



MINISTRY OF  
FINANCE AND ECONOMIC  
DEVELOPMENT  
CAYMAN ISLANDS GOVERNMENT

Ref: FIN/CUS/4

3 September 2020

Mr. Paul Simon  
Bodden and Bodden  
P. O. Box 10335  
Grand Cayman KY1-1003  
Cayman Islands

Dear Sir:

**Revised Concessions – Pageant Beach Hotel Limited**

Further to your request for revised concessions in respect of Pageant Beach Hotel Limited, I am pleased to advise that the Cabinet has approved the following:

- a. In accordance with section 53 of the Development and Planning Law (2017 Revision) approve the refund of planning fees of \$356,174.30 to Pageant Beach Hotel Ltd.;
- b. In accordance with section 52 of the Customs and Border Control Law, 2018, approve a 100% waiver of import duties up to an aggregate sum of CI\$10 million, to Pageant Beach Hotel Ltd., in respect of the development of a resort hotel on Block 13E Parcel 165. The waiver shall apply to the importation of building materials, furniture, fixtures, and operating equipment required for the development. The waiver is valid for the period 1 August 2020 to 31 December 2023 up to an aggregate maximum sum of CI\$10 million in import duties;
- c. In accordance with sections 4(3) and 11(3) of the Local Companies (Control) Law (2019 Revision) waive the requirement to advertise for Caymanian participation;
- d. In accordance with section 3(6) of the Strata Titles Registration Law (2013 Revision), grant permission for Pageant Beach Hotel Ltd., to register a Strata Plan over the hotel property;



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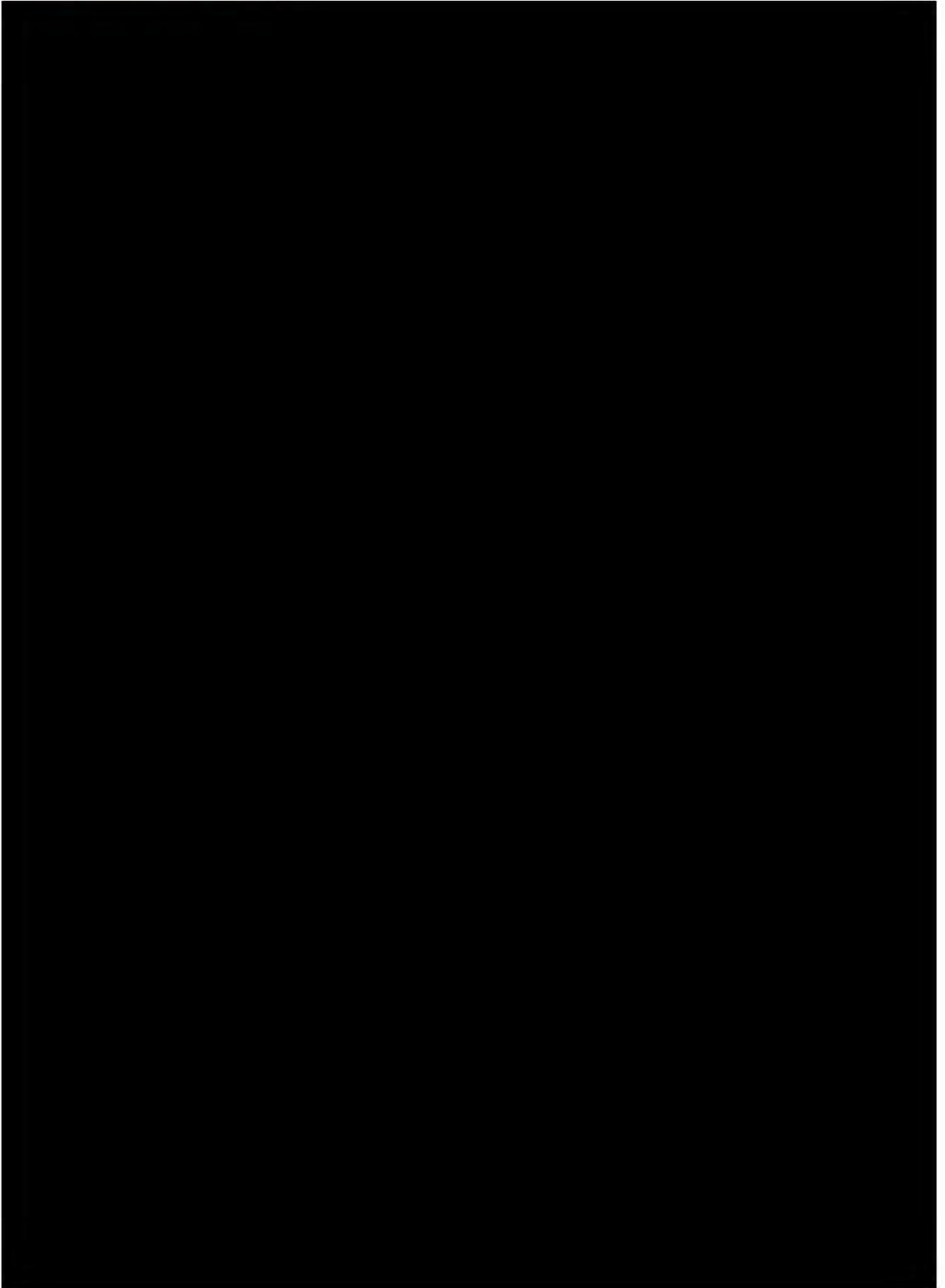
- e. The concessions outlined above are subject to the following conditions:
- i. Any other conditions that may be determined by the Minister of Finance and Economic Development to be necessary in order to allow for the proper monitoring and enforcement of the concession;
  - ii. Pageant Beach Hotel Ltd., and its contractors and subcontractors utilize the Cayman Islands Further Education Centre and Workforce Opportunities and Residency Cayman (WORC) to procure Caymanian labour for works on the development and that Pageant Beach Hotel Ltd. endeavours to ensure, to the best extent possible, that not less than sixty percent (60%) of the total workforce, operating at any given time during the course of the construction and development of the project, and whether directly hired by the developer, employed by sub-contractors or employed by labour brokers shall be Caymanian;
  - iii. Pageant Beach Hotel Ltd., shall provide on a monthly basis, statements to the WORC and Department of Labour and Pensions reporting the total number of workers engaged on the project during that month, and broken down into those directly employed by Pageant Beach Hotel Ltd.;
  - iv. The full amount of the total revenue waived becomes payable to the Cayman Islands Government on 31 December 2023, in the event Pageant Beach Hotel Ltd. fails to comply with the conditions outlined above.

