



# MINUTES OF PROCEEDINGS

OF

## The Senate

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The Senate met in the Senate Chamber, Parliament Buildings on Wednesday, the 19th day of November, 2014 at 11.00 o'clock a.m.

### PRESENT

Her Honour Senator Kerryann F. Ifill, B.Sc. (Hons.), M.B.A. (President)

His Honour Senator the Very Reverend H. E. Crichlow, G.C.M., B.A. (Hons.) Dunelm (*Deputy President*)

Senator the Hon. Miss M. P. O. McClean, B.Sc. (Hons.), M.A., M.B.A. (*Minister of Foreign Affairs and Foreign Trade*) (*Leader of the Senate*)

Senator J. Ince, J.P., BB.A., M.B.A., DIP (Mgmt.) (*Parliamentary Secretary, Ministry of Finance and Economic Affairs*)

Senator Dr. the Hon. E. R. Byer Suckoo, M.B., B.S. (*Minister of Labour, Social Security and Human Resource Development*)

Senator R. A. Hunte, J.P.

Senator A. R. Worrell, B.A. (Hons.)

Senator the Hon. D. W. Boyce, B.Sc. (Econ.), M.B.A. (Fin.), CMA, F.C.A. (*Minister in the Office of the Prime Minister*)

Senator Miss V. A. G. De Peiza, B.Sc. (Hons.), LL.M. (Merit)

Senator Dr. J. X. Walcott, M.B., B.S., F.R.C.S. (Edin.), J.P.

Senator the Hon. P. M. T. Todd, B.Sc. (*Minister of State in the Office of the Prime Minister*)

Senator W. A. Abrahams, LL.B. (Hons.)

Senator Mrs. V. I. Sandiford-Garner, CIM, Dip. Mng., M.B.A. (*Parliamentary Secretary, Ministry of Tourism and International Transport*),

Senator Sir Roy Trotman, K.A., M.A.

Senator Prof. Emeritus H. S. Fraser, G.C.M., B.Sc., MBBS, Ph.D., FACP, FRCP

Senator H. A. Husbands, M.L.I.R., B.Sc. (Public Administration) (Hons.), Ed. Cert. (U.W.I.) (*Parliamentary Secretary, Ministry of Education, Science, Technology and Innovation*)

Senator A. A. Adams, J.P., B.A., Ed. Cert., M.Sc. Ed.

Senator K. H. L. Marshall

and

Senator J. A. Watson

**EXCUSES**

Senator Rev. Dr. D. L. Durant, D.D. (Hon.), Senator Dr. Sir Trevor Carmichael, K.A., L.V.O., Q.C., B.Sc. (Econ.), M.A., Ph.D.

Prayers were led by Rev. Father Errington Massiah.

**ANNOUNCEMENTS BY HER HONOUR THE PRESIDENT**

Her Honour the President said that she was in receipt of excuses for absence from Senator Rev. Dr. D. L. Durant and Senator Dr. Sir Trevor Carmichael, both being out of the jurisdiction.

**PAPERS**

By command Senator the Hon. Miss M. P. O. McClean laid the following:

1. Prison (Amendment) Rules, 2014.
2. Annual Report and Financial Statements of the Accountant General for the Financial Year 2012 -2013.

**MOTIONS RELATING TO THE BUSINESS OF THE SENATE****AND MOVED BY A MINISTER**

Senator the Hon. Miss M. P. O. McClean moved the suspension of Standing Order No. 22(1) for the remainder of the day's Sitting. The motion was carried.

**PUBLIC BUSINESS****SECOND READING OF THE MAINTENANCE (AMENDMENT) BILL, 2014****ORDER NO. 1**

On the Order being called for Senator the Hon. Miss M. P. O. McClean to move the second reading of the Bill entitled an Act to amend the Maintenance Act, Cap. 216,

the Hon. Member spoke and moved that the Bill be read a second time.

Senator W. A. Abrahams spoke.

Senator J. Ince spoke.

Senator Prof. Emeritus H. S. Fraser spoke.

Senator R. A. Hunte spoke.

**SUSPENSION**

Senator the Hon. Miss M. P. O. McClean moved the suspension of the Sitting to 2.15 p.m.

At 1 p.m. the President suspended the Senate.

