



Strength. Endurance. Leadership.

NOTICE TO SHAREHOLDERS

IFC to invest \$US75 million into GHL

Dear Shareholders,

On Friday May 21, 2010 Guardian Holdings Limited (GHL) announced that the International Finance Corporation (IFC), a member of the World Bank Group, had reached agreement with GHL to invest US\$75 million (TT\$473 million) in the common equity of the Group at a price of TT\$16 per share.

We advised then that the agreement was subject to the approval of the Board of Directors of IFC and the Shareholders of GHL. Since then IFC African, Latin American and Caribbean Fund, LP, a fund managed by a wholly-owned subsidiary of IFC (the Fund) has agreed to participate in the transaction.

We are now pleased to announce that the transaction has been approved by the respective boards of directors of GHL and IFC and by the investment committee of the Fund and transaction documents have been executed by all relevant parties. The next step in this transaction is the securing of the approval of the GHL Shareholders.

Under the transaction documents, IFC and the Fund have agreed, subject to the terms and conditions specified in the Agreements, to subscribe for up to 29,695,313 fully paid non-assessable common shares of the Company, representing approximately 12.8% of the Company's common shares outstanding as at the date hereof on a fully diluted basis immediately following IFC's and the Fund's investment (the "Shares"). **The agreed price of TT\$16 per share represents a 20% premium over GHL's 30 day moving average price of TT\$13.28**, and is subject to adjustment for any dividends declared and payable on the Company's shares prior to the issue of the shares. The aggregate purchase price for the shares (subject to the adjustment for any dividend) would be up to US\$75 million (TT\$473 million). The agreement includes converting IFC's current US\$50 million (TT\$315 million) subordinated loan into common equity while at the same time, IFC and the Fund invest new capital into GHL to meet the balance of the aggregate subscription price.

Conditions of the Agreements include:

- Approval of the GHL Shareholders
- Confirmation by GHL Shareholders of amendments to the GHL by-laws

A Special Meeting of the Shareholders of GHL will therefore be convened to secure the required approval and confirmation. We propose to convene this meeting for **September 1, 2010** and notices will be issued in due course together with more detailed information concerning this transaction.

This particular investment in GHL by IFC and the Fund has many benefits for GHL. It will strengthen its balance sheet by expanding its capital base, and will lower its debt to equity ratio. In addition, adding both IFC and the Fund as Shareholders, will strengthen GHL's ability to execute its strategic regional growth plans. We therefore look forward to having the support of our shareholders for this important transaction.

A handwritten signature in black ink, appearing to read 'Arthur Lok Jack', is written over a horizontal line.

Arthur Lok Jack
Chairman
August 4, 2010