Sincerely,

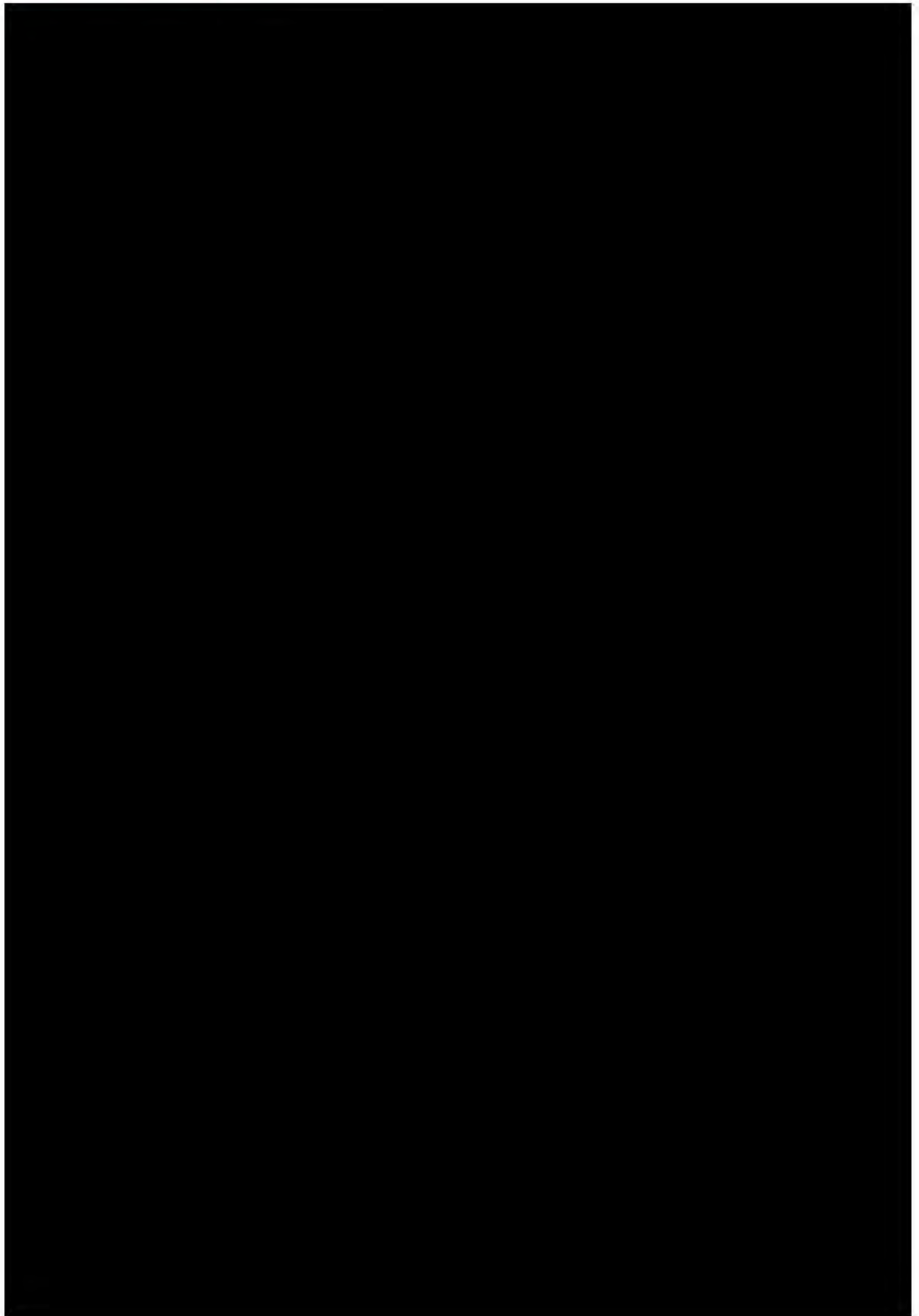
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