

- Background of the crisis

- Rumours of financial difficulties at Golden Key appeared early November 2008
- On 19th December 2008, having admitted to mismanaging Golden Key, the Company's Chief Executive Officer tendered his resignation.
- On the afternoon of 23rd December 2008, the Chairman of Ceylinco Consolidated Dr Lalith Kothalawala addressed a packed committee room of the BMICH with the entire directorate of Ceylinco Consolidated in attendance
- By then, Golden Key had fallen and it held about Rs. 26 Bn. on behalf of some 10,000 depositors

- General reasons why it happened and how it affected different stakeholders

- Preliminary investigations revealed that a Rs. 15 to Rs 20 billion fraud was reported
- An article on the 11th of January 2009 stated that a sum of Rs. 78 million had been given to a person who had no connection whatsoever with the credit card company
- Investigations revealed that the financial statement and audit report of the company had been changed and adjusted with the consent of the senior management to deceive the board of directors.
- No board meetings had been held during the past four years before the crisis.

It is clearly seen that the directors gave the management too much autonomy and didn't practice enough supervision.

- The comprehensive list first published by The Sunday Leader, lists 9,054 depositors. Every single one lost money.
- When the internal management problems were opened to the public through articles, it was the first time that the lower level employees found out. Estimated 512 employees lost their jobs.

The anger of the Employees is due to a lack of transparency and communication by the Management.

- What was done to resolve the crisis?

- After four years, under the patronage of President Mahinda Rajapaksa and with the guidance of the Central Bank Governor Ajith Cabraal, a repayment plan has been drafted and was approved by the Supreme Court on 4 April 2013
- It functioned until 4 April, and during that period all the depositors were paid Rs 200,000 each, in two occasions in installments of Rs 100,000.

The Government and the Governor of Central Bank has taken the role of autocratic leaders with the sole intention of finding a solution for this huge crisis. Also they stepped in to the negotiations with a competitive strategy in order to protect the interest of the public (investors and other losing stakeholders).