



**Statement on behalf of
the Honourable Attorney General on
the “Exceptional Circumstance” Transactions Incurred
During the 2024 Financial Year for the Office of the
Director of Public Prosecution**

Mister Speaker, pursuant to Section 11(6) of the Public Management and Finance Act (2020 Revision), I wish to make a statement to Members of this Honourable House regarding an exceptional circumstance which was approved by the Cabinet for the Office of the Director of Public Prosecutions during the 2024 financial year.

Mister Speaker, the exceptional circumstance required making changes to the 2024 appropriation, which I will briefly explain.

Funding totalling CI\$42,552 was required in 2024 for the purpose of settling a cost order made following an application for leave to apply for Judicial Review of a Notice to Produce served on MUFG Alternative Funds Services (Cayman) Limited for material in response to a Mutual Legal Assistance Request from the United States of America.

The United States of America transmitted a Mutual Legal Assistance Request (“the Request”) for material held by MUFG Alternative Fund Services (Cayman) Limited (“MUFG”) a Cayman registered company to further an investigation of Prophecy Asset Management, L.P., *et al.*

Mutual legal assistance between the United States of America and the Cayman Islands is governed by the Mutual Legal Assistance (United States of America) Act (2015 Revision) (the Act). Pursuant to section 4 of the Act, the Cayman Mutual Legal Assistance Authority (“the Cayman Authority”) shall be the Chief Justice.

The Court ruled MUFG were entitled to recover their costs for preparing the applications, obtaining leave orders together with the costs hearing. The total costs were CI\$42,552.

This matter meets the definition of an exceptional circumstance for the following reasons:

- a. The validity of Request is determined by the Cayman Authority based on the Treaty.
- b. The Grand Court ordered the sum of USD23,605.84 (Cause No. G255 of 2022) and USD27,051.36 (Cause No. G49 of 2023) to be paid by the Cayman Authority.
- c. The Cayman Authority does not have a budget to settle such claims. Total funding of CI\$42,552 was therefore being sought to cover this expenditure.

The following change was approved by Cabinet via Section 11(5):

Total appropriation Increase OE 105 Settlement of Claim CI\$ 42,552

Conclusion

Mister Speaker, the above exceptional circumstance which was approved by the Cabinet for the Office of the Director of Public Prosecutions during the 2024 financial year, along with the overall effect on the Government's compliance with the Principles of Responsible Financial Management, can be found in the 2024 Supplementary bills.

Thank you, Mister Speaker.