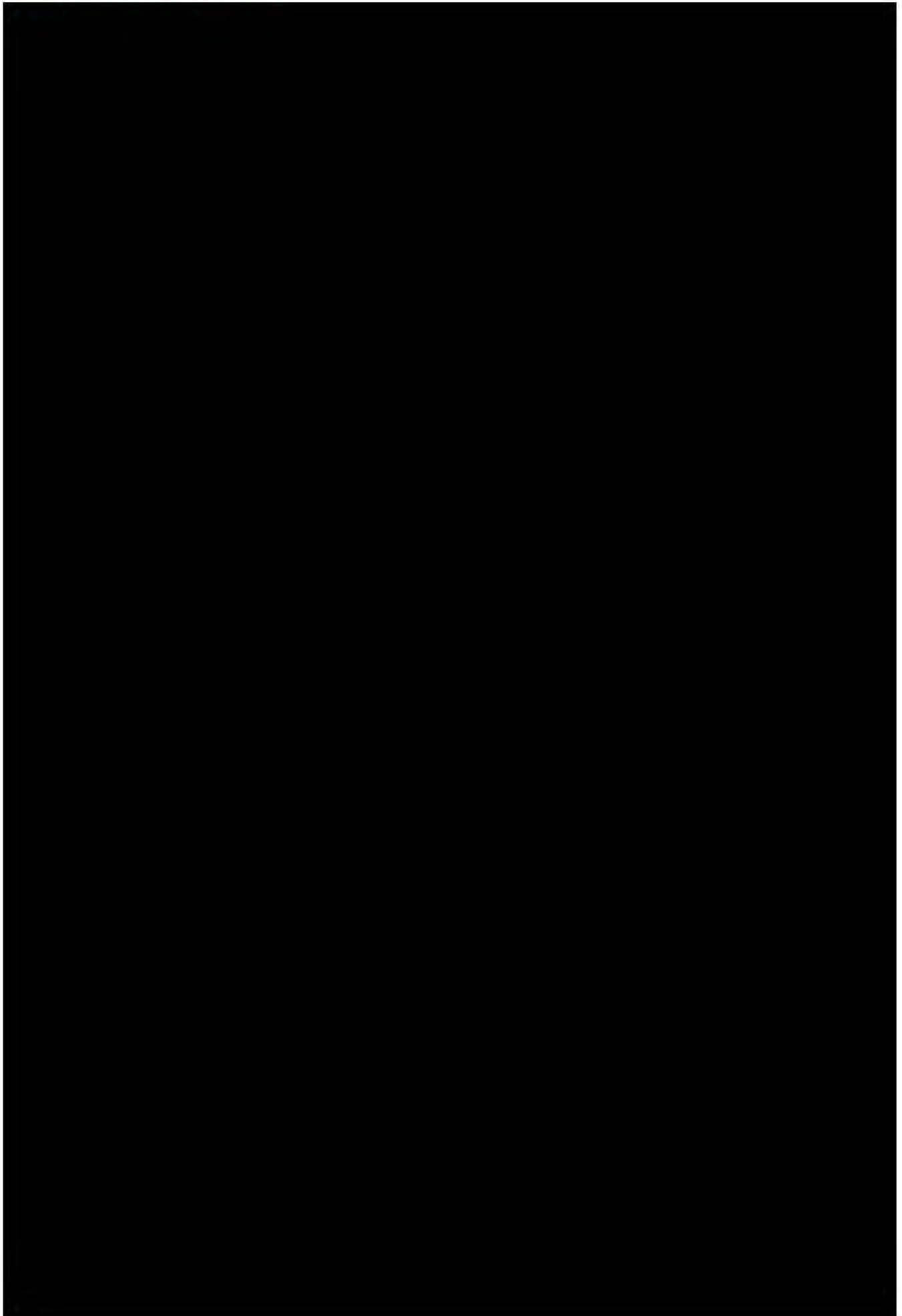
Hon. Roy M. McTaggart, JP  
Minister for Finance and Economic Development

