


March 22, 2012

Pursuant to Section 55.1, sub-section 2, of the *Financial Administration Act*, I wish to report that there has been one guaranteed debt of a Crown corporation or agency assumed by the Province since the last annual report to the House tabled on April 7, 2011. The details are as follows:

<u>Name of Organization for which Guaranteed Debt Assumed</u>	<u>Amount of Debt Assumed</u>
Student Loan Corporation of Newfoundland and Labrador	\$110,000,000

The Student Loan Corporation of Newfoundland and Labrador (SLC) had a capital market debt of \$110,000,000 in the form of floating rate notes which matured on September 30, 2011. In investigating the possibility of renewing this debt in the capital markets, it was discovered that it would be difficult, and potentially expensive, to negotiate flexible repayment terms to allow SLC to apply surplus cash balances as and when they became available. As an alternative, the Province assumed this debt using available cash resources and entered into an agreement with the SLC for repayment of the debt over a five year period. Interest is payable quarterly and the SLC has the option to make quarterly principal repayments at its sole discretion.


THOMAS W. MARSHALL, Q.C.
**Minister of Finance and
President of Treasury Board**