



CERTIFIED TO BE A CORRECT COPY
OF THIS RESOLUTION AS AGREED TO
BY THE HOUSE OF ASSEMBLY ON THE
10th June 2020
CHIEF CLERK
House of Assembly

RESOLUTION

WHEREAS the Bahamas Mortgage Corporation (“BMC”) is a body corporate established and existing pursuant to section 3 of the Bahamas Mortgage Corporation Act (Ch. 254), Statute Law of The Bahamas (“the Act”);

AND WHEREAS the BMC requires capital funding to facilitate the completion of its mandate in advancing national policy objectives related to the provision of sustainable financing options, the promotion of economic development, and support for housing initiatives;

AND WHEREAS pursuant to section 7 of the Act, BMC is desirous of raising capital in the sum of Seven Million Five Hundred Thousand Dollars Bahamian Dollars (B\$7,500,000) through the issuance of new Government-guaranteed bonds;

AND WHEREAS BMC is also desirous of refinancing Eleven Million Bahamian Dollars (B\$11,000,000) of existing Government-guaranteed bonds with new bonds whose maturity dates would be extended by three (3) years to better manage BMC’s refinancing risk;

AND WHEREAS it is a precondition to both the raising of the new capital and the refinancing of the existing debt that the Government of the Commonwealth of The Bahamas guarantees repayment to the RBC Royal Bank (Bahamas) Limited of the aggregate principal amount of Eighteen Million, Five Hundred Thousand Bahamian Dollars (B\$18,500,000.00) or any part thereof which the BMC may fail to repay;

AND WHEREAS by virtue of section 43 of the Public Debt Management Act, 2021 (No. 6 of 2021) (the ‘PDMA’’) no guarantees involving a financial liability shall be binding upon the Government unless with the prior approval of the House of Assembly signified by resolution thereof;

AND WHEREAS by virtue of section 8(2) of the Act no guarantee shall be given by the Government of The Bahamas for the purposes of a loan to BMC unless with the prior approval of the House of Assembly signified by resolution thereof;

NOW THEREFORE BE IT RESOLVED THAT this House:

1. approves and authorizes the BMC to issue new Government-guaranteed bonds in the sum of Seven Million Five Hundred Thousand Dollars Bahamian Dollars (B\$7,500,000);
2. approves the refinancing of existing BMC Government-guaranteed bonds in the sum of Eleven Million Bahamian Dollars (B\$11,000,000) with new bonds whose maturity dates would be extended by three (3) years;
3. approves and authorizes the Minister of Finance, on behalf of the Government of The Bahamas, to guarantee the repayment by BMC of all principal in the aggregate amount of Eighteen Million Five Hundred Thousand Bahamian Dollars (B\$18,500,000.00) and interest due thereon to RBC Royal Bank (Bahamas) Limited, or any part thereof, in respect of the newly issued bonds and the refinancing of the existing bonds.