

LEGISLATIVE ASSEMBLY
OF THE CAYMAN ISLANDS

GOVERNMENT MOTION NO. 14/ 08-09

GOVERNMENT GUARANTEES IN RESPECT OF DEBT REFINANCING BY THE CAYMAN TURTLE FARM (1983) LIMITED

WHEREAS in March 2006, the Governor in Cabinet and the Legislative Assembly authorized the issuance of a guarantee of an amount not to exceed US$5 million for the Cayman Turtle Farm (1983) Limited to obtain financing for additional direct construction costs and to meet current operational needs as a result of the delayed Grand Opening of Boatswain's Beach, post Hurricane Ivan;

AND WHEREAS in September 2006, the Governor in Cabinet and the Legislative Assembly authorized the issuance of a guarantee of an amount not to exceed US$8.8 million for a loan for operational and capital requirements of the Cayman Turtle Farm (1983) Limited from a local banking institution or, from local banking institutions;

AND WHEREAS in February 2009, the Governor in Cabinet approved the cancellation of the existing Guarantees approved by the Legislative Assembly in March 2006 and September 2006 totaling US$13.8 million in favor of the issuance of a new Government Guarantee. The new Guarantee shall be for an amount not to exceed US$14.8 million in order to secure the transfer and refinancing of debt of the Cayman Turtle Farm (1983) Limited from one local financial institution to another;

AND WHEREAS in February 2009, the Governor in Cabinet also approved the issuance of a new guarantee to secure an existing US$5.5 million overdraft facility used by the Cayman Turtle Farm (1983) Limited at a local financial institution;

AND WHEREAS section 8 of the Public Management and Finance Law (2005 Revision) provides that, as a general rule, no guarantee may be given by or on behalf of the Government unless it has been authorized by a resolution of the Legislative Assembly;

BE IT NOW THEREFORE RESOLVED that, in accordance with Section 8 of the Public Management and Finance Law (2005) Revision, the Legislative Assembly hereby authorizes the Financial Secretary to do the following:

A) issue a Government Guarantee to a local financial institution, for an amount not to exceed US$14.8 million, in respect of the transfer and refinancing of debt of the Cayman Turtle Farm (1983) Limited from one financial institution to another; and

B) issue a Government Guarantee to a local financial institution, for an amount not to exceed US$5.5 million to secure an existing overdraft facility used by the Cayman Turtle Farm (1983) Limited.

Moved by: The Honourable Kenneth Jefferson JP
Third Official Member Responsible for the Portfolio of Finance and Economics

Received in the Office of the Clerk this 13th day of March 2009

Passed by the Legislative Assembly this 16th day of March 2009

Clerk of the Legislative Assembly