

2020/01/03

OBJECTS AND REASONS

This Bill will enable the Government of Barbados to facilitate the transfer of bonds from Resolution Life Assurance Company Ltd. to the individual policy holders of the Company.

Arrangement of Sections

1. Short title
2. Interpretation
3. Purpose
4. Transfer of bonds
5. Charge on the Consolidated Fund
6. Validation

SCHEDULE

BARBADOS

A Bill entitled

An Act to enable the Government of Barbados to facilitate the transfer of bonds from Resolution Life Assurance Company Ltd. to the individual policy holders of the Company.

ENACTED by the Parliament of Barbados as follows:

Short title

1. This Act may be cited as the *Resolution Life Assurance Company Ltd. (Transfer of Bonds) Act, 2020*.

Interpretation

2. In this Act,

“bonds” means Series B Bonds and Series I Bonds;

“Company” means Resolution Life Assurance Company Ltd., a company incorporated under the *Companies Act, Cap. 308*;

“Natural Disaster Clause” has the meaning assigned to it by the Part I of the *Second Schedule* to the *Debt Holders (Approval of Debt Restructuring) Act, 2018 (Act 2018-24)*;

“Series B Bonds” means the bonds described in Part I of the *Schedule*;

“Series G Bonds” means the bonds referred to in Part II of the *Second Schedule* to the *Debt Holders (Approval of Debt Restructuring) Act, 2018 (Act 2018-24)* allocated to the Company as a part of the Government’s comprehensive debt restructuring programme pursuant to the *Debt Holders (Approval of Debt Restructuring) Act, 2018*;

“Series I Bonds” means the bonds described in Part II of the *Schedule*.

Purpose

3. The purpose of this Act is to enable the Government of Barbados to exchange Series G Bonds, allocated to the Company as a part of the Government’s comprehensive debt restructuring programme pursuant to the *Debt Holders (Approval of Debt Restructuring) Act, 2018 (Act 2018-24)*, for Series B Bonds and Series I Bonds and facilitate the transfer of those bonds to the individual policyholders following the liquidation of the Company.

Transfer of bonds

4.(1) The Government of Barbados may, pursuant to section 3, exchange the Series G Bonds for Series B Bonds and Series I Bonds and facilitate the transfer of those bonds to the individual policyholders of the Company.

(2) The bonds transferred to the individual policyholders of the Company pursuant to subsection (1) shall not exceed in aggregate the sum of \$316.32 million.

Charge on the Consolidated Fund

5. All principal monies and interest payable in respect of the transfer of the bonds pursuant to section 4 are a charge on the Consolidated Fund.

Validation

6. All bonds transferred to the individual policyholders of the Company from the 30th day of September, 2019 to the date of the commencement of this Act shall be deemed to have been lawfully and validly transferred as if those bonds were properly transferred pursuant to section 4.

SCHEDULE

(Section 2)

PART I

Series B Bonds

Structure:	11 Series B amortising strips issued by the Government of Barbados with maturities of 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, and 15 years.												
Interest Rate:	1.0% per annum for first 3 years 2.5% per annum for year 4 3.75% to maturity												
Interest Payments:	Quarterly with first payment on 30 th September, 2019												
Principal Repayment:	The principal of each strip will be repaid in four equal quarterly principal instalments commencing one year prior to the maturity date of that strip.												
Allocation of Aggregate Principal Amount Amongst Strips:	<table> <tr> <td>5-Year: 7.49%</td> <td>11-Year: 9.37%</td> </tr> <tr> <td>6-Year: 7.78%</td> <td>12-Year: 9.72%</td> </tr> <tr> <td>7-Year: 8.07%</td> <td>13-Year: 10.10%</td> </tr> <tr> <td>8-Year: 8.38%</td> <td>14-Year: 10.48%</td> </tr> <tr> <td>9-Year: 8.70%</td> <td>15-Year: 10.88%</td> </tr> <tr> <td>10-Year: 9.03%</td> <td></td> </tr> </table>	5-Year: 7.49%	11-Year: 9.37%	6-Year: 7.78%	12-Year: 9.72%	7-Year: 8.07%	13-Year: 10.10%	8-Year: 8.38%	14-Year: 10.48%	9-Year: 8.70%	15-Year: 10.88%	10-Year: 9.03%	
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6-Year: 7.78%	12-Year: 9.72%												
7-Year: 8.07%	13-Year: 10.10%												
8-Year: 8.38%	14-Year: 10.48%												
9-Year: 8.70%	15-Year: 10.88%												
10-Year: 9.03%													
Natural Disaster Clause:	Yes												

Schedule - (Concl'd)

PART II

Series I Bonds

Structure:	15 Series I amortising strips issued by the Government of Barbados with maturities of 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, and 15 years.	
Interest Rate:	0.25% per annum	
Interest Payments:	Quarterly with first payment on 30 th September, 2019	
Principal Repayment:	The principal of each strip will be repaid in four equal quarterly principal instalments commencing one year prior to the maturity date of that strip.	
Allocation of Aggregate Principal Amount Amongst Strips:	1-Year: 6.67%	9-Year: 6.67%
	2-Year: 6.67%	10-Year: 6.67%
	3-Year: 6.67%	11-Year: 6.67%
	4-Year: 6.67%	12-Year: 6.67%
	5-Year: 6.67%	13-Year: 6.67%
	6-Year: 6.67%	14-Year: 6.67%
	7-Year: 6.67%	15-Year: 6.62%
	8-Year: 6.67%	
Natural Disaster Clause:	Yes	

Read three times and passed the House of Assembly this
day of _____, 2020.

Speaker

Read three times and passed the Senate this _____ day of
_____, 2020.

President