



MINUTES OF PROCEEDINGS

OF

The Honourable The Senate

The Senate met in the Senate Chamber, Parliament Buildings on Wednesday, the 29th day of March, 2017 at 11.00 o'clock a.m.

PRESENT

Her Honour Senator Miss 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. D. W. Boyce, B.Sc. (Econ.), M.B.A. (Fin.), CMA, F.C.A. (*Minister in the Office of the Prime Minister*)
Senator the Hon. P. M. T. Todd, B.Sc. (*Minister of State in the Office of the Prime Minister*)
Senator Mrs. V. I. Sandiford-Garner, CIM, Dip. Mng., M.B.A. (*Parliamentary Secretary, Ministry of Tourism and International Transport*)
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 J. Ince, J.P., BB.A., M.B.A., DIP (Mgmt.) (*Parliamentary Secretary, Ministry of Finance and Economic Affairs*)
Senator R. A. Hunte, J.P.
Senator Rev. Dr. D. L. Durant, D. D. (Hon.)
Senator A. R. Worrell, B.A. (Hons.)
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 W. A. Abrahams, LL.B. (Hons.)
Senator Sir Roy Trotman, K.A., M.A.
Senator Prof. Emeritus Sir Henry Fraser, K.A., G.C.M., B.Sc., M.B., B.S., Ph.D., FACP, FRCP
Senator Dr. Sir Trevor Carmichael, K.A., L.V.O., Q.C., B.Sc. (Econ.), M.A., Ph.D.
Senator A. A. Adams, J.P., B.A., Ed. Cert., M.Sc. Ed.
Senator J. A. Watson
Senator Carol Lady Haynes, GM, BCH, M.B., B.S., Hon. DSc.

ABSENT

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

Prayers were led by Rev. Father Errington Massiah.

ANNOUNCEMENTS BY HER HONOUR THE PRESIDENT

The President announced the absence of Senators the Hon. Miss M. P. O. McClean and Dr. the Hon. E. R. Byer Suckoo. Both Senators were travelling on Government Business. The Minutes of the meeting of 20th March, 2017, were confirmed.

PAPERS

Senator the Hon. D. W. Boyce by command laid the Invest Barbados Report, 2016.

PUBLIC BUSINESS

Senator Mrs. V. I. Sandiford-Garner spoke on the following Resolution:

ORDER NO. 2

WHEREAS by paragraph (a) of section 3(1) of the *Guarantee of Loans (Companies) Act*, Cap. 96, the Government may, with the approval of Parliament, guarantee the borrowing of such sums by a company from a lending agency as is authorised by the Government;

AND WHEREAS Barbados Conference Services Limited, a company incorporated under the *Companies Act*, Cap. 308 is a company controlled by the Government within the meaning of section 2 of the *Guarantee of Loans (Companies) Act*, Cap. 96;

AND WHEREAS Barbados Conference Services Limited is seeking a loan in the sum of BBD\$17.625 million from First Citizens Bank (Barbados) Limited on the terms and conditions set out in the *Schedule* for the purpose of assisting with the outfitting of new offices at the Lloyd Erskine Sandiford Centre;

AND WHEREAS by virtue of section 4 of the *Guarantee of Loans (Companies) Act*, Cap. 96 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, commission and any other expenses secured by the guarantees; and the Minister of Finance has certified that the aggregate amount of all borrowings guaranteed by the Government and any further borrowings does not exceed the limit;

BE IT RESOLVED that Parliament approve the guarantee by the Minister of Finance of the payment of the principal sum of BBD\$17.625 million and interest thereon to be borrowed by Barbados Conference Services Limited from First Citizens Bank (Barbados) Limited on the terms and conditions set out in the *Schedule* hereto.

APPROVED by the House of Assembly the 24th day of March, 2017.

SCHEDULE

TERMS AND CONDITIONS

Borrower:	Barbados Conference Services Limited
Lender:	First Citizens Bank (Barbados) Limited
Guarantor:	Government of Barbados
Facility:	(i) Bridging Loan – BBD\$17.625 million
	(ii) Demand Loan – BBD\$17.625 million

SCHEDULE – (Cont'd)

