assumed Loan Noteholders.

The First BCB Holdings Board Meeting shall resolve on the declaration and payment of the dividend distribution. The Second BCB Holdings Board Meeting which is scheduled to take place on 26 October 2011, immediately after the General Meeting, shall resolve on the capital reduction and the Demerger.

Following completion of the Demerger, BCB Holdings Shareholders will continue to hold their existing BCB Holdings Shares, which will continue to be admitted to trading on AIM, the Trinidad and Tobago Stock Exchange and the Bermuda Stock Exchange. Although WIHL Shares will not be admitted to trading on AIM, BCB Holdings Shareholders will be able to trade their WIHL Consideration Shares through JP Jenkins, which is described in more detail in paragraph 1.3 below. As WIHL Shares will not be admitted to trading on AIM, the BCB Holdings Shareholders will not receive the level of information that they would receive were the WIHL Shares listed on AIM. However, significant corporate events will be notified to WIHL Shareholders by requesting JP Jenkins to make it available on their website.

In accordance with the IBCA, the Treasury Shares do not carry the right to receive distributions and consequently, the Treasury Shares have been ignored for the purposes of calculating the

entitlements of BCB Holdings shareholders to BCB Holdings B Shares and WIHL Consideration Shares.

1.3 JP Jenkins share matching facility

JP Jenkins provides companies which are unlisted and unquoted with a facility enabling existing and prospective shareholders to deal in their shares.

It is intended that WIHL Shareholders will be able to trade their WIHL Shares via the JP Jenkins share matching facility for companies. This provides a cost effective mechanism to buy or sell shares. WIHL Shareholders can use their existing stockbroker should they have one. WIHL Shareholders will need to instruct their existing stockbroker with a limit order who in turn will contact JP Jenkins to place the limit order on their behalf. Once the limit order has been executed, the WIHL Shareholder will receive a contract note from their stockbroker.

Should a WIHL Shareholder not have a stockbroker they can use the services of JP Jenkins once the required paperwork has been completed.

The JP Jenkins share matching facility is open to take limit orders and match willing buyers and sellers Monday to Friday from 8:00 a.m. until 4:30 p.m. excluding bank holidays. WIHL Shareholders should be aware that liquidity of WIHL Shares trading via JP Jenkins is likely to be less than if such shares were listed on AIM and, as such, it might take a considerably longer time for proposed share transactions to be executed.

Should you require more information regarding the JP Jenkins share matching facility please contact JP Jenkins directly:

Telephone: +44 20 7562 3388

Email: info@jpjenkins.co.uk

1.4 Repurchase of WIHL Initial Share

It is intended that the WIHL Initial Share will be repurchased by WIHL and cancelled at the WIHL Board Meeting, following the issue of the WIHL Consideration Shares.

1.5 Amendment to BCB Holdings Articles

On 11 October 2011 the Articles were amended (the **Amendment**). The effect of the Amendment is that at least 35% of the voting power in the Company is held by shareholders that are “small shareholders” and that are not connected with a director of the Company (**Unconnected Small Shareholders**). “Small shareholders” for this purpose are, broadly speaking, shareholders holding 5% or less of the voting power in the Company. Pursuant to the Amendment, the voting rights of shares held by Unconnected Small Shareholders are increased, and the voting rights of shares held by other shareholders are decreased (in each case proportionally) to the extent required to ensure that at least 35% of the voting power in the Company is capable of being exercised by Unconnected Small Shareholders.

2. TERMS OF THE BCB HOLDINGS B SHARES

The BCB Holdings B Shares are temporary securities which will not be listed. The BCB Holdings B Shares are non-transferable except as described below. They will be issued and will remain in existence until when and if they are cancelled at the Second BCB Holdings Board Meeting. No share certificates or temporary documents of title will be issued in respect of the BCB Holdings B Shares.

A BCB Holdings B Share:

- (i) entitles its holder to receive a dividend *pari passu* with payments of dividends made to holders of BCB Holdings Shares;
- (ii) does not entitle its holder to receive a share certificate in respect of the relevant shareholding, save as required by law;
- (iii) unless a resolution to vary the rights of the BCB Holdings B Shares is proposed, does not entitle its holder to receive notice of or attend, speak or vote at any general meeting of the Company;

- (iv) if a resolution to vary the rights of the BCB Holdings B Shares is proposed, entitles its holder to receive notice of and to attend (either in person or proxy) at the general meeting of the Company at which such resolution is to be voted upon, and to vote on that resolution, but shall not entitle the holder to any other voting rights;
- (v) entitles its holder on a return of capital on a winding-up (but not otherwise) to the repayment of the capital paid up on that share *pari passu* with BCB Holdings Shares; and
- (vi) shall not be capable of transfer save that the Depository may transfer its interest to the underlying BCB Holdings Depository Interest Holder beneficial holder at any time.

3. OVERVIEW OF THE NON-BELIZEAN BUSINESSES

3.1 British Caribbean Bank

British Caribbean Bank is one of the largest financial institutions in TCI where it provides lending and deposit facilities together with a range of other banking services to domestic and international customers. Its assets comprise principally loans with a high concentration in asset backed lending to the tourism and property development sectors. British Caribbean Bank has one of the strongest balance sheets among the banks operating in TCI.

The economic events of 2008 have significantly changed the business environment in TCI and adversely affected the performance of British Caribbean Bank.

TCI is heavily dependent on tourism and associated investment activity and both of these have been key contributors to the TCI economy over the last ten years. In particular, TCI is significantly affected by tourism traffic and inbound investment of funds from the USA which has been adversely affected by the recession and continues to be so. The economic downturn in 2008 therefore had a damaging effect on the TCI economy with a consequent material effect on property values, the main source of security available to support lending in TCI. As a consequence, British Caribbean Bank has made certain loan provisions against its loan portfolio where collateral values have fallen below the loan level as a result of the recession. The BCB Holdings Board believes that the number of and nature of the loans in the TCI loan portfolio are such that values will not be maximised for a significant period of time as a number of high value loans are non-performing and need to be managed in a different way to the Belizean loan portfolio.

