

June 13, 2012

Belize Coordinating Committee Announces Formation

NEW YORK, June 13, 2012 – Holders of more than US\$200 million of the U.S. Dollar Bonds Due 2029 (the “Bonds”) issued by the Government of Belize (“GOB”) announced that they have formed an ad hoc Coordinating Committee (the “Committee”) in order to address matters concerning statements by the GOB that efforts may be made to amend certain terms of the Bonds, and subsequent announcements through The Depository Trust Company (“DTC”) on May 1, 2012 in which the GOB requested certain information from creditors.

The Committee is encouraged by initial correspondence with the GOB related to a fair and transparent dialog, this approach being consistent with the GOB’s current debt structure which appears, by most measures, to be stable. “While we are sympathetic to the challenges facing Belize, any proposed amendment that results in a net present value or principal loss to creditors would not, based on the Committee’s current understanding of the situation in Belize, be considered acceptable or, for that matter, necessary,” noted AJ Mediratta, a Partner at Greylock Capital Management and Chairman of the Committee.

The Committee has outlined its preliminary views to the GOB as to what it considers essential elements for any such communication between the Government, creditors and the Committee. These views are consistent with the Group of 20-endorsed Institute of International Finance’s *Principles for Stable Capital Flows and Fair Debt Restructuring*, namely transparency, open dialogue, good faith negotiations, fair treatment and non-discrimination among creditors. In particular, the Committee’s views are as follows:

- **Transparency:** All information required for creditors to undertake a complete analysis of the situation shall be fully disclosed in a transparent, proactive, timely, and accurate manner.
- **Open Dialogue:** The Government shall maintain open and continuous communication with the different groups of creditors, including the Committee, and be responsive to their requests and recommendations.
- **Good Faith Process:** All proposed amendments related to the Bonds, shall be based on good faith discussions rather than unilateral proposals.
- **Fair Treatment:** All classes of GOB debt, including commercial, domestic, bilateral and multi-lateral, should be included in the review - and amended terms, if any, should affect each class with reasonable equity and fair treatment among the holders.
- **Genuine Budgetary and Fiscal Policy Framework:** To the extent acceptable amendments are proposed and agreed, the GOB shall implement parallel fiscal adjustments over the short and medium term to strengthen Belize’s fiscal position.
- **Realistic Repayment Capacity:** Any discussion and/or review of Belize’s debt shall be conducted in the context of a debt sustainability analysis (“DSA”) prepared by the GOB. The DSA shall incorporate reasonable suggestions and recommendations of the Committee and creditors.
- **Committee Expenses:** The GOB shall be responsible for all reasonable expenses incurred by the Committee during any negotiations including fees related to financial and legal advisors and other reasonable out-of-pocket expenses. We view the arrangements for payment of such expenses as an integral component of a transparent process, and as a signal of the Government’s intention to proceed in good faith and in accordance with accepted international standards and practices.

The Committee believes that the framework presented to the GOB is reasonable and consistent with best practices applied to debt restructurings in other contexts. In the Committee’s opinion, good faith should govern this process and should be present in each of the seven required elements mentioned above.

The Committee has engaged BroadSpan Capital LLC as its financial advisor and any holders of the Bonds that are interested in becoming part of the Committee are asked to contact Noah Kessler at BroadSpan at +1(305) 424-3400.