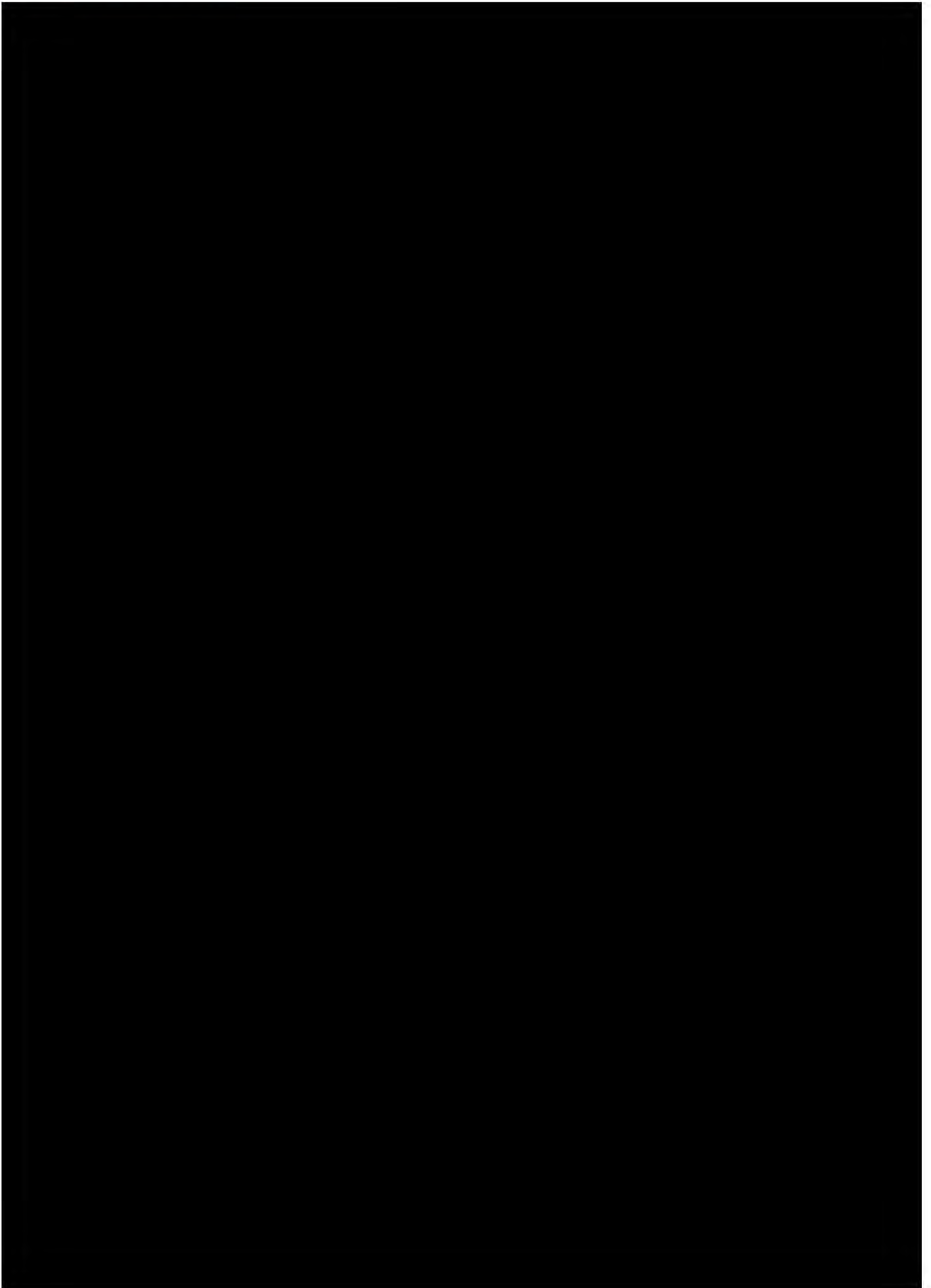
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