The BCB Holdings Board believes that the economic and political situation in TCI is very different from that in Belize. The BCB Holdings Board believes that there is potential, over the medium term, for an increase in value of British Caribbean Bank's existing loan portfolio and for reversing provisions if loans are held for a longer term than traditional banking practices would require. However, the BCB Holdings Board believes that, if British Caribbean Bank remains part of the larger BCB Holdings Group, BCB Holdings Shareholders may not benefit from this upside, as potential investors may not be able to properly appreciate the current diversity of the businesses held by BCB Holdings and the divergence in performance and management strategy between British Caribbean Bank and Belize Bank.

3.2 The Associates

The Associates own edible oil processing and distribution operations and palm seed plantations principally in Costa Rica, where they are a market leader in edible oils, margarine, industrial oils and animal feed. The Associates have been in operation for over 50 years and have an experienced, long established management team. The profits of Associates are principally driven by world market prices for crude palm oil which have held up well in recent times. BCB Holdings currently owns approximately 25 per cent of the shares of the Associates. This interest in the Associates will continue to be held by Central American Holdings.

4. OVERVIEW OF THE RETAINED BCB HOLDINGS BUSINESSES

4.1 Belize Bank

Belize Bank is the largest banking operation in Belize, a country located in Central America with a population of approximately 300,000 people. It provides a comprehensive range of banking and financial services to both retail and commercial customers, including online banking and electronic bill paying services. The Belize banking industry is comprised of five domestic banks and seven international banks. Belize Bank has a head office in Belize City, 13 branches and a network of 21 ATMs located in every major town and city throughout the country. This network provides the most

comprehensive distribution channel of all the banks in Belize. As at 20 September 2011, Belize Bank had an approximate 34.2 per cent share of loans and 36.7 per cent share of deposits, substantially ahead of its nearest competitor.

Since the world economic downturn in 2008, Belize Bank, however, has suffered from significant provisions and write-offs against its loan portfolio. These have principally resulted from the global economic crisis and its impact on Belize and countries upon which Belize is dependent for economic stimulus and activity. Belize Bank's loan portfolio at March 31, 2011 amounted to US\$305.0 million compared to US\$328.2 million at 31 March 2010. The Directors believe that, as part of an independent group with a focus on Belize, the management of Belize Bank will be able to focus more effectively on securing the quality of the existing loan portfolio, managing the quality of new loans issued by Belize Bank and managing the business of operating a full service bank to its country wide branch network.

The management of Belize Bank will continue to focus carefully on managing its way through this difficult period. Belize dollar liquidity in Belize Bank and in the Belize banking system is very high but opportunities for quality new lending are low.

Belize and the Belize Bank are likely to continue to be affected by the general economic climate for some time. Improvement in the performance of both is, to an extent, dependent on factors outside the control of the country and the Belize Bank.

4.2 BCB International

BCB International provides a comprehensive range of banking services to its customers, including deposit accounts in multiple currencies, flexible types of loan facilities, credit, debit and prepaid cards, online stock trading, online banking, online merchant acquiring, company formation and administration and other related services. BCB International's loan portfolio at 31 March 2011 amounted to US\$92.3 million compared to US\$107.7 million at 31 March 2010. BCB International has correspondent banking relationships with a number of leading international banks, including Bank of America.

BCB International has also been adversely affected by the current economic climate and loan provisioning has increased accordingly. However, the Directors believe that, as part of an independent group, the management of BCB International will be able to focus their financial and human capital resources more effectively in dealing with the current economic downturn and in taking advantage of new opportunities as the market improves over time.

4.3 Belizean Market Outlook

The financial crisis that erupted in 2008 and the damage that it has caused to world economies continues to have far reaching effects in Belize. In addition, certain political developments, such as the nationalisation of utility companies and increased controls over foreign exchange transactions, have led to the Belizean economy becoming more protectionist. This shift has also been reflected in an increase in the level of regulatory intervention in the banking sector in Belize; a trend which has been seen globally. In line with this, the Central Bank of Belize has issued a number of directives to Belize Bank requiring that certain activities be subject to the Central Bank of Belize's consent, such as: (i) making dividend payments or issuing certain debt instruments; (ii) making any equity investment or capital expenditure exceeding US\$500,000; and (iii) extending credit that exceeds 15% of its fully paid up and unimpaired capital reserves, and that it divests its minority share interest in British Caribbean Bank, (which was complied with in May 2011). These directives are publically available. In addition, the Central Bank of Belize has issued a number of amendments to the terms and conditions of the licence of BCB International. There is ongoing litigation involving Belize Bank and BCB International in respect of certain of these directives and licence amendments. Belize Bank, BCB International, BCB Holdings and British Caribbean Bank are also involved in other ongoing litigation against the Central Bank of Belize and the Government of Belize. However, the Directors do not believe that the outcome of these claims, individually or collectively, will have a material adverse effect on the operations of BCB Holdings Group's business.

5. CONTINUING ARRANGEMENTS BETWEEN THE BCB HOLDINGS GROUP AND THE WIHL GROUP

Following the Demerger, BCB Holdings and WIHL will operate as separate companies. In general, after the Demerger, any business and services between the BCB Holdings Group and the WIHL Group will be on an arm's length basis and on normal commercial terms. The Company will procure such transitional services as are requested by WIHL

6. TAXATION

Advice received by the BCB Holdings Board in respect of certain taxation consequences of the receipt of BCB Holdings B Shares and the Demerger for BCB Holdings Shareholders is summarised in paragraph 2 of Part 3 of this document.

