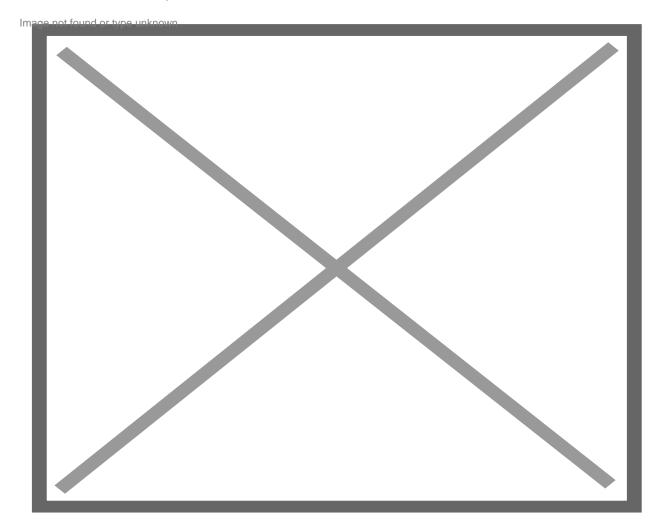
## WICO Seeks PFA Approval of \$55 Million Bond Issuance For Debt Refinancing, Capital Improvements at Dock

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Cruise ships docked at WICO. By. ERNICE GILBERT/ V.I. CONSORTIUM

The V.I. Public Finance Authority recently held a special meeting of its Board of Directors, during which the board addressed a time-sensitive matter relating to the West Indian Company Limited (WICO), as well as other matters concerning the PFA.

WICO, represented by President and CEO Athony Ottley as well as financial advisors Avery Williams and Jerome Cox, presented the PFA board with the details of WICO's proposed bond issuance. WICO says the proposed bond issuance will allow it to refinance outstanding obligations to one financial entity, fund debt reserves and capitalized interest, and finance capital improvements that would help attract larger cruise ships to its ports. In his presentation, Ottley explained to the board that WICO was currently in a position where demand for space from ships was greater than the available space for docking.

WICO's Board, according to Ottley, had authorized borrowing up to \$55 million, the biggest portion of which — \$42 million — would go to refinance the existing loan with Banco Popular. Up to \$5 million has been allocated for capital improvements, \$4 million would go towards replenishing the debt reserve fund, and the remainder to be used to fund capitalized interest.

The proposed issuance, according to WICO, forms part of the company's strategy to stabilize its financial future, and would be backed, in part, by the entirety of WICO's asset base. This pledge to use WICO's assets to secure the bonds must gain the approval of its parent company, the PFA. As Ottley explained, WICO's dire financial position led to this move, and Cox explained that the timing of the bond issuance was critical. "The urgency of completing this transaction rests in also knowing that the Federal Reserve also plans to raise interest rates another seven times in 2022," the financial advisor told the PFA board.

In a unanimous vote, the board of the Public Finance Authority voted to consent to WICO's resolution for the issuance of a revenue bond. Governor Albert Bryan commended the company's leadership for the initiative shown in developing the financial strategy, remarking that the move "actually saves the central government money because now we won't have to kick in another \$4-\$8 million to help WICO stay afloat".

Other matters dispensed with at the PFA Board's special meeting was the withdrawal of a request from the Virgin Islands Next General Network that the PFA guarantee a commercial loan and non-revolving line of credit so the network could purchase a building in downtown Christiansted in which it would locate its office and operations. viNGN President and CEO Stephan Adams told the board that the agency had encountered challenges relating to its intended purchase and informed of additional opportunities for the location of its office.

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