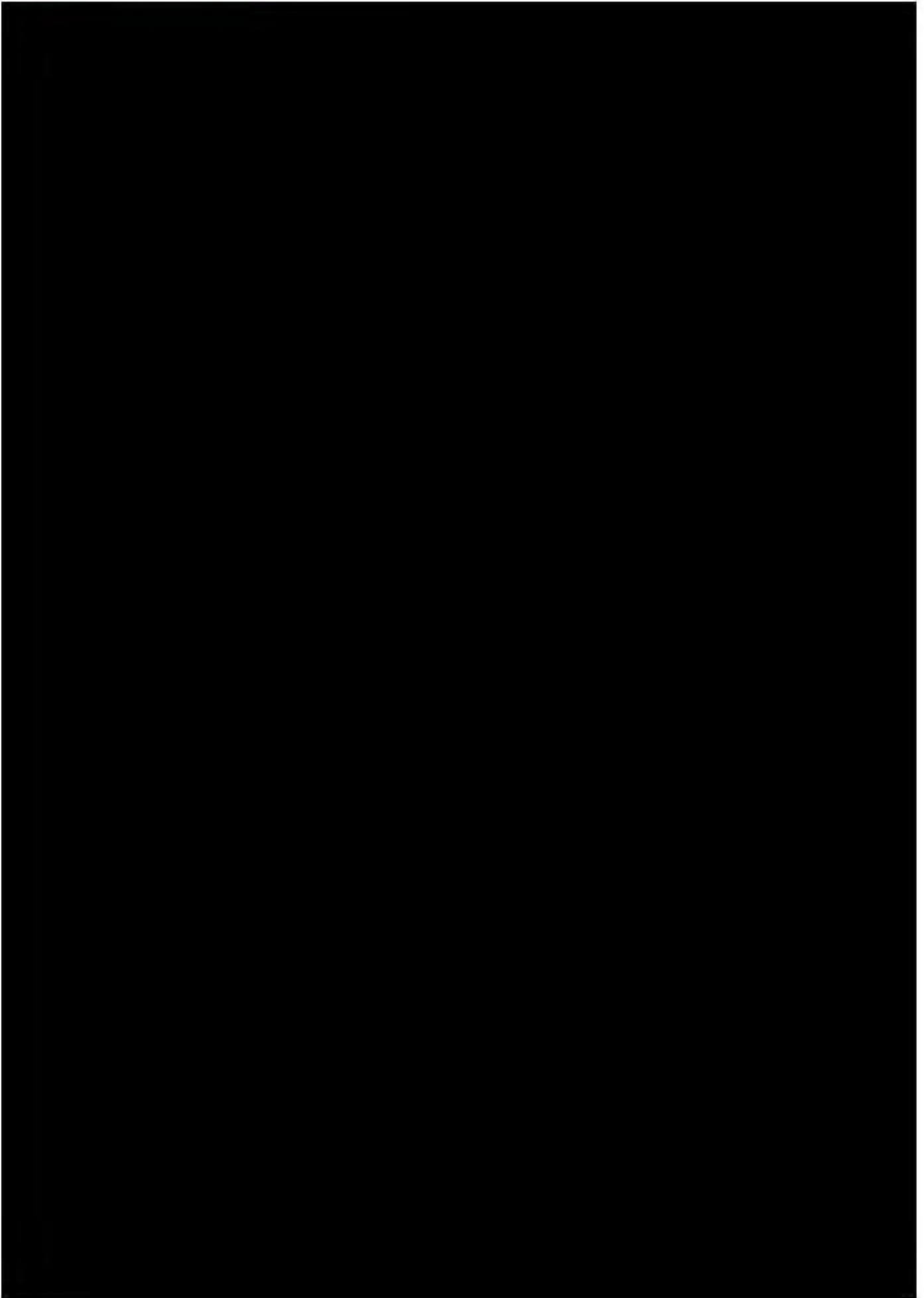
exempt under section 19(1)(a)



