

BY COURIER

3rd January 2012

Gamini S. Senarath Esqr., Chairman
& Members of the Board of Directors
Sri Lanka Insurance Corporation Ltd. (SLI)
"Rakshana Mandiraya"
21, Vauxhall Street
Colombo 2.

**4 Page prominent Advertisement in the Media on 2nd January 2012
on the Occasion of the 50th Anniversary of SLI**

I was bemused with the contents of your 4 page Advertisement, *inter-alia*, with the brief sentences under 'Glowing History' – "*Then, in 2003, SLI was privatized*"; and under 'A State of Colossal Gains' – "*In 2009, SLI once again changed hands, becoming a wholly state owned entity as a nationalized institution*"; and the Secretary to the Treasury, P.B. Jayasundera's statement – "*..... can hold their heads up proudly*" !

Significantly and curiously your 4 page Advertisement had suppressed the entirety of the real facts, thereby rendering to be a false statement. The privatization in 2003 of SLI was annulled in June 2009 by the Supreme Court, *inter-alia*, as had been wrongful, unlawful and illegal.

SLI had been privatized to a consortium, including an unknown foreign entity, which consortium had not been evaluated for pre-qualification, and surreptitiously included in blatant contravention of Government tender procedure, at a dubious valuation of just over Rs. 6 Bn., when the valuation was reckoned to be in the range of Rs. 20 to Rs. 25 Bn. In the face of which, the foreign professional valuer absconded from appearing before the Supreme Court !

Worse still was that SLI Accounts had been surreptitiously manipulatively retrospectively adjusted for the buyers' consortium to make a claim for a refund of over Rs. 2 Bn., from the Government through Lawyers.

Then Attorney General, K.C. Kamalabayson, P.C., put on notice the two professional firms involved of negligence, and refuted the consortium's aforesaid claim; advising that legal actions be instituted, which the Ministry of Finance intriguingly failed to do, leading to an investigation and severe castigation by COPE of the parties concerned, involving also conflicts of interest.

Subsequently, Minister Vasudeva Nanayakkara, instituting a public interest litigation in 2007, and with my diligent support, obtained the aforesaid Supreme Court Judgment in 2009, vesting SLI in the State, for you to have been able to publish such 4 page Advertisement.


Minister Milinda Moragoda, 2nd Respondent, and Secretary to the Treasury, P.B. Jayasundera, 7th Respondent, both represented by then Attorney General C.R. de Silva, P.C., who was 37th Respondent filed Affidavits opposing the above public interest litigation, praying as follows – (*vide scanned extracts*). Then Attorney General, the Chief Law Officer of State, ironically opposed the public interest litigation.

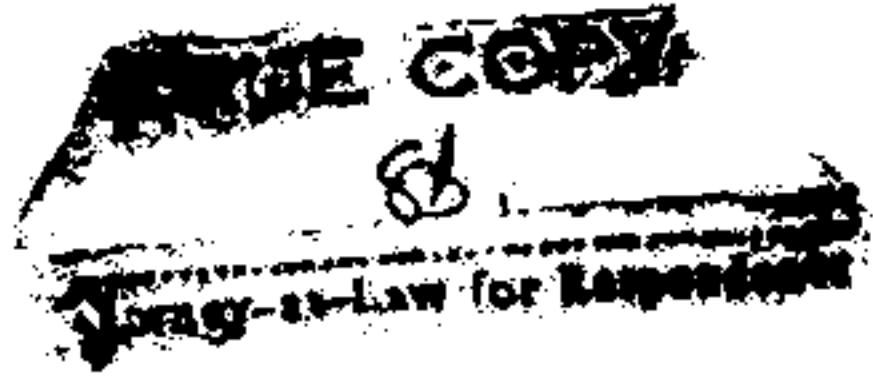
15. I am advised and I state as follows:

- (a) that the Petitioner's application is misconceived in law;
- (b) that the Petitioner's application is time barred;
- (c) that the Petitioner has failed to establish any infringement of the fundamental rights guaranteed by Articles 12(1) and 12(2) of the Constitution;
- and
- (d) that in the circumstances, the Petitioner is not entitled to any of the relief as prayed for.

