

2018/02/01

OBJECTS AND REASONS

This Bill would amend the *British American Insurance Company (Barbados) Ltd. (Preservation of Investments) Act, 2016 (Act 2016-5)* to increase the capacity of the Government of Barbados to

- (a) facilitate the transfer of the life insurance business of British American Insurance Company (Barbados) Ltd. to Sagicor Life Inc.; and
- (b) preserve the pension plans of 72 employees of British American Insurance Company (Barbados) Ltd.

Arrangement of Sections

1. Short title
2. Amendment of section 3 of Act 2016-5
3. Amendment of section 4 of Act 2016-5
4. Amendment of section 6 of Act 2016-5

BARBADOS

A Bill entitled

An Act to amend the *British American Insurance Company (Barbados) Ltd. (Preservation of Investments) Act, 2016.*

ENACTED by the Parliament of Barbados as follows:

Short title

1. This Act may be cited as the *British American Insurance Company (Barbados) Ltd. (Preservation of Investments) (Amendment) Act, 2018*.

Amendment of section 3 of Act 2016-5

2. *Section 3 of the British American Insurance Company (Barbados) Ltd. (Preservation of Investments) Act, 2016, in this Act referred to as the principal Act, is amended by deleting subsection (2) and substituting the following:*

“(2) Pursuant to the purpose set out in subsection (1), the Government of Barbados shall

- (a) issue bonds, not exceeding in aggregate the sum of \$93.2 million, to Sagicor Life Inc., a company incorporated under the *Companies Act, Cap. 308*, to facilitate the transfer of the life insurance business of British American Insurance Company (Barbados) Ltd. to Sagicor Life Inc.; and
- (b) provide financial assistance to Sagicor Life Inc. in order to facilitate the preservation of the pension plans of 72 employees of the British American Insurance Company (Barbados) Ltd.”.

Amendment of section 4 of Act 2016-5

3. *Section 4 of the principal Act is deleted and the following is substituted:*

“Issue of bonds

- 4.(1) The Government of Barbados may, under the authority of a resolution of both Houses of Parliament, issue bonds, not exceeding in

aggregate the sum of \$93.2 million, to Sagicor Life Inc. in order to facilitate the transfer of the life insurance business of British American Insurance Company (Barbados) Ltd. to Sagicor Life Inc.

(2) The bonds issued under subsection (1) shall be drawn in 4 series of \$ 23.3 million each over a period of 25 years.

(3) The bonds issued under subsection (1) shall be signed by the Governor of the Central Bank of Barbados and by such public officer as the Minister approves.

(4) All principal monies and interest thereon payable in respect of bonds issued under this section are a charge on the Consolidated Fund.”.

Amendment of section 6 of Act 2016-5

4. Section 6 of the principal Act is amended by deleting subsection (1) and substituting the following:

“(1) The Government of Barbados shall, by a resolution of both Houses of Parliament issue 6 promissory notes of varying maturities from 5 to 30 years, not exceeding in aggregate the sum of \$8.5 million, to Sagicor Life Inc. in order to assist Sagicor Life Inc. with the preservation of the pension plans of 72 employees of the British American Insurance Company (Barbados) Ltd.”.