7. LONG-TERM INCENTIVE PLAN

BCB Holdings has granted employee share options which are issued under the Long-Term Incentive Plan which reserve ordinary shares for issuance to BCB Holding's executives, officers and key employees. The Long Term Incentive Plan is administered by a committee of the BCB Holdings Board. Options are generally granted to purchase BCB Holdings Shares at prices which equate to or are above the market price of such shares on the date the option is granted. Conditions of vesting are determined at the time of grant but options are generally vested and become exercisable for a period of between three and ten years from the date of grant and all have a maximum term of ten years. As at the date of this document there were 7,250,000 share options outstanding with a weighted average exercise price of US\$6.50 and no outstanding options were exercisable.

Appropriate proposals to holders of awards under the Long-Term Incentive Plan will be made in due course.

8. NON-UK SHAREHOLDERS

The attention of BCB Holdings Shareholders who are resident in the United States or in other overseas jurisdictions is drawn to paragraph 3 of Part 3 of this document.

PART 2
FINANCIAL INFORMATION

Set out below is the unaudited pro forma financial effect of the Demerger on the BCB Holdings Group as at 31 March 2011 and for the year then ended.

A. Summarised Consolidated Balance Sheet as at 31 March 2011

| | BCB Holdings Group (Note 1) \$m | WIHL Group (Note 2) \$m | BCB Holdings Group Post Demerger \$m |
|---|--|--|---|
| Assets | | | |
| Financial Services | | | |
| Cash, cash equivalents and due from banks | 43.2 | – | 43.2 |
| Interest-bearing deposits with correspondent banks | 99.5 | 17.3 | 82.2 |
| Government of Belize securities | 28.9 | – | 28.9 |
| Loans - net | 764.5 | 374.2 | 390.3 |
| Property, plant and equipment - net | 18.0 | 5.2 | 12.8 |
| Other assets | 119.2 | 41.8 | 77.4 |
| Total financial services assets | <u>1,073.3</u> | <u>438.5</u> | <u>634.8</u> |
| Corporate | | | |
| Other current assets | 0.4 | – | 0.4 |
| Associates | 125.8 | 125.8 | – |
| Intercompany amounts due from WIHL Group (Note 4) | – | – | 21.2 |
| Total assets | <u><u>1,199.5</u></u> | <u><u>564.3</u></u> | <u><u>656.4</u></u> |
| Liabilities and shareholders' equity | | | |
| Financial Services | | | |
| Deposits | 612.2 | 107.6 | 504.6 |
| Interest payable | 11.9 | 2.9 | 9.0 |
| Other liabilities | 13.1 | 4.2 | 8.9 |
| Long-term debt (Note 5) | 133.8 | 133.2 | 0.6 |
| Total financial services liabilities | <u>771.0</u> | <u>247.9</u> | <u>523.1</u> |
| Corporate | | | |
| Current liabilities | 6.0 | – | 6.0 |
| Long-term liabilities | 1.2 | – | 1.2 |
| Intercompany amounts due to BCB Holdings Group (Note 4) | – | 21.2 | – |
| Total liabilities | <u>778.2</u> | <u>269.1</u> | <u>530.3</u> |
| Shareholders' equity: | | | |
| Share capital | 0.6 | – | 0.6 |
| Additional paid in capital | 52.4 | – | 52.4 |
| Treasury shares | (21.6) | – | (21.6) |
| Retained earnings | 389.9 | 295.2 | 94.7 |
| Total shareholders' equity | <u>421.3</u> | <u>295.2</u> | <u>126.1</u> |
| Total liabilities and shareholders' equity | <u><u>1,199.5</u></u> | <u><u>564.3</u></u> | <u><u>656.4</u></u> |

B. Summarised Consolidated Statement of Income for the year ended 31 March 2011

| | BCB Holdings Group (Note 1) \$m | WIHL Group (Note 2) \$m | BCB Holdings Group Post Demerger \$m |
|---|--|--|---|
| Financial Services | | | |
| Interest income | 71.6 | 27.8 | 43.8 |
| Interest expense | (43.9) | (17.9) | (26.0) |
| Net interest income | 27.7 | 9.9 | 17.8 |
| Provision for loan losses | (36.4) | (13.5) | (22.9) |
| Non-interest income | 14.2 | 2.3 | 11.9 |
| Non-interest expense | (27.4) | (6.8) | (20.6) |
| Operating loss - Financial Services | (21.9) | (8.1) | (13.8) |
| Interest income (expense) on intercompany amounts (Note 4) | - | (1.2) | 1.2 |
| Corporate expenses | (8.4) | (2.6) | (5.8) |
| Total operating (loss) | (30.3) | (11.9) | (18.4) |
| Associates | 23.0 | 23.0 | - |
| Net (loss) income | (7.3) | 11.1 | (18.4) |
| (Loss) per ordinary share (basic and diluted) | \$ (0.07) | | \$ (0.18) |

Notes:

1. Extracted from the audited consolidated financial statements of BCB Holdings as at and for the year ended 31 March 2011.
2. The adjustments reflect the pro forma effect of the Demerger as if it had occurred at the beginning of the period presented – being 1 April 2010 with respect to the year ended 31 March 2011.
3. The unaudited pro forma financial information on the BCB Holdings Group has been prepared in United States dollars in accordance with generally accepted accounting principles in the United States of America. These principles require management to make extensive use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures contingent assets and liabilities and the reported amounts of revenues and expenses during the period. Actual results could differ materially from those estimates.

