



MINUTES OF PROCEEDINGS

OF

The Honourable the House of Assembly

At a meeting of the House of Assembly at the Parliament Buildings on Tuesday, the 6th day of December, 2016, pursuant to the adjournment.

PRESENT

- His Honour M. A. Carrington, Q.C., B.A., LL.B. (*Speaker*)
Her Honour Mrs. M-J. M. Thompson, B.A., M.Sc. (Ph. Ed.) (*Deputy Speaker*)
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| Rt. Hon. O. S. Arthur, M.Sc. (Econ.) | Hon. S. D. Blackett (<i>Minister of Social Care, Constituency Empowerment and Community Development</i>) |
| Mr. G. A. Clarke, J.P., B.Sc., Dip. Ed. | Mr. J. D. Paul, B.Sc. (<i>Chairman of Committees</i>) |
| Mr. R. St. C. Toppin, LL.B. (Hons.) | Dr. the Hon. D. S. Lowe, Dip. Theology, B.A., M.Ed., Ed.D. (<i>Minister of Environment and Drainage</i>) |
| Hon. D. St. E. Kellman (<i>Minister of Housing, Lands and Rural Development</i>) | Hon. A. D. Brathwaite, Q.C., LL.B. (Hons.) (<i>Attorney General and Minister of Home Affairs</i>) |
| Hon. Miss M. A. Mottley, Q.C., LL.B. (<i>Leader of the Opposition</i>) | Hon. S. A. Lashley, B.Sc., LL.B. (Hons.), L.E.C. (<i>Minister of Culture, Sports and Youth</i>) |
| Miss C. Y. Forde, J.P., L.C.P. | Hon. D. O’N. Inniss, B.Sc., M.B.A. (<i>Minister of Industry, International Business, Commerce and Small Business Development</i>) |
| Dr. the Hon. D. C. Estwick, B.Sc., M.B., B.S. (<i>Minister of Agriculture, Food, Fisheries and Water Resource Management</i>) | Hon. C. P. Sinckler, B.A., M.Sc. (<i>Minister of Finance and Economic Affairs</i>) |
| Mr. D. D. Marshall, Q.C., LL.B. (Hons.), L.E.C. | Mr. T. A. Prescod, B.A. |
| Hon. M. A. Lashley, LL.B. (Hons.) (<i>Minister of Transport and Works</i>) | Lt. Col. J. D. Bostic, MVO, B.A. (Hons.) |
| Hon. R. L. Sealy, B.Sc., M.B.A. (<i>Minister of Tourism and International Transport</i>) | Mr. E. G. Hinkson, LL.B. (Hons.), L.E.C., LL.M. |
| Rt. Hon. F. J. Stuart, Q.C., B.A., LL.M. (<i>Prime Minister, Minister of National Security, The Public Service and Urban Development</i>) | Mr. D. G. Sutherland, B.Sc., M.Sc., M.B.A. (Dist.) |
| Hon. J. D. E. Boyce, M.Sc., C. Eng. (<i>Minister of Health</i>) (<i>Leader of the House</i>) | Miss S. J. O. Bradshaw, LL.B. (Hons.) |

ABSENT

Mr. G. W. Payne, Q.C., Hon. R. D. Jones, J.P., B.A. (Hons.), M.A. Ed. (*Minister of Education, Science, Technology and Innovation*), Mr. K. D. Symmonds, B.A., LL.B. and Dr. M. M. Agard, J.P., B.Sc., M.Sc., D.D.S.

Mr. Speaker took the Chair at 10.15 a.m.

Prayers were taken by Rev. Father Mark Harewood.

MINUTES

The Minutes of the meetings of Tuesday, 15th November, 2016 and Tuesday, 22nd November, 2016 were taken as read and were confirmed on the motion of Hon. J. D. E. Boyce seconded by Hon. A. D. Brathwaite.

PAPERS

Hon. C. P. Sinckler by command laid the following:

1. Duties, Taxes and Other Payments (Exemption) (University of the West Indies) (Africa World Documentary Film Festival) Order, 2016.
2. Duties, Taxes and Other Payments (Exemption) (University of the West Indies) (Commonwealth Shorts) Order, 2016.

Hon. J. D. E. Boyce by command laid:-

Child Care Board Financial Statements for the year ending March 31, 2015.

ORDERS OF THE DAY**SUSPENSION OF STANDING ORDERS**

On the motion of Hon. J. D. E. Boyce seconded by Hon. A. D. Brathwaite Standing Orders 6, 16, 18, 20, 42(5), 43 and 44 were suspended for the remainder of the Sitting.

