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Hargitay nabbed in Miami



— Norman Grindley

Corporal Errol Roberts (stooping) of the Police Mobile Reserve talks with young Gawayne Leslie while his colleagues show his brother, Nigel, (in background) food-stuff which they brought yesterday for the children and their sick mother in Rose Town, Western Kingston. ■ (See related story on Page A3)

□ Hungary requests extradition of former diplomat

By Erica Virtue
Staff Reporter

FORMER HUNGARIAN diplomat Peter Josef Hargitay, who was last year freed of cocaine charges in Jamaica, is now in Federal Prison in Miami, Florida, awaiting extradition orders to Hungary.

He was reportedly held by the International Police Organisation, INTERPOL, Wednesday, when he landed at the Miami International Airport.

The Gleaner understands that Hargitay left Jamaica on Wednesday en route to Europe. When he arrived at Miami International Airport, officials of the Immigration and Naturalisation Services (INS) took an interest in him and asked that he be fingerprinted.

However, Hargitay refused and INTERPOL was called in. He was taken to court on Thursday, where he was fingerprinted.

"It was his fingerprints which identified him as Hargitay and consequently he was nabbed," a DEA source told The Gleaner.

Sources in Miami say he was taken before Federal District Judge Brown where Assistant U.S. Attorney Stuart R. Patri of the Southern District of Florida, applied for his extradition.

The document presented to the court by Mr. Patri, seeking Hargitay's arrest, pending diplomatic request for extradition, said, "Peter Josef Hargitay is duly and legally charged with

having committed the crime of fraud in violation of the Hungarian Criminal Code Section 318 (1) and the crimes that Peter Josef Hargitay is charged with having committed in Hungary are among the offences enumerated in Treaty between the United States and the Republic of Hungary on extradition in force between the United States and Hungary, 1994..."

"That I am informed through diplomatic channels that a regular diplomatic request for extradition of said Peter Josef Hargitay will be made in conformity with said treaty, and the complete papers upon which the demand for extradition is founded will be presented within 60 days as required by Article X1 paragraph 4 of said treaty

Born in Switzerland in 1951, Hargitay was described thus in court. "He has brown hair and eyes, weighs 200 pounds, and is 5 ft. 10 inches tall." He is said to be wanted in Hungary for bond fraud reportedly committed in 1993.

Hargitay, who is president of C E A. Lines Incorporated, which owned a Belizean registered vessel Pilar del Caribe, was arrested here in 1995 along with three crew members on cocaine charges

On February 19, 1995, all members were freed by the court. Following the acquittal, fugitive warrants were issued through INTERPOL on February 22, seeking his extradition to Hungary

BoJ advances jump to \$7.5b

THREE WEEKS after the Government took over the Eagle Group, the Bank of Jamaica (BoJ) has revealed that advances to financial institutions had risen to \$7.5 billion as at March 26.

The latest BoJ balance sheet also reveals two other significant

□ Central Bank overdraft up \$1.5b during Eagle demise

facts. Just two days before the Financial Sector Adjustment Company (FINSAC), the Government operation set up to restructure the life insurance industry, acquired former Eagle boss Dr. Paul Chen-Young's controlling stake for \$1, advances at March 12 were almost \$8 billion.



Bank of Jamaica ■

SAC when it is in a position to do so. This is the clearest signal yet that FINSAC is likely to use a Government guarantee to borrow funds from the World Bank and other overseas sources to find the billions to help solve the problems in the financial sector.

The Government, the BoJ's advances to financial institutions would be closer to \$13 billion.

Trend

The latest balance sheet continues the trend of increasing advances. Advances which stood at about \$3.5 billion when CNB closed on July 10, soared to more than \$6.2 billion by August 14 as the Central Bank stepped in to support some locally-owned banks, including Eagle, which reported heavy withdrawals.

BoJ official figures showed an almost \$2 billion reduction in the amount lent to financial institutions between August 14 and September 11, apparently due to repayment by the banks. The outstanding balance stood at \$4.34 billion as at September 11.

After showing signs of a reduction in mid-September, the BoJ again increased its advances to financial institutions with the total reaching \$8.7 billion as at January 22. The Government wiped out Century's \$5 billion BoJ debt in its revised estimates, which for a few weeks led to a substantial decrease that has now risen with the situation regarding Eagle.

A note to the BoJ release also said the bank has "received an undertaking from Government to finance this indebtedness pursuant to the financial adjustment programme".

Overdraft facility

In the 1997/98 budget tabled just before Easter, no mention of Government's intention to fund the BoJ's overdraft facility for commercial banks and other financial institutions was made. BoJ Deputy Governor Fred Manning said that the debt would be taken over by FIN-

The Government set aside \$6.3 billion for FINSAC as part of last year's revised estimates tabled recently. It has been estimated that more than \$20 billion will be needed in all

At the end of February, the BoJ advances stood at \$6.4 billion. The \$1.5 billion increase to March 12, is the clearest indication yet of the kind of pressure substantial withdrawals from Eagle put on the financial system.

It also means that if the near \$5 billion overdraft advanced to the collapsed Century National Bank had not been transferred to

Workers wins first round

A DEFAULT judgement for more than \$100 million against Workers Bank was yesterday set aside in the Supreme Court.

The case filed by Benros Company Ltd, Macro Finance Co. Ltd and Bently Rose, managing director for the companies, was set aside by Justice Paul Harrison on the basis that the default judgement was irregularly entered.

According to Workers Bank attorney John Graham, judgement should have been sought by the plaintiffs for a notice of motion seeking a declaration for the amount, if any, they were entitled to. Instead, the plaintiffs simply filed documents for judgement in default of defence.

The court also gave Workers Bank 21 days in which to file its defence. Further, the cost of the hearing has been granted to the bank and application to appeal the Judge's decision has been denied.

Representing Workers Bank were Dennis Goffe, Q.C., of Myers Fletcher and Gordon and Mr. Graham of Patterson Phillipson and Graham

Messrs Enos Grant and Clifton Daley appeared for the plaintiffs.

Allegations are that in 1975, Bently Rose met Mr. Winston McKenzie, who was manager at the Maxfield Avenue branch of the Workers Bank. Some time later, Mr. McKenzie was transferred to the Half-Way Tree branch, then to the Tower Street branch and later to the Spanish Town branch.

In 1989, while McKenzie was manager at the Tower Street branch he is said to have advised Rose to transfer his account from the Maxfield Avenue branch to his branch.

That year, Mr. Rose applied for a loan at the Tower Street branch. To facilitate the loan he was advised to form a company, and in June that year, he formed Benros Company Limited, controlling 98 per cent of the shares while McKenzie controlled the remainder.

In November 1991, that company opened a current account and it was stipulated that cheques for

CONTINUES ON A3

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COMMENTARY A4
Desmond Henry looks at our management skills

REGIONAL A6
Dominicans get 3-month amnesty for illegal firearms

INTERNATIONAL A7
Zairean rebels threaten to pull out of peace

FEATURE B8
The Portmore Journal
Devoted Kiwanian helps the needy

Cartoons B4
Classified B11
Farmers A12
Horoscope B5
Letters A5
Real Estate B14

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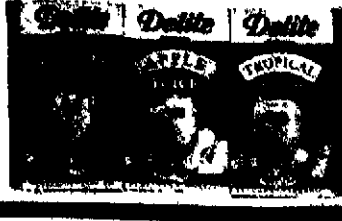

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