The affirmant having)
 read over and understood)
 the contents hereof)
 affirmed to and signed)
 at Colombo on this)
 21st day of November 2007)


 Before Me



 Justice of the Peace /
 Commissioner for Oath
 W. M. TENNAKOON
 Justice of Peace
 E2/2/2, Maligawatta Plate
 COLOMBO 10



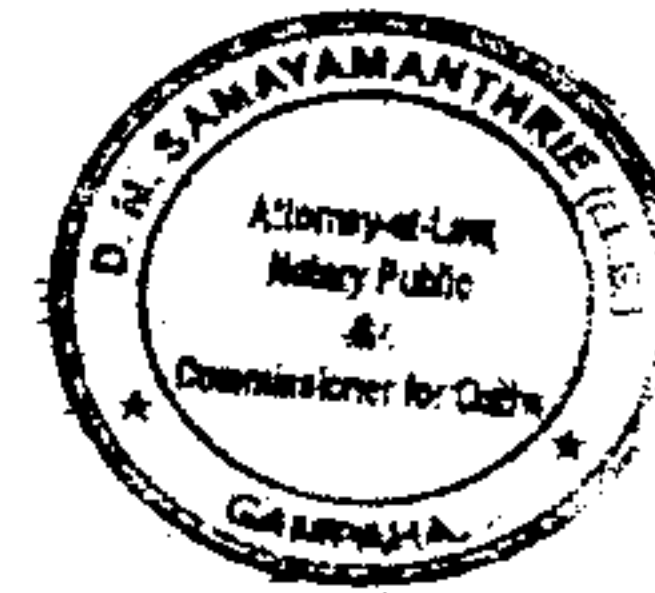
67. I am advised and I state as follows :


- (a) that the Petitioner's application is misconceived in law ;
- (b) that the Petitioner's application is time barred ;
- (c) that the Petitioner has failed to establish any infringement of the fundamental rights guaranteed by Articles 12(1) and 12(2) of the Constitution; and
- (d) that in the circumstances, the Petitioner is not entitled to any of the relief as prayed for.

The affirmant having)
 read over and understood)
 the contents hereof)
 affirmed to and signed)
 at Colombo on this 21st)
 day of November, 2007.)

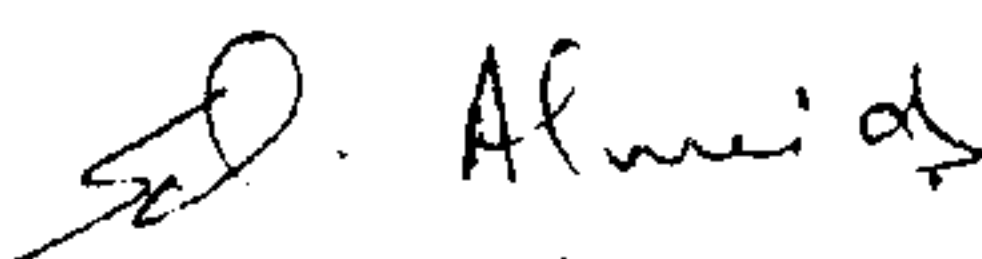

 Before Me


 Justice of the Peace/Commissioner of Oaths




TRUE COPY

 Attorney-at-Law

Colombo, on this 21st day of November, 2007.


 Attorney-at-Law for 2nd, 7th, 35th & 37th Respondents.

Colombo, on this 26th day of November, 2007.



 Attorney-at-Law for 2nd, 7th, 35th & 37th Respondents.

During the pendency of the above litigation, SLI's valuable database of confidential informations had been questionably alienated to a new entity for a period of six months, on which the Attorney General failed to take action, speculating the birth of a competitor !

Today being the 73rd B'day of Minister Vasudeva Nanayakkara, I was prompted that this Letter, documenting the real facts, would be the best tribute to him, in the circumstances of intriguing suppression of the same in your 4 page Advertisement. He can hold his head high proudly, whilst those others concerned can only bury their heads in shame !

Notwithstanding the adverse findings disclosed in the Supreme Court Judgment and by COPE, the Attorney General failed to arraign before the law persons responsible; whilst some have been appointed to public office, making a mockery of the rule of law.

I also pay tribute to late Minister T.B. Illangaratne, who gave birth to SLI, and whom I knew, as a person who always had the people's interest at heart.


 Nihal Sri Ameresekere, F.C.A., F.C.M.A., C.M.A., C.F.E.

cc: Mr. Mohan De Alwis, Mr. Piyadasa Kudabalage, Mr. Noel Selvanayagam, Mr. Dhammika Perera, Mr. R.A. Jayatissa, Mr. B.M.S. Batagoda – Directors, SLI

Minister Vasudeva Nanayakkara