GOVERNMENT BUSINESS**ORDER NO. 18**

**RESOLUTION TO GUARANTEE LOAN OF BDS \$12.0 MILLION
BY FIRST CITIZENS BANK (BARBADOS) LIMITED
TO NEEDHAM'S POINT HOLDINGS LIMITED**

Hon. C. P. Sinckler spoke on the following Resolution:

WHEREAS by paragraph (1) of section 3 of the *Guarantee of Loans (Companies) Act*, Cap. 96, the Government may, with the approval of Parliament, and in such manner and on such terms and subject to such conditions as may be agreed between it and a lending agency, guarantee the borrowing of such sums by a company from a lending agency as is authorised by the Government;

AND WHEREAS Needham's Point Holdings Limited, a company incorporated under the *Companies Act*, Cap. 308 is controlled by the Government within the meaning of section 2 of the *Guarantee of Loans (Companies) Act*;

AND WHEREAS Needham's Point Holdings Limited is seeking a loan of BBD \$12.0 million from First Citizens Bank (Barbados) Limited, on the terms and conditions set out in the *Schedule* hereto, for the purpose of assisting with renovations to the Hilton Barbados Hotel;

AND WHEREAS by virtue of section 4 of the *Guarantee of Loans (Companies) Act*, the aggregate amount of all borrowings by companies that are guaranteed by the Government shall not exceed \$1 000 000 000 without taking into account any amount in respect of interest, commissions and any other expenses secured by the guarantee, and the Minister of Finance has

certified that the aggregate amount of all borrowings by the Government and any further borrowings do not exceed the limit stipulated by that section;

BE IT RESOLVED that Parliament approve the guarantee by the Minister of Finance of the payment of the principal sum of BBD \$12.0 million to be borrowed by Needham's Point Holdings Limited from First Citizens Bank (Barbados) Limited on the terms and conditions set out in the *Schedule* hereto.

SCHEDULE

TERMS AND CONDITIONS

Borrower:	Needham's Point Holdings Limited
Lender:	First Citizens Bank (Barbados) Limited
Facility:	Term Loan
Amount:	\$12.0 million
Currency:	Barbados dollars
Purpose:	To assist with renovations of the Hilton Barbados Hotel.
Repayment Terms:	10 year loan. Interest only during the drawdown/refurbishment period of one (1) year, thereafter amortised over a nine (9) year period, repayable in monthly blended payments of BBD \$147,054.18.
Interest Rate:	6.5% per annum. Fixed for three (3) years, thereafter subject to three (3) year resets with a floor of 6.5%. Interest will be calculated on the actual number of days elapsed and a 365 day year.
Fees:	0.5% of the facility amount; BBD \$60 000.
Security:	(i) Letter of Comfort to be replaced by a Parliamentary Guarantee for BBD \$12.0 million. (ii) Lien over a debt service account to be funded by a minimum of six (6) months' payments.
Conditions Precedent:	The Bank is to be provided with a detailed costing of the remaining works, supported by the contractor's estimate and suppliers quotations, reviewed by a Quantity Surveyor, approved by the Bank and supported by a drawdown schedule. Government of Barbados is to provide a guarantee within twelve (12) months but a Letter of Comfort will be provided in the interim. Written confirmation that all cost overruns will be met by the Borrower or the Government.

SCHEDULE – *Cont'd***TERMS AND CONDITIONS** – *Cont'd*

Conditions Precedent: Written confirmation from the syndicate or some other acceptable formal confirmation that Needham's Point Holdings Limited can incur this additional debt.
– *Cont'd*

The debt service account to be set up at a branch of First Citizens Bank.

The Borrower undertakes that so long as any moneys or obligations are outstanding it will on an annual basis provide the Bank with evidence of payment of all necessary franchise fees, insurances and taxes.

