

THE HERITAGE AND STABILISATION FUND (NO. 2) BILL, 2006

Amendments made in the House of Representatives Wednesday January 17, 2007.

First Column	Second Column
Clause	Extent of Amendments
2	In the definition “petroleum taxation revenues”, delete the word “taxation”.
3	In sub-clause (2) delete and substitute the following paragraph (c): “(c) provide a heritage for future generations of citizens of Trinidad and Tobago, from savings and investment income derived from the excess petroleum revenues.”.
4	A. At sub-clause (1) delete the words “to manage” and substitute the word “for”; B. At sub-clause (2) delete all the words occurring after the word “law” and substitute the following- “including an officer of – (a) the Central Bank; and (b) the Ministry.” ; C. Delete sub-clause (5) and substitute the following: “Second Schedule Act No. 18 Of 1993 (5) In addition to the competencies mentioned in subsection (2), each member shall be required to satisfy the criteria for a fit and proper person contemplated in paragraphs (2) and (3) of the Second Schedule of the Financial Institutions Act, 1993.”;
5	A. At sub-clause (3) delete the words “of his alternative”;

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- B. Delete sub-clause (4) and substitute the following:
“(4) A meeting shall not be held without at least one member appointed in accordance with section 4(2) (a) or (b) being present.”;
- C. At sub-clause (5) delete the words “or their alternatives”;
- D. In sub-clause (6) after the word “present” insert the words “and in the event of an equality of votes, the Chairman or in his absence the member presiding, shall have a second or casting vote.”.
- E. Delete sub-clause (7) and renumber sub-clause (8) as sub-clause (7).
- F. Insert at the end of renumbered sub-clause (7) the words “and these rules shall be subject to negative resolution of Parliament.”.

New clause 6

Insert the following new clause:

“Resignation
of members

6. The Chairman may resign his office by letter addressed to the President and a member may resign his office by letter addressed to the President through the Chairman.”.

Clauses 6 to 12

Renumbered as clauses 7 to 13 accordingly.

7 (renumbered)

- A. Delete paragraph (c) and substitute the following:
“(c) discloses information contrary to section 18, or fails to disclose an interest under section 19;”;
- B. At the end of paragraph (d) delete the full stop and substitute the words “; or”;
- C. New paragraph (e) is inserted as follows:
“(e) no longer meets the criteria for a fit and proper person within the context of section 4(5).”

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- 8 (renumbered)**
- A. Delete the word “thereafter”; and
 - B. Insert after the word “membership” the words “or the termination thereof whether by death, resignation or effluxion of time or for any other reason”.
- 9 (renumbered)**
- A. At paragraph (a) insert after the word “Fund” the words “based on prudential standards used by the Central Bank for investments of a similar nature.”;
 - B. Delete the words “day to day” from paragraph (b).
 - C. At paragraph (d) insert after the word “necessary” the words “to carry out the purposes of the Fund.”.
- 10 (renumbered)**
- A. Delete and substitute the following:
“Delegation to the Central Bank as Manager of the Fund 10. (1) The Board shall delegate its responsibility for the management of the Fund to the Central Bank.
(2) The terms and conditions of the delegation of responsibility referred to in subsection (1), shall include the matters set out in the Schedule and shall be published in the Trinidad and Tobago *Gazette* by Notification issued by the Minister.”.
- 11 and 12 (renumbered)**
- A. Insert after the word “Interim” wherever it occurs, the word “Revenue”.
- 12 (renumbered)**
- A. Delete paragraph (b) and substitute the following:
“(b) petroleum revenues deposited into the Fund in accordance with section 13; and”.

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13 (as renumbered)

Delete entire clause.

13

At sub-clause (1):

- A. in paragraph (a) delete the words “deposited to the Fund” and substitute the words “withdrawn from the Consolidated Fund and deposited to the Fund in accordance with section 14(1)”;
- B. in paragraph (b):
 - (i) Delete the word “them” and substitute the words “such estimated revenues”; and
 - (ii) Delete all the words appearing after the words “excess revenue” and substitute the words “shall be withdrawn from the Consolidated Fund and deposited to the Fund in accordance with section 14 (1)”;
- C. At sub-clause (4) delete the words “and section 15”.