The unaudited pro forma financial information is not necessarily indicative of future operating results and should be read in conjunction with the audited consolidated financial statements of BCB Holdings, including the accounting policies and notes thereto as at and for the year ended 31 March 2011, which were previously circulated to the BCB Shareholders.
4. As part of the Demerger, certain balances between the BCB Holdings Group and the WIHL Group that were otherwise eliminated in consolidation will remain in place. Accordingly, the proforma balance sheet reflects the inclusion of these balances; together with the income statement impact of interest income/expense thereon.
5. The long-term debt principally comprises the BCB Holdings Loan Notes and the obligations under these will be assumed by the WIHL Group as part of the Demerger. Such loan notes are principally owed to a related party, as described in paragraph 8 of the Deputy Chairman's Letter on page 11.

PART 3

ADDITIONAL INFORMATION

1. RESPONSIBILITY

The Directors, whose names are set out on page 10 of this document, and the Company, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. TAXATION

2.1 Belize taxation

Under the IBCA no withholding tax will be imposed upon payments of dividends by BCB Holdings and all dividends or other distributions paid by BCB Holdings to its shareholders are exempt from income tax in Belize. Similarly, no stamp duty is payable with respect to instruments transferring shares of BCB Holdings.

2.2 UK taxation

The following statements are intended to apply only as a general guide to certain aspects of current UK tax law and to what is understood to be the current published practice of HM Revenue and Customs (HMRC), both of which are subject to change, possibly with retrospective effect. They are intended to apply only to BCB Holdings Shareholders who are resident and (in the case of individuals) ordinarily resident and domiciled in the UK for UK tax purposes, who hold BCB Holdings Shares as investments and who are the absolute beneficial owners of BCB Holdings Shares. The statements may not apply to certain classes of BCB Holdings Shareholder such as dealers in securities, persons connected with depositary arrangements or clearance services, employees or officers of the Company or persons who either directly or indirectly control or hold, either alone or together with one or more associated or connected persons, 10% or more of the issued BCB Holdings Shares, or of the entire issued share capital, voting power or the rights to profits or capital of the Company. BCB Holdings Shareholders who are in any doubt as to their tax position regarding the acquisition, ownership and disposal of the BCB Holdings Shares, BCB Holdings B Shares or WIHL Consideration Shares or who are subject to tax in a jurisdiction other than the UK should consult their own tax advisers.

Receipt of BCB Holdings B Shares

Individuals

BCB Holdings Shareholders that are individuals should not be subject to tax (and should not be treated as disposing of their BCB Holdings Shares) on receipt of BCB Holdings B Shares. Instead the BCB Holdings B Shares received by an individual should be treated as the same asset, and having been acquired at the same time as that shareholder's BCB Holdings Shares. An individual BCB Holdings Shareholder's base cost in BCB Holdings Shares should be apportioned between that shareholder's BCB Holdings Shares and BCB Holdings B Shares as described below under the heading "*Combined effect of receipt of BCB Holdings B Shares and the Demerger*".

Companies

BCB Holdings Shareholders within the charge to UK corporation tax which are "small companies" for the purposes of Chapter 2 of Part 9A of the Corporation Tax Act 2009 may be subject to tax on receipt of the BCB Holdings B Shares.

Other BCB Holdings Shareholders within the charge to UK corporation tax (Large UK Corporate Shareholders) should not be liable to tax (and should not be treated as disposing of their BCB Holdings Shares) on receipt of BCB Holdings B Shares.

Cancellation of BCB Holdings B Shares and receipt of WIHL Consideration Shares pursuant to the Demerger

Individuals

Qualifying BCB Holdings Shareholders that are individuals should not be treated as making a disposal or part disposal of their BCB Holdings B Shares as a result of receiving WIHL Consideration Shares on the cancellation of their BCB Holdings B Shares pursuant to the Demerger, and so no chargeable gain or allowable loss should arise. WIHL Consideration Shares should be treated as the same asset, and having been acquired at the same time and for the same consideration, as those BCB Holdings B Shares from which they are derived.

Companies

Qualifying BCB Holdings Shareholders within the charge to UK corporation tax which are "small companies" for the purposes of Chapter 2 of Part 9A of the Corporation Tax Act 2009 will be subject to tax on the value of WIHL Consideration Shares received in exchange for BCB Holdings B Shares pursuant to the Demerger.

Large UK Corporate Shareholders are within the charge to UK corporation tax on receipt of the WIHL Consideration Shares, but an exemption is expected to apply. Accordingly, Large UK Corporate Shareholders should not be liable to tax (and should not be treated as disposing of their BCB Holdings B Shares) on receipt of WIHL Consideration Shares. WIHL Consideration Shares should be treated as the same asset, and having been acquired at the same time and for the same consideration, as those BCB Holdings B Shares from which they are derived.

Combined effect of receipt of BCB Holdings B Shares and the Demerger

Therefore, for an individual BCB Holdings Shareholder or Large UK Corporate Shareholder that does not dispose of its BCB Holdings B Shares before the Record Date, the combined effect of receipt of BCB Holdings B Shares and the Demerger should be that the shareholder's base cost in the BCB Holdings Shares and WIHL Consideration Shares will be determined by the apportionment of base cost between that shareholder's BCB Holdings Shares and BCB Holdings B Shares (the resulting base cost in BCB Holdings B Shares being treated as the base cost in the WIHL Consideration Shares). That apportionment will take place by reference to market value on the first day on which market prices are quoted for the BCB Holdings Shares once the BCB Holdings B Shares have been issued.

Section 138 Taxation of Chargeable Gains Act 1992

Clearance has been obtained from HMRC under section 138 of the Taxation of Chargeable Gains Act 1992 that they are satisfied that the Demerger is being effected for bona fide commercial reasons and does not form part of a scheme or arrangement of which the main purpose, or one of the main purposes, is an avoidance of liability to UK corporation tax or capital gains tax.

Stamp Duty and Stamp Duty Reserve Tax (SDRT)

No stamp duty or SDRT should be payable by BCB Holdings Shareholders as a result of the issue or subsequent cancellation of BCB Holdings B Shares, or the issue of WIHL Consideration Shares.