Events of Default:

- (a) If the Borrower fails to pay any sum on the due date for payment under the Facility Letter, or any Security Document to which it is a party or any other sum due and payable to the Bank.
- (b) If the Borrower shall neglect to carry out or observe any covenant or condition (other than those relating to the payment of any sum payable under the Facility Letter or under any Security Document), provided the Borrower shall have 21 days to make good such default before the Borrower shall be in default.
- (c) If a petition (other than a petition which is frivolous or vexatious and which is withdrawn within 21 days) is presented or an order is made or resolution is passed for the liquidation, bankruptcy, sequestration, winding-up or administration of the Borrower or the Borrower seeks protection from its creditors or files a plan or scheme of arrangement (except for the purpose of a solvent amalgamation or reconstruction – on terms and conditions which have first been approved by the Bank in writing).
- (d) If any distress, execution, sequestration or other legal process is levied or enforced or sued out against any of the assets or undertaking of the Borrower.
- (e) If any person takes possession of, or a receiver on liquidation is appointed over, the whole or any part of the assets of the Borrower.
- (f) If the Borrower ceases or suspends payment of sums due or is unable to pay debts as they fall due or is deemed unable to pay sums due or is deemed insolvent under insolvency legislation.
- (g) If the Borrower is unable or admits in writing its inability to pay its debts generally as they fall due or is otherwise deemed to be so unable or to be otherwise insolvent or commences negotiations with a view to, or takes any proceedings for, a readjustment, rescheduling or deferment of all or any of its obligations, or proposes, makes or enters into a general assignment, arrangement or composition with

SCHEDULE – *Concl'd***TERMS AND CONDITIONS** – *Concl'd*

Events of Default:
– (*Cont'd*)

or for the benefit of its creditors (or if any step is taken in connection with any of the aforesaid), or if the Borrower or any Guarantor shall otherwise generally stop or propose to stop payment of its debts or any class of them or cease or threaten to cease to carry on business.

- (h) If there shall, in the opinion of the Bank, acting reasonably, occur any change of circumstance in the assets or concession of the Borrower from that existing at the date of the Facility Letter which has, or is likely to have a material adverse effect on the financial condition of the Borrower or materially imperil, delay or prevent fulfilment by the Borrower of its obligations under the Facility Letter or any of the security Documents.
- (i) If any representation, warranty, statement or disclosure which is made or deemed to have been made by or acknowledged to have been made by or on behalf of the Borrower in any Security Document or which is contained in any certificate, statement, legal opinion or notice provided hereunder or in connection with any Security Document, or any other document delivered to the Bank in connection with the Facility Letter, is untrue and incorrect in any material respect when made or deemed to have been made.
- (j) If any obligation or other provision in any Security Document terminates or ceases to be the legally valid, binding and enforceable obligation of the Borrower or a Guarantor if the Borrower or a Guarantor contests in any manner, or repudiates the legality, validity, binding nature or enforceability of any Security Document.
- (k) If any governmental or other consent, license or authorization required to make any Security Document legal, valid, binding and enforceable or is required in order to enable the Borrower to perform its obligations thereunder, is withdrawn or ceases to be in full force and effect and which consent, licence or authorization is not capable of being reissued or reinstated within a reasonable period of time and in any event within 21 days.
- (l) If any of the matters referred to in “a” and “c” through “k” above are applicable to a Guarantor.

In connection with an Event of Default, the Borrower hereby waives presentment for payment, notice of protest, demand for payment, notice of non-payment and notice of any other kind.

and moved seconded by Hon. R. L. Sealy that the Resolution be passed.

Hon. R. L. Sealy spoke.

Miss S. J. O. Bradshaw spoke.

Rt. Hon. O. S. Arthur spoke.

Hon. D. St. E. Kellman spoke.
 Mr. G. A. Clarke began to speak.
 Mr. Speaker spoke and the Member withdrew certain remarks.
 Mr. G. A. Clarke resumed his speech.
 Mr. Speaker spoke and the Member withdrew certain remarks.
 Mr. G. A. Clarke resumed his speech.
 Mr. Speaker spoke.
 Mr. G. A. Clarke concluded his speech.
 Hon. A. D. Brathwaite spoke.
 Hon. J. D. E. Boyce spoke.
 Rt. Hon. F. J. Stuart spoke.
 Hon. C. P. Sinckler spoke in reply.
 The Resolution was passed.

SUSPENSION

On the motion of Hon. J. D. E. Boyce seconded by Hon. A. D. Brathwaite, the Sitting was suspended until 2.15 p.m.

At 12.48 p.m. Mr. Speaker suspended the Sitting.

RESUMPTION

On resumption Mr. Speaker resumed the Chair.

GOVERNMENT BUSINESS (resumed)

ORDER NO. 16

RESOLUTION TO APPROVE THE GUARANTEE BY THE MINISTER OF FINANCE IN RESPECT OF THE ISSUANCE OF BONDS IN THE SUM OF BDS \$73 MILLION BY THE BARBADOS AGRICULTURAL MANAGEMENT CO. LTD.