14

A. In sub-clause (1):

- (i) in the marginal note delete the word “annual”;
 - (ii) delete the words “surplus petroleum revenues” and substitute the words “excess revenues shall be” and delete the words “shall be credited to the Financial Investment account”.
- B. At sub-clause (2) insert after the word “revenues” the words “to be”.

15

- A. Delete the word “Where” and substitute the words “(1) Subject to subsections(2) and (3) where the ” at the commencement thereof;
- B. in paragraph (a) delete the word “quarter” and substitute the word “year”;
- C. in paragraph (b) delete the word “quarter”;

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- D. Insert the following new subsections (2) and (3):
- “(2) The amount withdrawn from the Fund in accordance with subsection (1), shall be deposited into the Consolidated Fund within forty-eight hours of such withdrawal.
- (3) Notwithstanding subsection(1), no withdrawal may be made from the Fund in any financial year, where the balance standing to the credit of the Fund would fall below one billion dollars in the currency of the United States of America, if such withdrawal were to be made.”.

18

- A. Delete the words “18(1)” and substitute the word “18”; and
- B. Delete subsection (2).

19

- A. Delete sub-clause (1) and substitute the following:
- “19(1) Every member of the Board shall give in writing notice to the Board of all direct or indirect pecuniary interests that they have or acquired in any business or in any body corporate carrying on any business involving the Fund.”;
- B. At sub-clause (3)
- (i) delete the words “subsection (1)” and substitute the words “this section”; and
- (ii) delete the word “meeting” and substitute the word “meetings”.

Insert the following new sub-clause (4):

- “(4) A member or person referred to in this section and section 18 who-
- (a) fails to do anything required by this section; or
- (b) unlawfully discloses any document or information pertaining to the operation or management of the Fund or uses any such document or information for his personal benefit or advantage,
- commits an offence, and is liable on summary conviction to a fine of five hundred thousand dollars and to two years imprisonment.”.

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In sub-clause (2) delete the word “principles” and substitute the words “practices and international accounting standards adopted by the Institute of Chartered Accountants of Trinidad and Tobago.”.

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Delete the word “a” and insert after the word “review” the words “by the Minister who shall submit a report to the Parliament”.

Schedule

Delete the words “section 9” and substitute the words “section 10(2).”.

**Paragraph A
of the Schedule**

Paragraph A is amended as follows:

- (i) In the heading, delete the words “Investment Entity” and substitute the words “the Central Bank.”.
- (ii) In the opening words delete the words “Investment Entity” and substitute the words “Central Bank as Manager of the Fund.”.

Subparagraph (a)

In sub-paragraph (a):

- (i) insert after the word “assets” the words “and other resources” and delete the word “person” and substitute the word “investor”.

Subparagraph (b)

- (ii) In subparagraph (b) insert after the word “asset” the words “and other resources”.

Subparagraph (c)

- (iii) In subparagraph (c) delete the word “eg” and substitute the word “such as”.

Subparagraph (d)

- (iv) In subparagraph (d) delete the word “appointment ” and substitute the word “selection” and delete the words “, such custodian to be approved by the Board”.

**Paragraph B
of the Schedule**

- (i) In the heading delete the words “Investment Entity” and substitute the words “of Central Bank”.

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**Paragraph B
of the Schedule
Con't**

- (ii) In the first sub-paragraph delete the words “Investment Entity” and substitute the words “Central Bank as Manager of the Fund”; and
- (iii) In the second sub-paragraph delete the words “Investment Entity” wherever they occur and substitute the words “Central Bank”.

**Paragraph C
of the Schedule**

Paragraph C is amended as follows:

Delete the words “Investment Entity” where they first occur and substitute the words “Central Bank as Manager of the Fund” and in the second place where they occur delete and substitute the words “Central Bank”.

2007/01/19