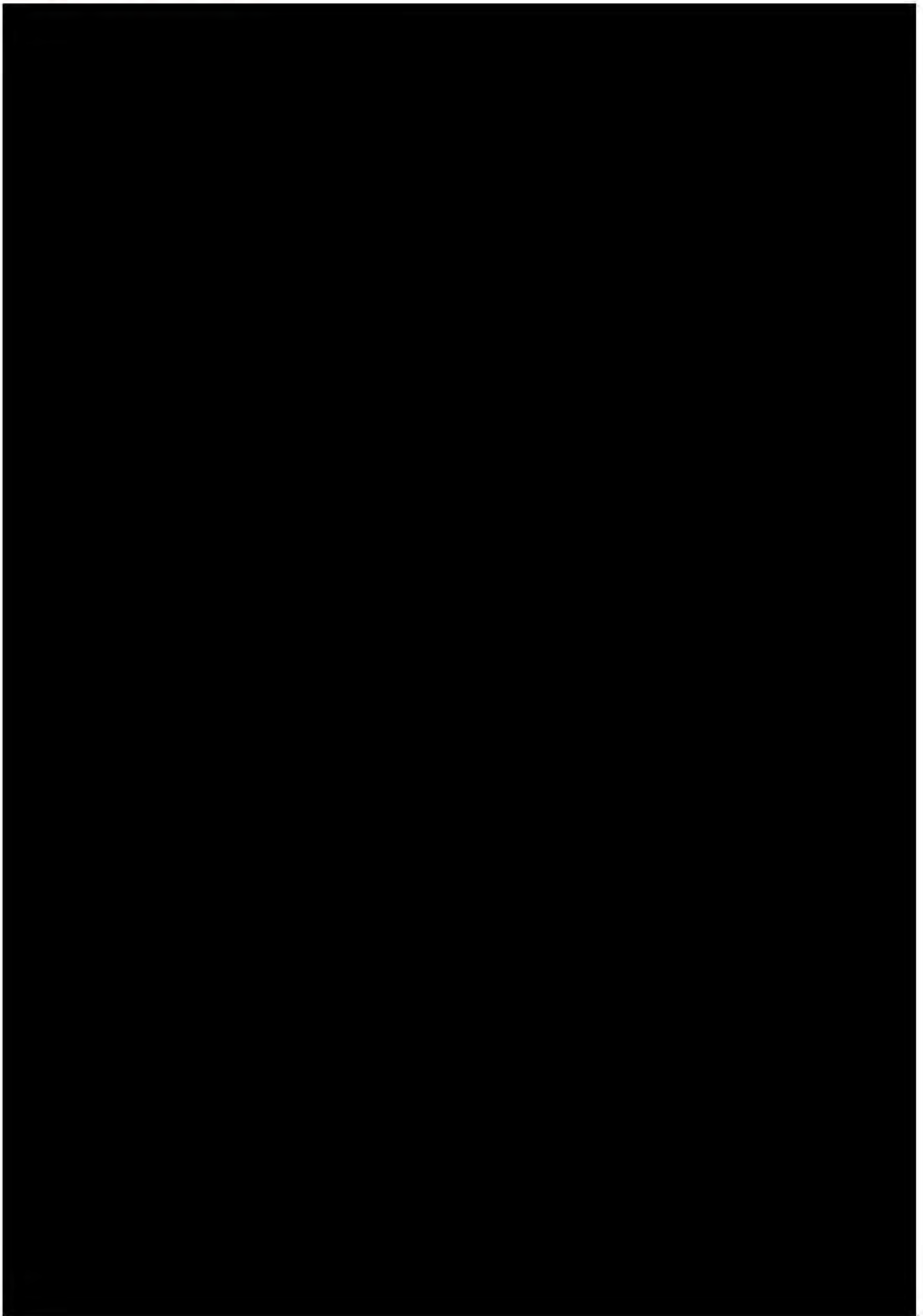




exempt under section 19(1)(a)



exempt under section 19(1)(a)





CONFIDENTIAL**EXTRACT****FROM MINUTES OF THE CABINET  
OF THE CAYMAN ISLANDS**

TO: HON MINISTER FOR FINANCE AND ECONOMIC DEVELOPMENT

COPIED TO: FINANCIAL SECRETARY/CHIEF OFFICER FOR MINISTRY OF FINANCE AND ECONOMIC  
DEVELOPMENT

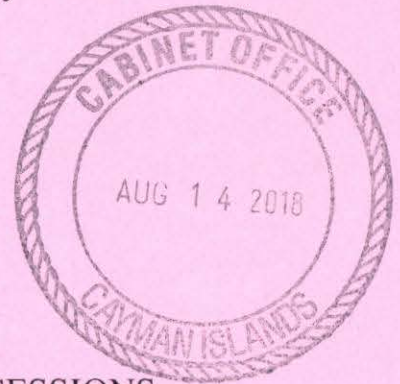
The following Extract from Minutes of the Cabinet - Item No 1096 of Meeting No 40/18 held on 14th August, 2018 is forwarded to you for:

