



No. 3 of 2011

**PRIVATISATION OF THE BAHAMAS TELECOMMUNICATIONS
COMPANY LIMITED ACT, 2011**

**AN ACT TO FACILITATE THE PRIVATISATION OF THE BAHAMAS
TELECOMMUNICATIONS COMPANY LIMITED AND FOR
CONNECTED PURPOSES**

[Date of Assent - 1st April, 2011]

Enacted by the Parliament of The Bahamas

PART I – PRELIMINARY

1. Citation and commencement.

- (1) This Act may be cited as the Privatisation of The Bahamas Telecommunications Company Limited Act, 2011.
- (2) This Act shall come into force on a date to be appointed by the Minister by notice published in the Gazette.

2. Interpretation.

In this Act, unless the context otherwise requires —

“BaTelCo” means The Bahamas Telecommunications Corporation established by virtue of section 3 of the Corporation Act;

“BTC” means The Bahamas Telecommunications Company Limited, a company limited by shares and incorporated, pursuant to section 22 of the Telecommunications Act, under the Companies Act (Chapter 308);

“BTC Pension Plan” means The Bahamas Telecommunications Corporation Retirement Plan for Full-Time Employees, inclusive of the rules from time to time in force governing its operation and the

provisions of the deed dated 31st December, 2002 entered into by BTC by which the initial trustee of the Pension Plan was appointed;

“Corporation Act” means The Bahamas Telecommunications Corporation Act, 1966 (Chapter 303);

“Feeder Trust” means the trust to be established by virtue of a trust deed made between the Treasurer, BTC, the Trustee and the trustee of the BTC Pension Plan for the purpose of being the vehicle through which the Government will contribute funding towards the BTC Pension Plan;

“Government” means the Government of the Commonwealth of The Bahamas;

“Minister” means the Minister with responsibility for BTC;

“Order” means The Telecommunications (The Bahamas Telecommunications Company Limited) Vesting Order, 2002 (S.I. No. 103 of 2002);

“Privatisation Date” means the date of completion of the sale and purchase of a majority of shares in BTC under the agreement for such sale and purchase;

“Real Property Tax Act” means the Real Property Tax Act (Chapter 375);

“Shareholders’ Agreement” means an agreement to govern the relationship of the shareholders of BTC to be made between the Treasurer, CWC Bahamas Holdings Limited, BTC and Cable & Wireless (West Indies) Limited upon the privatisation of BTC, pursuant to which the Government will agree, *inter alia*, to establish the Feeder Trust and to provide for its funding by way of certain legacy contribution arrangements as set out in the Shareholders’ Agreement and the Feeder Trust;

“Telecommunications Act” means the Telecommunications Act, 1999 (Chapter 304);

“Treasurer” means The Treasurer of the Commonwealth of The Bahamas, being the corporation sole with that name constituted and existing by virtue of the Ministry of Finance Act, (Chapter 23);

“Trustee” means the trustee for the time being of the Feeder Trust in its capacity as such trustee.

3. Application.

This Act binds the Crown.

PART II – VESTING OF PROPERTY IN BTC

4. Vesting of Property.

- (1) There is vested in BTC and or confirmed as vesting in BTC all those freehold properties listed in the First Schedule, in respect of which title documents have not been issued or have been lost, which are or were previously Crown lands coming under the use, management, control, operation, possession and or ownership of BaTelCo pursuant or subsequent to the Corporation Act and became, or should have become, vested in BTC pursuant to the Order.
- (2) The Treasurer shall, contemporaneously with the privatisation of BTC, execute in favour of BTC a conveyance of all those freehold properties currently vested in the Treasurer and listed in the Second Schedule which were vested in the Treasurer for purposes of telecommunications by virtue of —
 - (a) the Public Boards (Divesting of Title) Act (*No. 12 of 1964*); and
 - (b) the Acquisition of Land Act (*Ch. 252*).
- (3) All conveyances by the Treasurer to BaTelCo of the freehold properties listed in the Third Schedule and any subsequent conveyances of such properties by BaTelCo to BTC made before the date on which this Act comes into force are hereby confirmed and validated.

PART III – REAL PROPERTY TAX

5. Real Property Tax.

For the period commencing from the date of the Order up to (and including) the Privatisation Date there shall be exempt from real property taxes under the Real Property Tax Act (*Ch. 375*) all properties owned by BTC and or vested, or to be vested, in BTC pursuant to this Act.

PART IV – FUNDING OF THE BTC PENSION PLAN

6. Power to establish Feeder Trust from which to fund the BTC Pension Plan.

The Government may, without prejudice to its powers pursuant to the Ministry of Finance Act (*Ch. 23*), undertake all or any of the following, namely —

- (a) establish pursuant to its obligations under the Shareholders' Agreement, and upon such trusts as it may consider appropriate, the Feeder Trust for the purpose of, inter alia —
 - (i) providing security for the BTC Pension Plan;
 - (ii) funding certain payments on behalf of BTC to the BTC Pension Plan from which funding arrangements payments shall henceforth be made, as they may from time to time fall due, in accordance with the trusts thereby established; and
- (b) pursuant to its obligations under the Shareholders' Agreement, settle on the trusts of the Feeder Trust the sum of thirty-nine million Bahamian dollars (BS\$39,000,000).

7. Further funding of the Feeder Trust on depletion of initial monies.

The Government may, without prejudice to any powers pursuant to the Financial Administration and Audit Act (*Ch. 359*), undertake all or any of the following, namely —

- (a) enter into obligations to pay, and thereafter to pay, to the Trustee, at such time or times as may be considered appropriate, such further amounts, in addition to the sum referred to in paragraph (b) of section 6, as may from time to time be necessary or desirable in order to permit the Trustee to satisfy its obligations in respect of the BTC Pension Plan; and
- (b) enter into obligations to pay, and thereafter to pay, to the Trustee upon the intended cessation of any arrangements pursuant to paragraph (a) of section 6 such final amount as may be necessary or otherwise agreed with BTC in order to permit the Trustee to satisfy, by way of pre-payment and in full and final settlement, all obligations of the Trustee to the BTC Pension Plan.

PART V – DISSOLUTION OF THE BAHAMAS TELECOMMUNICATIONS CORPORATION

8. Vesting of any remaining assets into BTC.

There is transferred from BaTelCo and vested in BTC any and all properties, including real properties not included in Part II, and all rights, benefits and other assets as are currently vested in BaTelCo.

9. Dissolution of BaTelCo.

The Bahamas Telecommunications Corporation established by virtue of section 3 of the Corporation Act is dissolved.

PART VI – REPEALS

10. Repeals.

The following Acts are repealed—

- (a) The Bahamas Telecommunications Corporation Act (*Ch. 303*); and
- (b) The Telecommunications Act (*Ch. 304*).

PART VII – FUTURE SALES OF SHARES IN BTC

11. Sale of Shares in BTC.

No shares in BTC vested in the Treasurer shall be transferred without the prior approval of the House of Assembly signified by resolution thereof.