Hon. C. P. Sinckler spoke on the following Resolution:

WHEREAS by virtue of section 3 of the *Barbados Agricultural Management Co. Ltd. (Sugar Bonds Guarantee) Act, Cap. 255*, the Minister may, with the approval of Parliament, guarantee in such manner and on such terms and conditions as the Minister thinks fit, the payment of the principal and interest necessary for the redemption of bonds issued by the Barbados Agricultural Management Co. Ltd. for the purpose of the financing of the sugar industry;

AND WHEREAS the company proposes to raise up to BBD 73 000 000 or USD equivalent by way of the issuance of a bond arranged by ANSA Merchant Bank Limited for the purpose of providing working capital support to the company and to provide funding to support the company's expenses and costs relating to the Barbados Cane Industry Support Project on the terms and conditions set out in the *Schedule* to this Resolution;

BE IT RESOLVED that Parliament approve the guarantee by the Minister responsible for Finance of the payment of the principal and interest in respect of the issuance of a bond in the sum of up to BBD 73 000 000 or USD equivalent.

SCHEDULE

TERMS AND CONDITIONS

Issuer: Barbados Agricultural Management Co. Ltd.
 Guarantor: Government of Barbados.
 Issue: Fixed Rate Non-Callable Bonds.

SCHEDULE – *Cont'd***TERMS AND CONDITIONS – *Cont'd***

Face Amount:	Up to BBD 73 000 000 (or USD equivalent) as follows: Class A Series 1 – BBD 32 000 000 as follows: Class A 1A – USD 10 525 000 Class A 1B – BBD 10 950 000 Class A Series 2 – BBD 22 500 000 (or USD equivalent) Class A 2A – USD 2 700 000 Class A 2B – BBD 17 100 000 Class B – BBD 18 500 000 (or USD equivalent).
Currency:	Barbados Dollars (BBD) and United States Dollars (USD).
Use of Proceeds:	Class A 1A and 1B – to provide working capital support to BAMC Class A 2A, 2B and Class B – to provide funding to BAMC for its expenses and costs relating to the Barbados Cane Industry Support Project.
Arranger:	ANSA Merchant Bank Limited.
Placement Agent:	ANSA Merchant Bank Limited.
Coupon:	Class A – 1A fixed at 6.75% p.a. for three (3) years; Class A – 1B – fixed at 6.50% p.a. for three (3) years; Class A – 2A fixed at 6.75% p.a. for the period to February 12, 2018; Class A – 2B fixed at 6.50% p.a. for the period to February 12, 2018; Class B fixed at 8.00% p.a. for eight (8) years.
Term to Maturity:	Class A – Three (3) years from disbursement; Class B – Eight (8) years from disbursement.
Basis:	30/360 daily basis.
Issue Price:	Class A – 1A – 97.62%; Class A – 1B – 98.66%; Class A – 2A – 97.62%; Class A – 2B – 98.66%; Class B – 96.55%.
Principal and Interest Repayment:	Class A Interest Payments on each Series of the Class A Bond to be paid on a semi-annual basis in arrears commencing 6 months after the issue date. No principal payments during the tenor of Class A Bonds. Principal of each Series of the Class A Bonds to be repaid at maturity via a single Bullet Payment.

SCHEDULE – *Cont'd***TERMS AND CONDITIONS – *Cont'd***

Principal and Interest Repayment: – (<i>Cont'd</i>)	Class B Bond Interest Payments on Class B Bonds to be paid on a semi-annual basis in arrears commencing 6 months after the issue date. Principal on Class B Bonds to be repaid in Sixteen (16) equal semi-annual payments.
Taxes:	All payments of Principal, Interest and all other amounts shall be made in Barbados Dollars or United States Dollars and will be paid without withholding or deductions for, or on account of any taxes imposed by any Government including the Government of Barbados.
Security:	The Bonds shall be secured via a Letter of Comfort pending the provision of a Government of Barbados Guarantee.
Trustee:	First Citizens Trustee Services Limited.
Registrar and Paying Agent:	First Citizens Trustee Services Limited.
Conditions Precedent:	<p>The execution of this transaction will be subject to the fulfillment of the following general Conditions Precedent:</p> <ol style="list-style-type: none"> (1) Irrevocable sovereign guarantee from the Government of Barbados; (2) Executed Letter of Comfort from the Government of Barbados; (3) Absence of any material adverse change in the financial, political, economic or other conditions in Barbados and Trinidad and Tobago that in the sole opinion of the Arranger may affect the successful disbursement and syndication of the Facility between the date of the proposal and the closing date; (4) The successful negotiation, preparation and execution of a final definitive agreement with respect to the Facility, such agreement being satisfactory to the Arranger at their sole discretion and the satisfaction of all conditions contained therein. The Arranger will be bound to arrange the Facility on the terms and conditions referred to in the proposal only after execution of the final Facility Agreements and to the extent of the successful syndication of the Facility; (5) The non-occurrence of material changes in the financial condition or prospects of the Issuer between the date of the proposal and the closing date, that may be expected, in the sole opinion of the Arranger, to have an adverse impact on the marketing of the Facility; (6) Presentation, execution, delivery and perfection of all transaction documentation prior to final disbursement in a form and substance satisfactory to the Arranger and their counsel, incorporating substantially the terms and conditions referred to above;