**RESUMPTION**

On resumption Madam President in the Chair.

**ORDER NO. 1(resumed)**

Senator Dr. the Hon. E. R. Byer Suckoo spoke.

Senator A. A. Adams spoke.

Senator Miss V. A. G. DePeiza spoke.

His Hon. Senator the Very Reverend H. E. Crichlow spoke.

Senator A. R. Worrell spoke.

Senator Sir Roy Trotman spoke.

Senator the Hon. P. M. T. Todd spoke.

Senator the Hon. Miss M. P. O. McClean spoke in reply.

On the motion of Senator the Hon. Miss M. P. O. McClean the Senate resolve itself into Committee, His Hon. Senator the Very Reverend H. E. Crichlow in the Chair.

On the separate motion of Senator the Hon. Miss M. P. O. McClean, Clauses 1 to 5, 6 to 10 and 11 to 17 were called and passed.

On the motion of Senator the Hon. Miss M. P. O. McClean the Deputy President reported the passing of the Bill in Committee and Madam President resumed the Chair and reported accordingly.

On the separate motion of Senator the Hon. Miss M. P. O. McClean the Bill was read a third time and passed and the title read and agreed to.

**SUSPENSION**

On the motion of Senator the Hon. Miss M. P. O. McClean the Sitting was suspended to 5.20 p.m.

At 5.02 p.m. the President suspended the Sitting.

**RESUMPTION**

On resumption the President in the Chair.

**ORDER NO. 5 was called.**

Senator the Hon. Miss M. P. O. McClean spoke on the following Resolution:

WHEREAS by section 2 of the *Special Loans Act*, Cap. 105 the Government is authorized from time to time to borrow from any bank, corporation, company or other institution sums of money not exceeding in the aggregate BDS \$2,500,000,000.00 on such terms as may be agreed upon between the Government and the lender of any such sum of money;

AND WHEREAS by section 3 of the said Act it is provided that any money borrowed under the authority of the Act shall be appropriated and applied to such purposes as Parliament may approve by resolution and that such money and any interest payable thereon is charged upon the general revenues and assets of Barbados;

AND WHEREAS the Government considers it necessary to borrow the sum of US\$25.0 million from First Citizens Bank Limited for the purpose of funding the initial deposit required for the Government of Barbados to become a “C” member of the Development Bank of Latin America, on the terms and conditions contained in the Agreement, the main provisions of which are set out in the *Schedule*;

AND WHEREAS the said sum of US\$ 25.0 million is within the authorized borrowing limit given to the Government under section 2 of the said Act;

RESOLVED therefore that Parliament approve the borrowing of the said sum of US\$ 25.0 million from First Citizens Bank Limited to fund the initial deposit required for the Government of Barbados to become a “C” member of the Development Bank of Latin America on the terms and conditions contained in the Agreement, the main provisions of which are set out in the *Schedule*.

Approved by the House of Assembly the 18th day of November, 2014.

#### SCHEDULE

##### TERMS AND CONDITIONS

Borrower:	Government of Barbados (GOB).
Lender:	First Citizens Bank Limited or any of its affiliates.
Amount:	US\$25,000,000,00.
Purpose:	To fund the initial deposit required for the Government of Barbados to become a “C” member of the Development Bank of Latin America (CAF).
Facility Type;	Short term demand loan.
Tenor:	Nine (9) months.
Repayment:	Interest payable monthly and principal to be liquidated in full at maturity.
Commitment Fee:	1.375% of the facility, 0.69% of which is payable upon acceptance of the offer.
Interest Rate:	Six (6) month LIBOR plus 6.42% p.a. Current effective rate 6.75%, net of withholding tax.

