

**STATES DEBATE ON THE AMENDMENT TO THE DEPOSITORS COMPENSATION SCHEME
25th NOVEMBER 2010. A transcript of part of the Chief Minister's speech**

Deputy Trott : Sir let me start by making something absolutely clear, I think the Minister for Commerce and Employment did in her opening remarks, there may have been some confusion following the debate on the amendment when Deputy Fallaize and others have been critical of the delay in implementing this that the depositors at some stage over the last two years been exposed. The reality is this, deposits by individual retail depositors as well as retirement annuity trusts and accounts for the benefit of children have since 2008 been protected up to £50,000 sterling or the equivalent in foreign currency. That has been the case for the last two years and will remain the case irrespective of the outcome of today's debate.

Sir two things have brought me to my feet, the first is Deputy DeLisle's comments, he says that Guernsey has failed miserably its depositors, well sir I felt obliged to defend the actions of the Royal Court appointed Administrators, whose job it is to deal with this matter, and in doing so remind this assembly that they have suggested that depositors are likely to recover in excess of 90 pence in the pound, and I say in excess because I am aware that there are some commentators who have followed this closely who believe that that figure may in fact exceed 100%, so for Deputy DeLisle to stand up and insinuate that landsbanki has lost £117 million, when he is aware of the fact that the depositors have already received nearly 70pence in the pound back is quite simply sir outrageous and I'm sure he'll be the first to jump to his feet and apologise to this assembly for attempting to mislead the house.

Deputy DeLisle: Sir can the Minister correct the fact that they haven't received 70pence in the pound.

Bailiff: Sorry, what did you say they have received.

Deputy Trott: I did say approaching 70pence, it is 67.5 pence in the pound so far and expectations are that that number will be , as I say, close, if not , in the views of some commentators, greater than 100%. Lets be very clear about that, the situation is nowhere near as bleak as Deputy DeLisle seeks to paint.

COMMENT The above statement by the Chief minister Lyndon Trott is a deliberate attempt to mislead the States of Guernsey assembly. Firstly, Deputy DeLisle's comments were not aimed at the Administrators, so they did not need defending, they we believe were aimed at Guernsey's Government and its total lack of assistance to it depositors, in particular by its Chief Minister.

Secondly, The Administrators in their fourth report released on the 15th November 2010 clearly state that the expected returns over a period of time for Landsbanki Guernsey Depositors are expected to be in the region of 85 – 91%. In the Chief Minister's words, it is outrageous that he without qualification, states that the return to the depositors may be in excess of 100%, thereby totally misleading the States assembly and the listening Guernsey public. We are sure he will have known the true facts of 85-91% from the administrators before the debate. The upper end only being achievable in good market conditions. He really must be made to qualify his outrageously misleading remarks.