SCHEDULE – *Concl'd***TERMS AND CONDITIONS – *Concl'd***

Conditions Precedent: – (<i>Cont'd</i>)	<p>(7) Exchange Control Authority (“ECA”) approval to remit payments in US dollars;</p> <p>(8) Submission of financial information as may be required by the Arranger. All financial information to be assessed and deemed satisfactory in the sole opinion of the Arranger;</p> <p>(9) Submission of all relevant company documents by the Issuer;</p> <p>(10) The Facility must be pre-sold prior to disbursement;</p> <p>(11) Class B is also subject to the following:</p> <ul style="list-style-type: none"> (a) approval and execution of the main transaction documents for the financing of the factory upgrade; (b) approval from the Ministry of Finance and the Ministry of Agriculture of Barbados for the factory upgrade; (c) Appointment of an EPC Contractor; (d) the non-occurrence of material changes in the financial condition or prospects of the Issuer since the issue of the Class A Bonds that may be expected, in the sole opinion of the Arranger, to have an adverse impact on the marketing of the Facility. (e) receipt of subscription amounts of Class B Bonds with a principal value of at least BBD 18 500 000 (or USD equivalent); <p>(12) Any other conditions as are standard for Facilities of this nature and as recommended by the Arranger’s Legal Counsel.</p>
Fees:	<p>Registrar and Paying Agent – USD 5 000 annually payable in advance.</p> <p>Trustee – USD 6 000 annually payable in advance.</p> <p>No new fees.</p> <p>All fees inclusive of legal fees, are for the account of the Issuer.</p>
Arrangement fees:	Seventy-five basis points (0.75%) of the face value of the Bonds payable upon initial disbursement of each Class or Series of Class A.
Covenants:	Standard, general covenants as are usual in a facility of this size and nature to be included in the Trust Deed.
Governing Law:	Laws of Barbados.

and moved seconded by Hon. J. D. E. Boyce that the Resolution be passed.

Mr. G. A. Clarke spoke.

Hon. D. St. E. Kellman began to speak.

Mr. G. A. Clarke spoke on a point of order.
Mr. Speaker ruled no point of order.
Hon. D. St. E. Kellman concluded his speech.
Mr. E. G. Hinkson began to speak.
Mr. Speaker vacated the Chair in favour of the Deputy Speaker.
Mr. E. G. Hinkson concluded his speech.
Mr. J. D. Paul spoke.
Mr. Speaker resumed the Chair.
Dr. the Hon. D. C. Estwick spoke.
Hon. Miss M. A. Mottley began to speak.
Hon. D. St. E. Kellman spoke on a point of order.
Hon. Miss M. A. Mottley concluded her speech.
Hon. C. P. Sinckler began to speak.
Hon. Miss M. A. Mottley spoke on a point of order.
Mr. Speaker spoke.
Hon. C. P. Sinckler spoke in reply.
The Resolution was passed.

ADJOURNMENT

Hon. J. D. E. Boyce moved a motion that the House be adjourned to Friday, 9th December, 2016 at 10.00 a.m.

Mr. Speaker spoke.
Rt. Hon. F. J. Stuart seconded the motion.
At 6.30 p.m. the Speaker adjourned the House.

RICHARD P. BYER
Deputy Clerk of Parliament.

The Minutes were certified correct and confirmed the _____ day of _____, 2016.

Speaker.

HOUSE OF ASSEMBLY
PARLIAMENT BUILDINGS
BRIDGETOWN.

HOUSE OF ASSEMBLY

FIRST SESSION OF 2013 – 2018

MINUTES

Tuesday, 6th December, 2016.