**ACTION****INFORMATION**

  
CLERK OF THE CABINET

DATE:

1096 CP 495/18 REQUEST FOR CONCESSIONS -  
PAGEANT BEACH HOTEL LTD.



Cabinet confirmed approval granted by circulation on 6<sup>th</sup> August, 2018 for the following concessions in respect of the development of a proposed hotel on Block 13E Parcel 165 by Pageant Beach Hotel Ltd:

- a) In accordance with section 50 of the Customs Law (2017 Revision) approve a 100% waiver of the import duties associated with the importation of building materials, furniture, fixtures, operating equipment and supplies to construct and equip the hotel and resort for a period of three years commencing in August 2018 for up to an aggregate maximum sum of CI\$10 million;

Cont'd.../2



**CONFIDENTIAL**

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- b) A waiver of the requirement to advertise for Caymanian participation under the Local Companies (Control) Law and also to direct the Trade and Business Licensing Board to grant a license for a minimum period of 25 years;
- c) Permission for Pageant Beach Hotel Ltd. to register a Strata Plan over the hotel property;
- d) The concessions outlined above are subject to the following conditions:
  - i. Any other conditions that may be determined by the Minister of Finance and Economic Development to be necessary in order to allow for the proper monitoring and enforcement of the concession;
  - ii. Pageant Beach Hotel Ltd., and its contractors and subcontractors utilize the Cayman Islands Further Education Centre and the National Workforce Development Agency (NWDA) to procure Caymanian Labour for works on the development and that the Developers endeavour to ensure, to the best extent possible, that not less than sixty percent (60%) of the total workforce, operating at any given time during the course of the construction and development of the project, and whether directly hired by the developer, employed by sub-contractors or employed by labour brokers shall be Caymanian;
  - iii. Pageant Beach Hotel Ltd., shall provide on a monthly basis, statements to the NWDA and Department of Labour and Pensions reporting the total number of workers engaged on the project during that month, and broken down into those directly employed by Pageant Beach Hotel Ltd.;

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- iv. The full amount of the total revenue waived becomes payable to the Cayman Islands Government on 30 June 2020, in the event Pageant Beach Hotel Ltd. fails to comply with the conditions outlined above; and
- e) The issuance of an expedited Extract.



**BODDENS.**

LEGAL & CORPORATE

07 August 2020

The Honourable Roy McTaggart,  
Minister of Finance & Economic Development,  
Government Administration Building,  
Elgin Street, George Town, Grand Cayman

**HAND DELIVERY**  
**AND E-MAIL**

Dear Minister,

**Subject: Pageant Beach Hotel Ltd (The Grand Hyatt Grand Cayman)**

**PART I. REQUESTS MADE BY THIS LETTER**

1. Pageant Beach Hotel Ltd ("PBHL"), by this letter, is making three requests:
  - (1) Amendment of the concessions granted by the Cabinet in the letter of **17 September 2018**;
  - (2) Clarification of the procedure to give effect to the import duty waiver granted in the letter of **17 September 2018** (as amended as result of request (1) above); and
  - (3) Rebate to the company of **CI \$ 356,174.30** in planning fees.

**PART II. AMENDMENT OF THE CONCESSIONS GRANTED BY LETTER OF 17 FEBRUARY 2018**

3. Attached, as **Attachment 1**, is a letter dated **17 September 2018** which shows both the original concessions granted and the amendments sought as of **07 August 2020** (in green).

**PART III. CLARIFICATION OF THE PROCEDURE TO GIVE EFFECT TO THE IMPORT DUTY WAIVER (AS AMENDED)**

4. With respect to the import duty waiver, granted originally by the letter of **17 September 2018** (as it may be amended by request (1) above), in light of the waiver, it would be highly inconvenient for PBHL to have to pay duty upfront and then ask for repayment. Therefore, PBHL requests that the waiver be clarified so that import duty does not have to be paid by it upfront.