2.3 Material U.S. Federal Income Tax Consequences of the Merger

The following discussion summarizes the material U.S. federal income tax consequences of the Demerger that apply generally to U.S. shareholders of BCB Holdings and WIHL Shares. This discussion is based on the Internal Revenue Code of 1986, as amended (the "Code"), judicial decisions and administrative regulations and interpretations in effect as of the date of this document, all of which are subject to change, possibly with retroactive effect. Accordingly, the U.S. federal income tax consequences of the Demerger to the holders of the WIHL Shares could differ from those described below.

The discussion assumes that the U.S. shareholders held their shares as a capital asset. This discussion does not address all aspects of U.S. federal income taxation that may be relevant to the U.S. shareholders that hold the WIHL Shares in light of their particular circumstances, nor does it address the U.S. federal income tax consequences to the U.S. shareholders that hold the WIHL Shares that are subject to special rules under U.S. federal income tax law, including:

- dealers in securities or foreign currencies;
- tax-exempt organizations;
- financial institutions or insurance companies;
- holders who have a “functional currency” other than the U.S. dollar;
- holders who own their shares indirectly through partnerships, trusts or other entities that may be subject to special treatment;
- holders who acquired their shares in connection with stock purchase plans or other compensatory transactions;
- holders who hold their shares as a hedge or as part of a straddle, constructive sale, conversion transaction or other risk management transaction; and
- traders in securities that elect to use the mark-to-market method of accounting.

In addition, this discussion does not address the U.S. federal income tax consequences of any Demerger other than those affecting the U.S. shareholders resulting from the Demerger. In addition, this discussion does not address any tax consequences of the Demerger under foreign, state or local law or U.S. federal estate and gift tax laws. BCB Holdings has not obtained or sought to obtain a ruling from the Internal Revenue Service (the **IRS**) regarding any matter relating to the Demerger and no assurance can be given that the IRS will not assert, or that a court will not sustain, a position contrary to any aspect of this discussion. We urge the U.S. shareholders to consult their own tax advisors as to the U.S. federal income tax consequences of the Demerger, as well as the effects of state, local and foreign tax laws in light of their own situations.

Based upon the following, the Demerger should qualify as a divisive reorganization under Section 355(a) of the Code and the following income tax consequences should follow:

- No gain or loss will be recognized by BCB Holdings upon the transfer of the shares in Waterloo to WIHL or upon the distribution of the BCB Holdings B Shares to the U.S. shareholders, as described above (§355(a)(1) of the Code).
- No gain or loss will be recognized to (and no amount will be included in the income of) the U.S. shareholders upon receipt of WIHL Shares in exchange for their BCB Holdings B Shares (§355(a)(1) of the Code).
- The basis of the WIHL Shares and BCB Holdings Shares in the hands of the U.S. shareholders after the distribution will, in each instance, be the same as the aggregate basis of the BCB Holdings Shares held immediately before the distribution, allocated in proportion to the fair market value of each in accordance with Reg. §1.358.2(a)(2), (358(b)(1) of the Code).
- The holding period of the WIHL Shares received by the U.S. shareholders will, in each instance, include the holding period of the BCB Holdings Shares with respect to which the distribution will be made, provided that the BCB Holdings Shares are held as a capital asset on the date of the exchange (§1223(1) of the Code).
- As provided in §312(h) of the Code, proper allocation of earnings and profits between BCB Holdings and WIHL will be made under Reg. §1.312-10(b).

BCB Holdings, Waterloo and WIHL have made the following representations in connection with the Demerger:

- BCB Holdings and WIHL and their respective shareholders will each pay their own expenses, if any, incurred in connection with the transaction.
- The fair market value of the WIHL Shares approximately equals the fair market value of the BCB Holdings B Shares surrendered in the exchange.
- No part of the consideration distributed by BCB Holdings or WIHL is being received by a U.S. shareholder as a creditor, employee, or in any capacity other than that of a U.S. shareholder of BCB Holdings or WIHL.
- Following the proposed transaction, BCB Holdings and Waterloo will each continue the active conduct of their respective businesses, independently and with their separate employees.

- No property will be transferred, and no liabilities will be assumed in the proposed transaction, except as noted herein.
- The indebtedness owed by Waterloo to BCB Holdings subsequent to the distribution of the WIHL Shares will not constitute stock or securities within the meaning of §355 of the Code.
- No two parties to the transaction are investment companies as defined in §§368(a)(2)(F)(iii) and 368(a)(2)(F)(iv) of the Code.
- The five years of financial information submitted on behalf of BCB Holdings and Waterloo is representative of each corporation's present operations, and, with regard to each corporation, there have been no substantial operational changes since the date of the last financial statements submitted.
- There is no plan or intention to liquidate either BCB Holdings, WIHL or Waterloo, to merge any such corporation with any other corporation, or to sell or otherwise dispose of the assets of any such corporation subsequent to the proposed transaction, except in the ordinary course of business.
- The U.S. \$135,000,000 loan that will be assumed by Waterloo is a debt that is directly related to the Waterloo group of companies.
- BCB Holdings and its affiliates and Waterloo and its affiliates have been engaged in the active conduct of a trade or business for more than five years.
- There is no plan or intention by the U.S. shareholders of BCB Holdings to sell, exchange, transfer by gift, or otherwise dispose of any of their shares in either BCB Holdings or WIHL subsequent to the transaction.
- Payment made in connection with all continuing transactions between the BCB Holdings and Waterloo, or WIHL will be for fair market value based on terms and conditions arrived at by the parties bargaining at arm's length.

Because BCB Holdings, Waterloo and WIHL are all non U.S. entities and have no U.S. tax reporting responsibilities, no filings of information will be made to the IRS. It will be incumbent on the U.S. shareholders to keep records of the Demerger in the event the IRS should conduct an audit or otherwise challenge the transaction.

