

DARWN AND PREPARED BY

Douglas B. Trotman
Attorney-at-Law
Black Jacobin Chambers
Couva House
Belmont Road
St. Michael
Tel No. 850-1261

BARBADOS
No. 4 of 2003

SUPREME COURT OF BARBADOS
IN THE HIGH COURT OF JUSTICE

In the Matter of the Bankruptcy And
Insolvency Act; 2001-34;

And In the Matter of a Notice of Intention
Pursuant to Section 16 of the Bankruptcy and
Insolvency Act;

And In the Matter of the Companies Act
Cap. 308 of the Laws of Barbados;

And In the Matter of GRANT HOTELS INC.
(GHI).

APPLICANT/DEBTOR

AND

REPUBLIC BANK (BARBADOS) LIMITED

CLASS 1 SECURED CREDITOR

AFFIDAVIT IN SUPPORT

I, Thomas W.K. Grant, a Businessman of Long Bay in the parish of St. Philip make oath
and say as follows:

1. That Mr. Douglas Trotman acted as attorney at law for Grant Hotels Inc.
(In Insolvency) and negotiated the settlement for 58.1 acres of lands
compulsorily acquired on 23rd February 2015 by the government of

Barbados. The negotiated sum was Fifty-Two Million Four Hundred Thousand Dollars (\$52,400,000.00) Barbados currency on which interest accrued at the rate of 6% per annum.

2. The government paid Eight Million Dollars (\$8,000,000.00) Barbados currency on the 30th August 2015. Notwithstanding repeated requests to pay the balance inclusive of interest accrued the government while making promises to pay invariably failed refused and or neglected to do so
3. Formal correspondence was sent to the Permanent Secretary of the Ministry of Housing on 16th November 2020 demanding the balance inclusive of any interest accruing there on to be paid on or before the 14th of December 2020 failing which an application would be made for an attachment to the government's consolidated fund.
4. That efforts by Mr. Trotman to recover the outstanding sum over the last 5 years finally resulted in a non-contentious settlement which resulted in an agreement dated 25th January 2021 to pay the outstanding balance (as discounted) in the sum of Fifty Six Million, Four Hundred and Seventy Two Thousand, Five Hundred and Sixty Five Dollars (\$56,472,565.00) Barbados currency. A copy of the letter from Mr. Timothy O. Maynard, Permanent Secretary, Ministry of Housing, Lands and Maintenance confirming settlement between the parties and outlining the terms thereof is attached and marked "TG1".
5. This Application is made to obtain an Order from this Honourable Court to authorise the Registrar of the Supreme Court to pay the sum of Six Million Six Hundred and Thirty Eight Thousand Four Hundred and Sixty Three Thousand Dollars and Eighty Nine Cents ((\$6,638,463.89) to Mr. Douglas Trotman, Attorney-at-Law as legal fees inclusive of VAT out of funds held

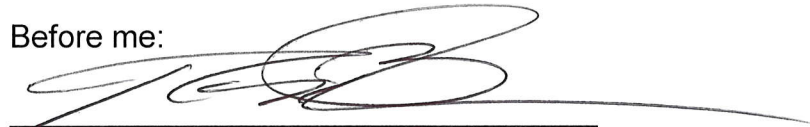
by the Registrar of the Supreme Court of Barbados being the property of Grant Hotels Inc.

6. The invoice of Mr. Trotman is attached and marked "TG2"
7. That the facts stated herein are known to me personally and are true to the best of my knowledge information and belief.

SWORN TO by the said
Thomas W. K. Grant
At Hincks Street, Bridgetown,
St. Michael
on the *2nd* day of *Nov* 2021)



Before me:



Attorney-at-Law

ROSE BLENMAN
ATTORNEY-AT-LAW
KADISON CHAMBERS
NO 7 THOMAS DANIEL BUILDING
HINCKS STREET, BRIDGETOWN
TEL: (246) 229-1241

"TQA"



MINISTRY OF HOUSING, LANDS AND MAINTENANCE

National Housing Corporation Building,
"The Garden", Country Road, St. Michael
BARBADOS BB11081

Tel: No: (246) 467-7800 Fax: (246) 435-0174



Making Barbados Work Better

Our Ref: 0305/99 Vol. I
In Replying, the above Number and Date of this Letter should be quoted

Date: January 25, 2021

Black Jacobin Chambers
Attorneys-at-law
Couva House
Belmont Road
ST. MICHAEL

Attn: Mr. Douglas Trotman

Dear Sirs:

Re: Proposed Settlement of Compulsory Acquisition of Property known as Sam Lords Castle - CV Claim No. 4 of 2003

I refer to all previous meetings and correspondence in the captioned matter which sought to address and bring finality to the issue of the payment of compensation by the Government of Barbados for the compulsory acquisition of 58.1 acres of land at Long Bay, St. Philip, said to be the property of Grant Hotels Inc.