#### **PART IV. REBATE OF PLANNING FEES**

5. The original request of **16 April 2018** for concessions on behalf of PBHL requested a rebate of planning fees which had been paid in the amount of **CI \$ 356,174.30**. Unfortunately, the letter of **17 September 2018** granting concessions did not deal with the request for the rebate of planning fees paid, resulting in current request (3) above.

#### **PART V. CONCLUDING COMMENTS**

6. Due to a number of circumstances, largely beyond the control of PBHL, the project has suffered delays. As a result, the company is in the position of having to make the requests above.
7. The Grand Hyatt Grand Cayman Hotel project is proceeding and work on site commenced on 09 December 2019.
8. When completed, the Hotel will add considerably to Grand Cayman's stock of high-quality accommodations for stay-over tourists while providing employment to Caymanians who will constitute a large part of the work force both during construction and operations.
10. Thank you for the opportunity to make these requests and we look forward to a favourable outcome.

Yours truly,



Bodden and Bodden

Attachment- Letter of 17 September 2018, as amended



# ATTACHMENT 1



## MINISTRY OF FINANCE AND ECONOMIC DEVELOPMENT CAYMAN ISLANDS GOVERNMENT

Mr. Paul Simon

~~Ms. Sherri A. Bodden~~  
Bodden & Bodden  
Attorneys-at-Law  
P.O. Box 10335  
Grand Cayman KY1-1003

~~17 September 2018~~

— August 2020

Dear ~~Ms. Bodden~~ Mr. Simon

### RE: Concessions – Pageant Beach Hotel Ltd.

Further to my letter of 16 August 2018, ~~this letter replaces that letter which contained an error regarding the concessions approved by the Cabinet.~~ Please note that the Cabinet has approved the following concessions in respect of the proposed development of a hotel on Block 13E, Parcel 165 by Pageant Beach Hotel Ltd:

- a. In accordance with section 50 of the Customs Law (2017 Revision) approve a 100% waiver of the import duties associated with the importation of building materials, furniture, fixtures, operating equipment and supplies to construct and equip the hotel and resort for a period of three years commencing ~~in August 2018~~ for up to an aggregate maximum sum of CI\$10 million; on 10 August 2020
- b. A waiver of the requirement to advertise for Caymanian participation under the Local Companies (Control) Law and also to direct the Trade and Business Licensing Board to grant a license for a minimum period of 25 years;
- c. Permission for Pageant Beach Hotel Ltd. to register a Strata Plan over the hotel property;
- d. The concessions outlined above are subject to the following conditions:
  - i. Any other conditions that may be determined by the Minister of Finance and Economic Development to be necessary in order to allow for the proper monitoring and enforcement of the concession;



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- ii. Pageant Beach Hotel Ltd., and its contractors and subcontractors utilize the Cayman Islands Further Education Centre and the National Workforce Development Agency (NWDA) to procure Caymanian Labor for works on the development and that it endeavours to ensure, to the best extent possible, that not less than sixty percent (60%) of the total workforce, operating at any given time during the course of the construction and development of the project, and whether directly hired by the developer, employed by sub-contractors or employed by labor brokers shall be Caymanian;
- iii. Pageant Beach Hotel Ltd., shall provide on a monthly basis, statements to the NWDA and Department of Labor and Pensions reporting the total number of workers engaged on the project during that month, and broken down into those directly employed by Pageant Beach Hotel Ltd.; and
- iv. The full amount of the total revenue waived becomes payable to the Cayman Islands Government on ~~30 June 2020~~, in the event Pageant Beach Hotel Ltd. fails to comply with the conditions outlined above.

31 December 2023

If you have any queries related to this approval, please contact Mr. Michael Nixon, Senior Assistant Financial Secretary via email at [michael.nixon@gov.ky](mailto:michael.nixon@gov.ky) or via telephone on 244-2220.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Roy M. McTaggart'.

for Hon. Roy M. McTaggart, JP  
Minister for Finance and Economic Development

RM/mn



BC-328352

## Certificate Of Good Standing

TO WHOM IT MAY CONCERN

I DO HEREBY CERTIFY that



### PAGEANT BEACH HOTEL LTD

a company duly organised and existing under and by virtue of the Laws of The Cayman Islands is at the date of this certificate in Good Standing with the office, and duly authorised to exercise therein all the powers vested in the company.



Given under my hand and Seal at George Town in the  
Island of Grand Cayman this 14th day of January  
Two Thousand Twenty

An Authorised Officer,  
Registry of Companies,  
Cayman Islands.

CERTIFIED AS A TRUE  
COPY BY: BODDEN CORPORATE  
SERVICES LTD BY: Paul Simon  
17 JULY 2020