THIS SUMMARY IS NOT A SUBSTITUTE FOR AN INDIVIDUAL ANALYSIS OF THE TAX CONSEQUENCES OF THE DEMERGER TO YOU, WE URGE YOU TO CONSULT A TAX ADVISOR REGARDING THE PARTICULAR FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF THE DEMERGER TO YOU.

3. INFORMATION FOR NON-UK SHAREHOLDERS

3.1 Other jurisdictions

Any BCB Holdings Shareholder who is resident in, or who has a registered address in, or is a citizen of a non-UK territory should consult his or her professional advisors and satisfy himself or herself as to the full observance of the laws of the relevant territory in connection therewith, including obtaining any requisite government or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territory.

4. SUMMARY OF THE IMPLICATIONS OF WIHL BEING A COMPANY INCORPORATED IN BVI

4.1 Company formation

WIHL was incorporated in BVI, under the BVI Act, on 24 January 2011.

4.2 Share capital

WIHL is authorised to issue a maximum of 500,000,000 shares of a single class each with a par value of US\$1.00.

4.3 Transfer and transmission of WIHL Shares

- (a) A share may be transferred by a written instrument of transfer signed by the transferor and containing the name and address of the transferee, which shall be sent to WIHL for registration.
- (b) WIHL shall, on receipt of an instrument of transfer complying with paragraph 4.3(a) above, enter the name of the transferee of a share in the register of members unless the directors of WIHL resolve to refuse or delay the registration of the transfer for reasons that shall be specified in a resolution of directors (passed in accordance with the WIHL Articles). However, the directors may not resolve to refuse or delay the transfer of a share unless the holder of the share has failed to pay an amount due in respect of the share.
- (c) The transfer of a share is effective when the name of the transferee is entered on the register of members of WIHL.
- (d) If the directors of WIHL are satisfied that an instrument of transfer relating to a share has been signed but that the instrument has been lost or destroyed, they may resolve by resolution of directors (passed in accordance with the WIHL Articles):
 - (i) to accept such evidence of the transfer of a share as they consider appropriate; and
 - (ii) that the transferee's name should be entered in the register of members notwithstanding the absence of the instrument of transfer.
- (e) Subject to the WIHL Memorandum, the personal representative of a deceased shareholder may transfer a share even though the personal representative is not a shareholder at the time of the transfer.

4.4 The duties of directors

Directors have duties under statute and common law.

4.5 BVI taxation

All references in this paragraph 4.5 to a company or the company are references to a company incorporated in BVI under the BVI Act.

- (a) Pursuant to the BVI Act, notwithstanding any provision of the Income Tax Act (Cap 206):
 - (i) a company;
 - (ii) all dividends, interest, rents, royalties, compensations and other amounts paid by a company to persons who are not persons resident in BVI; and
 - (iii) capital gains realised with respect to any shares, debt obligations or other securities of the company by persons who are not persons resident in BVI,are exempt from BVI income tax. However, where interest is paid by a BVI company to natural persons who are resident within the European Union, such interest payments may be subject to withholding taxes under the Mutual Legal Assistance (Tax Matters) (Amendment) Act 2005.
- (b) Pursuant to the BVI Act, notwithstanding any provision of the Stamp Act (Cap 212):
 - (i) all instruments relating to transfers of property to or by the company;
 - (ii) all instruments relating to transactions in respect of the shares, debt obligations or other securities of the company; and
 - (iii) all instruments relating to other transactions relating to the business of the company, are exempt from BVI stamp duty provided that the company does not hold (directly or indirectly) any real estate in BVI. If the company holds real estate in BVI then:
 - (iv) any transactions relating to shares issued by the company; and
 - (v) any transfers of real estate in BVI by the company,will be subject to BVI stamp duty.
- (c) No estate, inheritance, succession or gift tax, rate, duty, levy or other charge is payable by persons who are not persons resident in BVI with respect to any shares, debt obligations or other securities of the company.

- (d) There is at present no capital gains tax imposed under the laws of BVI.
- (e) If the company has any employees or deemed employees within BVI, then it will be subject to payroll taxes on remuneration and benefits paid to such persons under the Payroll Taxes Act (No 18 of 2004).
- (f) There is no value added tax, trade tax or sales tax in BVI.
- (g) There is no applicable transfer tax in relation to the acquisition or sale of real estate outside of BVI by the company under BVI law.
- (h) Although not characterised as a tax under BVI law, the company is liable to pay to the government a fixed annual corporate license fee. In relation to the company this is at present US\$1100 per annum.

4.6 Financial Information

The financial year-end of WIHL is currently expected to be 31 March. The directors of WIHL therefore currently intend to prepare consolidated financial statements of WIHL as at 31 March and for the period then ended. These consolidated financial statements will then be audited and subsequently distributed to all shareholders within six months of the financial year end. The first financial period of WIHL is currently expected to be the period ending 31 March 2012. It is not currently intended to distribute to shareholders of WIHL any interim financial information on the group. The consolidated financial statements of WIHL will be prepared in United States dollars in accordance with International Financial Reporting Standards.

5. SUMMARY OF WIHL MEMORANDUM AND WIHL ARTICLES

5.1 WIHL MEMORANDUM

(a) Name

The name of the company is Waterloo Investment Holdings Limited.

(b) Status

WIHL is limited by shares.

(c) Capacity and powers

Subject to the BVI Act and any other BVI legislation, WIHL has, irrespective of corporate benefit, full capacity to carry on or undertake any business or activity, do any act or enter into any transaction, and for such purposes, has full rights, powers and privileges.