The meetings, by Zoom, were held on December 16, 2020 and January 6, 2021, and were chaired by the Director of Finance and Economic Affairs, Mr. Ian Carrington, and included Creditors of Grant Hotels Inc. (GHI) (In Insolvency) who claimed entitlement to compensation pursuant to the said acquisition, as well as officials of the Ministry of Housing, Lands and Maintenance ("the Ministry").

Pursuant to said meetings, a (Draft) Agreement dated January 11, 2021 was prepared by the Ministry and circulated for comment to all parties mentioned therein. Responses were received as follows:

- Letter dated January 13, 2021 from Messrs Clarke Gittens Farmer, Attorneys-at-law, representing CLICO Holdings (Barbados) Limited (CHBL);
- Email dated January 15, 2021, from Mr. Andrew Ferreira, Q.C., representing Republic Bank (Barbados) Limited;

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DATE: January 25, 2021

- Email dated January 15, 2021, from Mr. Christopher Hamel-Smith, S.C., representing Millennium Investments Limited;
- Email dated January 18, 2021, with letter attached of the same date, from Mr. Douglas Trotman, Attorney-at-law, representing Grant Hotels Inc.;
- Email dated January 20, 2021, from Mr. Christopher Hamel-Smith, S.C., with letter attached of the same date, representing Millennium Investments Limited.

Following the responses, a Final Agreement incorporating the views of all relevant parties has now been prepared and is attached as a Schedule hereto for the reference of all parties mentioned herein.

Yours faithfully



TIMOTHY O. MAYNARD
Permanent Secretary

- Copied to:**
- (1) Director of Finance, Economic Affairs and Investment
Ministry of Finance, Economic Affairs and Investment
 - (2) Permanent Secretary, Ministry of Finance
Ministry of Finance, Economic Affairs and Investment
 - (3) Solicitor General
Solicitor General's Office
 - (4) Mr. Stuart Layne, Chief Executive Officer
Barbados Tourism Investment Inc.
 - (5) Mr. Ramon Alleyne, Q.C.
Clarke Gittens Farmer, Attorneys-at-law

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Attorneys-at-law

DATE: January 25, 2021

- (6) Sir Henry Forde, K.A., Q.C.
Juris Chambers, Attorneys-at-law
- (7) Mr. Christopher Hamel-Smith, S.C.
Hamel-Smith Caribbean, Attorneys-at-law
- (8) Mr. Andrew Ferreira, Q.C.
Chancery Chambers, Attorneys-at-law
- (9) Ms Ester Springer
Supervisor of Insolvency
- (10) Mr. Alvan Babb
Simmons, Babb and Co, Attorneys-at-law

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Attorneys-at-law

DATE: January 25, 2021

THE SCHEDULE HEREINBEFORE REFERRED TO

TERMS OF THE FINAL AGREEMENT AMONG ALL RELEVANT PARTIES CLAIMING ENTITLEMENT TO COMPENSATION WITH RESPECT TO THE COMPULSORY ACQUISITION OF 58.1 ACRES OF LAND AT LONG BAY, ST. PHILIP STATED TO BE THE PROPERTY OF GRANT HOTELS INC.

The revised terms of the Settlement agreed between the Ministry of Housing, Lands and Maintenance and all legitimate Claimants under the *Land Acquisition Act*, Cap. 228 are as follows:

- a) The Ministry of Housing, Lands and Maintenance (the Ministry) acknowledges an original debt of \$52.4 million in principal to Grant Hotels Inc. (GHI) in relation to the compulsory acquisition of said property. The Ministry is also aware that there are several Creditors with respect to the property;
- b) The sum of \$8 million was paid into the Court on March 30, 2016, of which the sum of \$3,462,706 was applied to interest then accrued, leaving a balance on principal of \$47,862,706;
- c) The Ministry, GHI and all Claimants herein mentioned entitled to compensation, acknowledge that as at December 31, 2020, the total interest payable with respect to the land acquisition had amounted to \$13,666,441 and the full extent of the principal, interest and compensation then due and owing as a result of the acquisition amounted to \$56,472,565. A breakdown of all sums due and owing is attached hereto as **Appendix I**;
- d) During the period from January 31, 2021 to September 30, 2022, the Ministry, via the Ministry of Finance, Economic Affairs and Investment, will pay into Court in 21 equal amounts of **\$2,689,169.77**, the sum of \$56,472,565 via non-interest bearing Series F Bonds in full and final satisfaction of all and any principal, interest and compensation payable with respect to the said compulsory acquisition;

