MULTILATERAL INVESTMENT GUARANTEE AGENCY

COUNCIL OF GOVERNORS

Resolution No. 101

Increase in Overall Limit on Guarantee Capacity

WHEREAS Article 22(a) of the Convention provides that, unless otherwise determined by the Council of Governors by special majority, the aggregate amount of contingent liabilities which may be assumed by the Agency shall not exceed one hundred and fifty percent of the amount of the Agency's unimpaired subscribed capital and its reserves plus such portion of its reinsurance cover as the Board may determine;

WHEREAS Article 22(a) of the Convention stipulates that the maximum amount of contingent liabilities should not exceed under any circumstances five times the amount of the Agency's unimpaired subscribed capital, its reserves and such portion of its reinsurance cover as may be deemed appropriate;

WHEREAS Article 22(a) of the Convention further instructs the Board of Directors to review from time to time the risk profile of the Agency's portfolio in the light of its experience with claims, degree of risk diversification, reinsurance cover and other relevant factors with a view to ascertaining whether changes in the maximum aggregate amount of contingent liabilities should be recommended to the Council of Governors;

WHEREAS the Board of Directors has reviewed the risk profile of the Agency's portfolio and determined that an increase in the maximum aggregate amount of contingent liabilities is necessary for the Agency to continue underwriting new business;

NOW THEREFORE the Council of Governors hereby RESOLVES THAT:

Pursuant to Article 22(a) of the Convention, the Council of Governors authorize an increase in the maximum aggregate amount of contingent liabilities that may be assumed by the Agency from 350 percent to 500 percent of the amount of the Agency's unimpaired subscribed capital and its reserves plus such portion of its reinsurance cover, if any, as the Board may determine, such increase to be effective immediately.

(Adopted on November 11, 2016)