

Public Notice



UPDATE TO CREDITORS AND MEMBERS OF ROYAL BANK (In Liquidation)

1. Following the holding of three creditors meetings in 2015, we write to advise that the disposal of the bank's assets and recovery of loans is still ongoing.
2. The First Interim Liquidation and Distribution Account was approved by the Master of the High Court on 23 December 2015. Only preferred creditors (employees of Royal Bank) and secured creditors were paid from the First Liquidation and Distribution Account and there was no dividend to concurrent or unsecured creditors.
3. The disposal of immovable assets and recovery of outstanding loans has taken longer than initially anticipated. This is mainly attributed to external factors such as the illiquid market and legal processes which have to be followed in the litigation of clients who owe the bank. Furthermore, most of the facilities granted to debtors do not have security and this has negatively impacted on the rate of recoveries.
4. We expect to declare a second dividend once we have concluded the disposal of seven immovable properties. Relevant notices will be sent to all the creditors and members of Royal Bank at the appropriate time.
5. The unsecured or concurrent creditors will receive their dividend once all the preferred creditors such as ZIMRA and NSSA have been paid in full as required by law. The liquidation dividend to unsecured or concurrent creditors will be paid on a pro-rata basis depending on the rate of recoveries.
6. We will strive to give regular updates to all creditors with regards to the liquidation of Royal Bank until the process has been fully concluded.

Mr John. M. Chikura

Chief Executive Officer/Managing Director
Deposit Protection Corporation

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