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

Conditions precedent: The disbursement of funds on the facility is conditional upon the preparation, execution and delivery of legal documentation in the form and substance satisfactory to the Lender and its Attorneys incorporating substantially the terms set forth in the Term Sheet subject to all conditions precedent being satisfied including but not limited to:

- (i) Letter of Undertaking from Ministry of Finance and Economic Affairs (MOFEA) of Barbados indicating that they will utilize the initial CAF loan facility obtained for the repayment of the proposed facility.
- (ii) Authorisation from all Government Regulatory authorities in Barbados with respect to the facility.
- (iii) Any additional documents as guided by the Attorney-at-Law engaged in the matter.
- (iv) Any further downgrade in credit ratings of Barbados during the term of the loan may result in the review of the terms and conditions of the loan at the Lender's discretion including but not limited to an adjustment to the interest rate. In the event of a further one notch downgrade the interest rate may be increased by 0.5% to 0.75% per annum. The Lender retains the right to renegotiate the terms and conditions of the Credit Facility should downgrades persist.
- (v) Copies of the signed agreements evidencing that the Government of Barbados was considered, assessed and pre-qualified for "C" membership in CAF which is to be reviewed by in-house Legal Counsel and found acceptable to the Lender.
- (vi) Confirmation from CAF that the Government of Barbados will be accepted as a "C" member upon payment of the initial US\$ 25.0 million and benefit from full rights of a "C" member, evidenced by signed agreement between CAF and the Government of Barbados to this effect.
- (vii) Confirmation from CAF regarding the availability of a minimum US\$25.0 million in the first six (6) months of membership being granted.
- (viii) Written confirmation from CAF that loan proceeds may be used to repay proposed facility, to be reviewed by in-house Legal Counsel and found acceptable to the Lender.

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

- (viii) Confirmation from the Central Bank of Barbados that there will be no hindrance to the Government of Barbados remitting the full amount due at maturity to the Bank in accordance with exchange control regulations of Barbados.
- Legal expenses and other expenses: All legal and out-of-pocket expenses incurred by the Bank in connection with the facility is for the account of the Borrower.
- Events of default: Usual and customary for transactions of this type, to include, without limitation, non-payment of principal, interest and fees; violation of covenants; inaccuracy of representations and warranties; cross defaults; bankruptcy. Also any material adverse change being any change in circumstances including without limitation financial and/or trading and/or economic conditions and the political situation whether or not relating to the Borrower, which in the reasonable opinions of the lender would be likely to have a material adverse effect on the Borrower or the ability or willingness to perform or comply with any of its obligations under the facility or under any related finance or security document.
- Cross default: Where
- (a) the borrower has financial indebtedness to any other financial institution and such financial institution becomes entitled to declare such financial indebtedness due and payable prior to its specified maturity as a result of an event of default; and
  - (b) any encumbrance to secure any financial indebtedness of the Borrower to any other financial institution becomes enforceable, the Lender shall immediately be entitled to declare that the facility is cancelled, and/or to demand repayment of all advances together with all interest and other monies due under the Term Sheet including legal fees and related costs that might also be incurred if the facility is cancelled whereupon the same shall become immediately due and payable without presentment, demand, protest or any other notice whatsoever.
- Taxation: All payments by the Borrower will be made free and clear of all present and future taxes, withholdings or deductions of whatsoever nature. The Borrower will also be responsible for the due payment of all levies, imposts, taxes and duties or charges incurred in connection with this facility.
- Governing law: Laws of the Republic of Trinidad and Tobago,

and moved that the Resolution do now pass.

Senator Dr. J. X. Walcott spoke.  
 Senator K. H. L. Marshall spoke.  
 Senator J. Ince spoke.  
 Senator Prof. Emeritus H. S. Fraser began to speak.  
 Senator J. Ince spoke on a point of order.  
 Senator Prof. Emeritus H. S. Fraser concluded his speech.  
 Senator H. A. Husbands spoke.  
 Senator the Hon. P. M. T. Todd spoke.  
 Senator the Hon. D. W. Boyce spoke.  
 Senator J. A. Watson spoke.  
 Senator the Hon. Miss M. P. O. McClean spoke in reply.  
 The Resolution was passed.

### ADJOURNMENT

On the motion of Senator the Hon. Miss M. P. O. McClean the Senate was adjourned to Wednesday, 26th November, 2014 at 11.00 a.m.  
 At 7.48 p.m. The President adjourned the Senate.

RICHARD P. BYER  
 Deputy Clerk of Parliament.

The Minutes were certified correct and confirmed the \_\_\_\_\_ day of \_\_\_\_\_, 2014.

President.

SENATE CHAMBERS  
 PARLIAMENT BUILDINGS  
 BRIDGETOWN.

# **SENATE**

**FIRST SESSION OF 2013 – 2018**

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## **MINUTES**

Wednesday, 19th November, 2014.

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