TERMS AND CONDITIONS

Amount:	BBD\$17.625 million
Currency:	Barbados dollars
Purpose:	To assist with the outfitting of new offices at the Lloyd Erskine Sandiford Centre.
Interest rate:	Prime less 1.0 percent for a current effective rate of 6.65 percent per annum. Interest will be calculated on the actual number of days elapsed and a 365 day year.
Repayment terms:	<ul style="list-style-type: none"> (i) Bridging Loan – Fifteen (15) months from the date of the first advance with interest to be serviced quarterly. After the fifteen (15) months period the principal debt is to be liquidated by the Demand loan. (ii) Demand Loan – Ten (10) years from the date of the disbursement of the loan. The loan will be repaid by equal monthly installments representing a blended payment of principal and interest of BBD\$201,476.08 commencing from the date of disbursement of the loan.
Fees:	0.5 percent of the facility amount; BBD\$88,125.00.
Security:	<ul style="list-style-type: none"> (i) Letter of Comfort for BBD\$17.625 million; (ii) Guarantee from the Government of Barbados for BBD\$17.625 million; (iii) Assignment of the monthly lease proceeds from the Government departments or agencies occupying the office space.
Prepayment:	Permitted without penalty after three (3) years. The penalty is three (3) months interest at the rate of being charged on the loan.
Conditions precedent:	<p>The Lender shall be obliged to make the Bridging Loan advance unless <i>inter alia</i></p> <ul style="list-style-type: none"> (i) the Lender is provided with written evidence that all statutory approvals, consents and licences are in place and in full force for the building to be outfitted; (ii) the Lender is provided with a detailed costing of the budgeted expenses for the works to be undertaken or reviewed by a quantity surveyor and supported by a drawdown schedule for review; (iii) a Letter of Comfort is held pending provision of the government guarantee supported by a legal opinion from the Lender's legal counsel that the interim Letter of Comfort will provide the same collateral benefits and be treated as if it were a government guarantee;

SCHEDULE – (Cont'd)

TERMS AND CONDITIONS

- Conditions precedent:
– (Cont'd)
- (iv) there is a satisfactory review of the fixed price contract for the outfit of the office space and all other contract documents and agreements;
 - (v) there is a satisfactory review of copies of the lease agreements with the Ministry of Housing, Lands and Rural Development;
 - (vi) there is a legal opinion from the Lender's legal counsel confirming that there will be no negative implications to the Lender entering into an Agreement with the Borrower in light of the company's insolvent Balance Sheet;
 - (vii) there is written conformation that all cost over runs will be met by the Borrower or the Government of Barbados;
 - (viii) a certificate of practical completion is evidenced to the Lender upon completion of the outfitting works.

Events of default: The following are the events of default:

- (1) 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 Lender.
- (2) 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.
- (3) 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 Lender in writing.)
- (4) 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.
- (5) 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.
- (6) 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.

SCHEDULE – (Concl'd)

TERMS AND CONDITIONS

- Events of default: (7) If the Borrower is unable or admits in writing its inability to pay its debt 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 for all or any of its obligations, or proposes, makes or enters into a general assignment, arrangement or composition with 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.
- (Cont'd)
- (8) If there shall, in the opinion of the Lender, 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.
- (9) If any representation, warranty or statement which is made or deemed to have been made 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 Lender in connection with this Facility Letter, is untrue and incorrect in any material respect when made or deemed to have been made.
- (10) If any obligation or other provision in any Security Document terminates or ceases to be 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.
- (11) 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.
- (12) If any of the matters referred to in (1) and (3) through (11) above are applicable to a Guarantor.
- (13) 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.

Governing Law: The law of Barbados.

and moved that the Resolution do now pass.

Senator Prof. Emeritus Sir Henry Fraser spoke.

Senator H. A. Husbands began to speak.

His Honour Senator the Very Reverend H. E. Crichlow spoke on a point of order.

The President spoke.

Senator H. A. Husbands concluded his speech.

Senator R. A. Hunte spoke.

Senator J. A. Watson spoke.

SUSPENSION

Senator the Hon. P. M. T. Todd moved the suspension of the Senate to 2.13 p.m.

At 12.54 p.m. The President suspended the Sitting.

RESUMPTION

On resumption Madam President in the Chair.

ORDER NO. 2 (resumed)

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

Senator J. Ince spoke.

Senator the Hon. D. W. Boyce spoke.

Senator Mrs. V. I. Sandiford-Garner spoke in reply.

The Resolution was passed.

ADJOURNMENT

Senator the Hon. D. W. Boyce moved the adjournment of the Senate *sine die*.

At 3.15 p.m. The President adjourned the Senate *sine die*.

RICHARD P. BYER

Deputy Clerk of Parliament.

The Minutes were certified correct and confirmed the
, 2017.

day of

President.

SENATE CHAMBERS
PARLIAMENT BUILDINGS
BRIDGETOWN.

SENATE

FIRST SESSION OF 2013 – 2018

MINUTES

Wednesday, 29th March, 2017.