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- e) Effective January 1, 2021, GHI and all Claimants entitled to compensation for the said compulsory land acquisition under the Act will waive 37% of the accrued interest of \$13,666,441 payable in this matter, that is to say \$5,056,583, once payment of instalments on principal commence by January 31, 2021;
- f) As of January 1, 2021, all and any accrued or future interest in this matter will be forever waived, frozen and forgiven in favour of the Ministry and the Government of Barbados;
- g) Taking into account the collaborative efforts required for payment among the Ministry of Finance, Registrar of the Supreme Court, Central Bank of Barbados and the Treasury Department, the Ministry of Housing, Lands and Maintenance undertakes to pay each and every instalment as it falls due by the fifteenth (15th) day following the end of every month in respect of which the payment is due and payable;
- h) If at any time during the repayment period as herein defined and agreed the instalment payments shall be in arrears for a total exceeding six (6) months in the aggregate (of which time shall be of the essence) the Government of Barbados agrees to pay into Court in full the outstanding balance then remaining on the total compensation sum of \$56,472,565 within 28 days of a demand made in writing by GHI.
- i) Provided that the Government of Barbados observes the terms and conditions of the Agreement made herein all parties claiming entitlement to said compensation hereby completely absolve and release the Government of Barbados and the Ministry of any responsibility for payment of said compensation.

APPENDIX I

Principal & Interest to be paid on Government's Compulsory Acquisition of Sam Lord's Castle	23rd Feb 2015 to 23rd Mar 2016	
Sam Lord's Government Acquisition Date & Value		\$52,400,000.00
Interest Rate	6%	
BTII Payment into Court Date & Amount March 30, 2016		\$8,000,000.00
No. days (23 February 2015 to 30th March 2016)inclusive	402	
Daily interest (($\$52,400,000 \times 6\%$)/365)	\$8,613.70	
Payment 1st Applied to Interest to Date of Payment (402 x \$8,613.70)		\$3,462,706.85
Payment then applied to Principal. ($\$8,000,000 - \$3,462,706.85$)		\$4,537,293.15
Principal Outstanding 31 March 2016. ($\\$52,400,000 - \\$4,537,293.15$)		\$47,862,706.85
Interest from 31 March 2016 to 31 December 2020		
No. days. (31st March 2016 to 31st December 2020)inclusive	1737	
Daily interest ($\$47,862,706.85 \times 6\%$)/1,737 days)	\$7,867.84	
Interest during period from 31st March 2016 to 31st December 2020)	\$13,666,441.94	
Discount on Interest Owing	37%	
Discount (37% x \$13,666,441.94)	\$5,056,583.52	
Interest Less Discount Amount ($\$13,666,441.94 - \$5,056,583.52$)		\$8,609,858.42
Total Principal & Discounted Interest ($\\$47,862,706.85 + \\$8,609,858.42$)		\$56,472,565.27
Payments Series F Bonds from 31 Jan 2021 through 30 Sept 2022 ($\\$56,472,565.27 / 21$)		<u>\$2,689,169.77</u>

'TQ2'

BLACK JACOBIN CHAMBERS

Douglas B. Trotman, BSc, MEng, LLB, LEC
Attorney-at-Law & Expert Generalist
Couva House, Belmont Road, St. Michael, BB11117, Barbados, W.I
Tel: 1-246-850-1261 or 1-869-766-8439 email: bimskins@gmail.com
V.A.T. Registration number: N 600001009

24th February 2021

Mr. Ramon Alleyne Q.C.
Attorney-at-Law
Clarke Gittens and Farmer
Parker House, Wildey Business Park
St. Michael

Dear Sir,

Re: Invoice for Debt Recovery of \$56,472,565.00

I continue to act on behalf of Grant Hotels Inc. (In Insolvency). (GHI)
Having negotiated the sum to be paid by government for the compulsory acquisition of the 58.1 acres of **(GHI)**'s property (2014 to 2015) with the crown paying only \$8 million dollars, a debt remained outstanding to GHI.

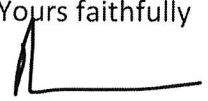
Requests to government for completion of its obligations (2015 to 2019) were consistently ignored and a debt recovery process was initiated with correspondence to the PS Housing and to Mr. Kevin Greenidge of the IMF Unit which resulted in meetings of the week of 14th December 2020 ending with the agreement of January 25 2021. Under section 8 of the LEGAL PROFESSION (ATTORNEYS-AT-LAW) (REMUNERATION FOR NON-CONTENTIOUS BUSINESS)

RULES, 1997 the legal fees are calculated as follows:

- | | |
|---|-----|
| On the first \$50 000 | 15% |
| Thereafter | 10% |
| (a) 15% of \$50,000.00 = \$7,500.00 | |
| (b) \$56,472,565.00 - \$50,000.00 = \$56,422,565.00 | |
| 10% of \$56,422,565.00 = \$5,642,256.50 | |

Total legal fees payable for collection is (\$7,500.00 + \$5,642,256.50) = \$5,649,756.50.
VAT on \$5,649,756.50 at 17.5% is \$988,707.39. Total fees plus VAT: **\$6,638,463.89.**

This letter serves as notice to CLICO Holdings (Barbados) Limited that I will be making an application for the legal fees of **\$6,638,463.89** to be paid out of GHI funds held by the Registrar of the Supreme Court.

Yours faithfully


Douglas Trotman