(d) Number and classes of shares

- (i) WIHL is authorised to issue a maximum of 500,000,000 shares of a single class each with a par vale of US\$1.00.
- (ii) WIHL may issue fractional shares.
- (iii) Shares may be issued in one or more series of shares.

(e) Rights of shares

- (i) Each share in WIHL confers upon the shareholder:
 - (A) the right to one vote at a meeting of the shareholders or on any Resolution of Shareholders (subject to any increase or decrease in the voting rights of the share pursuant to the WIHL Articles, which provide that publically held shares carry at least 35% of the total voting rights in WIHL);
 - (B) the right to an equal share in any dividend paid by WIHL; and
 - (C) the right to an equal share in the distribution of the surplus assets of WIHL on its liquidation.
- (ii) Shares are redeemable by WIHL subject to the WIHL Articles.

(f) Variation of rights

If shares are divided into different classes, the rights attached to any class may only be varied with the approval of the holders of not less than 50% of the issued shares in that class.

(g) Rights not varied by the issue of shares pari passu

The rights of shareholders shall not, unless otherwise expressly provided by the terms of issue of the shares, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

(h) Registered shares

WIHL shall issue registered shares only and shall not issue bearer shares or convert registered shares to bearer shares or exchange registered shares for bearer shares.

(i) Transfer of shares

WIHL shall register a transfer of shares unless the directors resolve to refuse or delay the registration of the transfer for reasons that shall be specified in a Resolution of Directors. However the directors may not resolve to refuse or delay the transfer of a share unless the Shareholder has failed to pay an amount due in respect of the share.

(j) Amendment of the WIHL Memorandum and the WIHL Articles

(a) Subject to Clause 8 of the WIHL Memorandum (variation of rights), WIHL may amend the WIHL Memorandum or the WIHL Articles by Resolution of Shareholders or (subject to certain exceptions) by Resolution of Directors.

(b) Any amendment of the WIHL Memorandum or the WIHL Articles will take effect on the registration by the Registrar of a notice of amendment, or restated WIHL Memorandum and WIHL Articles, filed by the registered agent.

5.2 WIHL ARTICLES

(a) Registered shares

(i) Every shareholder is entitled to a share certificate.

(ii) Any shareholder receiving a certificate shall indemnify WIHL and its directors and officers against loss etc. Lost or worn out share certificates may be renewed.

(b) Shares

(i) The issuance of shares and other securities is at the discretion of the directors. A share is deemed to be issued when the name of the shareholder is entered in the register of members.

(ii) Section 46 of the BVI Act (Pre-emptive rights) does not apply to WIHL.

(iii) A share may be issued for consideration in any form. However, no shares may be issued for a consideration other than money, unless the Resolution of Directors required under the BVI Act, has been passed.

(iv) WIHL shall keep a register of members which may be in any such form as the directors may approve, so long as WIHL is able to produce legible evidence of its contents.

(c) Redemption of shares and treasury shares

(i) WIHL may not redeem its own shares without the consent of shareholders whose shares are to be redeemed.

(ii) WIHL may only offer to redeem shares if the Resolution of Directors authorising the redemption contains a statement that the directors are satisfied, on reasonable grounds, that immediately after the acquisition the value of WIHL's assets will exceed its liabilities and WIHL will be able to pay its debts as they fall due.

(iii) Sections 60 (Process for acquisition of own shares), 61 (Offer to one or more shareholders) and 62 (Shares redeemed otherwise than at the option of company) of the BVI Act shall not apply to WIHL.

(iv) Redeemed shares may be cancelled or (subject to certain limitations) held as treasury shares.

- (v) All rights and obligations attaching to a treasury share are disabled while WIHL holds the share as a treasury share. WIHL may transfer treasury shares.
 - (vi) Where shares are held by another body corporate of which WIHL holds, directly or indirectly, shares having more than 50% of the votes in the election of directors of the other body corporate, all rights and obligations attaching to the Shares held by the other body corporate are suspended and shall not be exercised by the other body corporate.
- (d) Mortgages and charges of shares**
- (i) Shareholders may mortgage or charge their shares.
 - (ii) Whilst particulars of a mortgage or charge over shares are entered in the register of members, the written consent of the named mortgagee or charge will be required for any transfer, redemption or replacement of the mortgaged or charged share.
- (e) Forfeiture**
- (i) Shares that are not fully paid on issue are subject to the forfeiture and subsequent cancellation.
 - (ii) As a part of the forfeiture procedure WIHL is required to provide the Shareholder with notice prior to forfeiting shares.
 - (iii) WIHL is under no obligation to refund any moneys to the shareholder whose shares have been forfeited and cancelled and that shareholder shall be discharged from any further obligation to WIHL.
- (f) Transfer of shares**
- (i) Shares may be transferred by a written instrument of transfer signed by the transferor and containing the name and address of the transferee, which shall be sent to WIHL for registration.
 - (ii) The transfer of a Share is effective when the name of the transferee is entered on the register of members.
 - (iii) If the directors of WIHL are satisfied that an instrument of transfer relating to shares has been signed but that the instrument has been lost or destroyed, they may resolve by Resolution of Directors:
 - (A) to accept such evidence of the transfer of Shares as they consider appropriate; and
 - (B) that the transferee's name should be entered in the register of members notwithstanding the absence of the instrument of transfer.
 - (iv) Subject to the WIHL Memorandum, the personal representative of a deceased shareholder may transfer a share even though the personal representative is not a shareholder at the time of the transfer
- (g) Meetings and consents of shareholders**
- (i) Any director of WIHL may convene meetings of the shareholders to be held at any time within or outside the BVI. However, the directors are obliged to convene a meeting if requested in writing to do so, by shareholders entitled to exercise 30% or more of the voting rights in respect of the matter for which the meeting is requested.
 - (ii) The director must give not less than 7 days' notice of the meeting to all shareholders entitled to vote at the meeting and to the other directors.
 - (iii) A quorum for a meeting of shareholders is not less than 50% of the votes of the shares entitled to vote.
- (h) Directors**
- (i) The directors shall be elected by Resolution of Shareholders or by Resolution of Directors.
 - (ii) No person shall be appointed as a director, or nominated as a reserve director, of WIHL unless he has consented in writing to be a director or to be nominated as a reserve director.

