

# NOTICE OF INTENTION TO MAKE A NORMAL COURSE ISSUER BID

1. **Name of Issuer** – Cayman National Corporation
2. **Securities Sought** – up to 235,000 common shares (SSPS up to 125,000 & DRIP up to 110,000)
3. **Duration** – January 1, 2013-December 31, 2013 (DRIP usually twice per year and SSPS Monthly)
4. **Method of Acquisition**  

Purchases will be effected through the facilities of the Cayman Islands Stock Exchange and in accordance with Exchange requirements. The price paid for any securities acquired will be the market price of the securities at the time of acquisition.
5. **Broker Member** – Cayman National Securities
6. **Consideration Offered** - Cash
7. **Reasons for the Normal Course Issuer Bid** – Senior Staff Purchase Scheme (SSPS) & Dividend Reinvestment Plan (DRIP)
8. **Persons Acting Jointly or in Concert with the Issuer** – N/A
9. **Previous Purchases** – For the 12 months ending September 30, 2012 - SSPS 120,301 & DRIP 107,470
10. **Acceptance by Insiders, Affiliates and Associates** – Cayman National Securities, a subsidiary of Cayman National Corporation
11. **Material Changes in the Affairs of the Issuer Company** - No material change anticipated.

## Certificate and Undertaking

All the information in this Notice of Intention to make a Normal Course Issuer Bid together with other documents forming part hereof constitutes full, true and plain disclosure of the Issuer's Bid and there is no further material information not herein disclosed.

The Issuer hereby undertakes to advise of the purchases of the above noted securities within 10 day

the end of each month in which purchases are made, including the dates of the purchases, the average price paid and stating whether the securities have been cancelled or otherwise dealt with.

A handwritten signature in black ink, appearing to read "R. Arnold", written above a horizontal line.

Officer of the Issuer (*signature*)

04/11/2013

Date