



## Legislative Assembly of the Cayman Islands

GOVERNMENT MOTION No. 5 of 2015-2016

### GOVERNMENT GUARANTEE IN RESPECT OF A CREDIT FACILITY FOR THE CAYMAN ISLANDS DEVELOPMENT BANK (“CIDB”)

**WHEREAS** in order to refinance existing debt, CIDB invited proposals from local banks and accepted an offer from FirstCaribbean International Bank (Cayman) Limited (“FCIB”) of a 10 year term credit facility for US\$36,800,000 with a 3 year moratorium on principal payments at a floating rate of 3-month USD LIBOR plus 1.125% (the “Facility”) subject to a guarantee by the Government.

**AND WHEREAS** on 25<sup>th</sup> June 2015, the Cabinet approved the seeking of authorisation from the Legislative Assembly for the issuance by the Government to FCIB of a guarantee in respect of repayment of the principal sum of US\$36,800,000, the payment of interest thereon and all other amounts payable to FCIB under the Facility (the “Guarantee”).

**AND WHEREAS** section 17 of the Development Bank Law (2004 Revision) (the “DBL”) provides that the Cabinet shall not guarantee the borrowings of CIDB unless a statement of the proposed guarantee has been laid before the Legislative Assembly and a resolution approving that statement has been passed by the Legislative Assembly, and similarly section 8 of the Public Management and Finance Law (2013 Revision) (the “PMFL”) provides that, as a general rule, no guarantee may be given by or on behalf of the Government unless it has been authorised by a resolution of the Legislative Assembly.

**BE IT NOW THEREFORE RESOLVED** that, in accordance with section 17 of the DBL and section 8 of the PMFL, the Legislative Assembly hereby approves the statement of the Guarantee laid before the Legislative Assembly and hereby authorises the Cabinet to issue the Guarantee to FCIB in accordance with the provisions of section 17 of the DBL, such Guarantee to be executed by the Financial Secretary on behalf of the Government of the Cayman Islands.

Moved by:                      Honourable Marco S Archer  
   Minister of Finance and Economic Development

Received in the Office of the Clerk this 4<sup>th</sup> day of August, 2015

Passed by the Cayman Islands Legislative Assembly this 12th day of August, 2015

Clerk of the Legislative Assembly