(i) Powers of directors

- (i) The business and affairs of WIHL shall be managed by the directors of WIHL and they have all the powers necessary for managing, and for directing and supervising, the business and affairs of WIHL. The directors may exercise all such powers of WIHL as are not by the BVI Act or by the WIHL Memorandum or the WIHL Articles required to be exercised by the Shareholders.
- (ii) Each director shall exercise his powers for a proper purpose and shall not act or agree to WIHL acting in a manner that contravenes the WIHL Memorandum, the WIHL Articles or the BVI Act. Each director, in exercising his powers or performing his duties, shall act honestly and in good faith in what the director believes to be the best interests of WIHL.
- (iii) If WIHL is the wholly owned subsidiary of a holding company, a director of WIHL may, when exercising powers or performing duties as a director, act in a manner which he believes is in the best interests of the holding company even though it may not be in the best interests of WIHL.
- (iv) Any corporate director may appoint any individual as its duly authorised representative for the purpose of representing it at meetings of the directors, with respect to the signing of consents or otherwise.

(j) Conflict of interests

- (i) A director of WIHL shall, forthwith after becoming aware of the fact that he is interested in a transaction entered into or to be entered into by WIHL, disclose the interest to all other directors of WIHL.
- (ii) A director of WIHL who is interested in a transaction entered into or to be entered into by WIHL may:
 - (A) vote on a matter relating to the transaction;
 - (B) attend a meeting of directors at which a matter relating to the transaction arises and be included among the directors present at the meeting for the purposes of a quorum; and
 - (C) sign a document on behalf of WIHL, or do any other thing in his capacity as a director, that relates to the transaction,

and, subject to compliance with the BVI Act shall not, by reason of his office be accountable to WIHL for any benefit which he derives from such transaction and no such transaction shall be liable to be avoided on the grounds of any such interest or benefit.

(k) Indemnification

- (i) Subject to certain exceptions in the WIHL Articles, WIHL shall indemnify against all expenses any person who:
 - (A) is or was a party or is threatened to be made a party to any threatened, pending or completed proceedings, whether civil, criminal, administrative or investigative, by reason of the fact that the person is or was a director of WIHL; or
 - (B) is or was, at the request of WIHL, serving as a director of, or in any other capacity is or was acting for, another body corporate or a partnership, joint venture, trust or other enterprise.
- (ii) The indemnity only applies if the person acted honestly and in good faith with a view to the best interests of WIHL and, in the case of criminal proceedings, the person had no reasonable cause to believe that their conduct was unlawful.
- (iii) WIHL may purchase and maintain insurance in relation to any person who is or was a director, officer or liquidator of WIHL, or who at the request of WIHL is or was serving as a director, officer or liquidator of, or in any other capacity is or was acting for, another body corporate or a partnership, joint venture, trust or other enterprise, against any liability asserted against the person and incurred by the person in that capacity, whether or not WIHL has or would have had the power to indemnify the person against the liability as provided in the WIHL Articles.

(l) Distributions by way of dividend

- (i) The directors of WIHL may, by Resolution of Directors, authorise a distribution by way of dividend at a time and of an amount they think fit if they are satisfied, on reasonable grounds, that, immediately after the distribution, the value of WIHL's assets will exceed its liabilities and WIHL will be able to pay its debts as they fall due.
- (ii) Dividends may be paid in money, shares, or other property.

(m) Continuation

WIHL may by Resolution of Shareholders or by a resolution passed unanimously by all directors of WIHL continue as a company incorporated under the laws of a jurisdiction outside the BVI in the manner provided under those laws.

6. OTHER INFORMATION

- (a) Cenkos Securities plc has given and not withdrawn its consent to the issue of this document with the inclusion of the reference to its name in the form and context in which it appears.
- (b) BCB Holdings' registered office is at 60 Market Square, PO 1764, Belize City, Belize, Central America.
- (c) This document will be available for a period of 12 months from the date of this document on the Company's website (www.bcbholdings.com) free of charge in accordance with the requirements of Rule 26 of the AIM Rules.

PART 4

NOTICE OF GENERAL MEETING

BCB HOLDINGS LIMITED

(Incorporated and registered in Belize under the under the International Business Companies Act 1990 of Belize (as amended) with registered number 1)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a general meeting of BCB Holdings Limited will be held at the offices of Allen & Overy LLP, One Bishops Square, London E1 6AD, United Kingdom at 8.30 a.m. on 26 October 2011 for the purpose of considering the matters, and if thought fit, passing the following resolutions, which will be proposed as indicated:

That the reorganisation of BCB Holdings Limited and its subsidiaries (the “Group”) by the demerger of the Group’s non-Belizean businesses to Waterloo Investment Holdings Limited, be approved.

BY ORDER OF THE BOARD

Registered office:

60 Market Square
PO 1764
Belize City, Belize
Central America

Philip T Osborne

Director

Dated: 19 October 2011

Notes to the notice of general meeting:

1. A member entitled to attend and vote at the general meeting convened by the Notice above is entitled to appoint a proxy to attend and, on a poll, vote in his place. A proxy must be a member of the Company.
2. To be valid, forms of proxy must be completed and delivered to Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom by 8.30 a.m. on 25 October 2011.
3. In order to have the right to attend and vote at the general meeting, a person must be entered on the register of members at 6 p.m. on 24 October 2011, or, in the case of an adjournment of the general meeting, at the time which is 48 hours before the time appointed for the adjourned meeting.

