

**Proceedings
of the
Honourable House of Assembly
Session of 2017-2018**

No. 25

Friday, 27th April, 2018

Members Present: His Honour the Speaker, Jeanne J. Atherden, C. Walton Brown, Derrick V. Burgess, E. David. G. Burt, Wayne M. Caines, L. Craig Cannonier, Rolfe P. Commissiong, Zane J.S. DeSilva, Michael H. Dunkley, Thomas C. Famous, Lovitta F. Foggo, Tinee S. Furbert, Wayne L. Furbert, Dr. E. Grant Gibbons, Patricia J. Gordon-Pamplin, Susan E. Jackson, Dennis J. Lister III, Renee D.L. Ming, Trevor G. Moniz, Sylvan D. Richards, Walter H. Roban, Leah K. Scott, W. Lawrence Scott, Michael J. Scott, Jamahl S. Simmons, Scott A. Simmons, N.H. Cole Simons, Ben A. Smith, H. Kim. E. Swan, Neville S. Tyrrell, Kim N. Wilson, Michael A. Weeks.

10:07 a.m.

Prayers

Minutes of the Meeting of 13th April, 2018 were confirmed.

MR. SPEAKER announced that the following Members will be absent from today's meeting: Lt. Col. D.A. Burch and Mr. D.V.S. Rabain.

MR. SPEAKER announced that in accordance with the Bermuda Constitution Order 1968 section 31(1) (b), Mr. J.C. Baron had formally submitted his resignation as a Member of the House of Assembly, effective as of 25th April, 2018.

10:09 a.m.

Papers and Communications to the House:

MR. W.H. ROBAN read the following communication to the Speaker:-

TO HIS HONOUR THE SPEAKER:

I have the honour to attach and submit for the information of the Honourable House of Assembly, the "Electricity (Licence Threshold) Regulations 2018" as made by the Minister responsible for

Energy, under the provision of section 5 of the Regulatory Authority Act 2011.

Mr. W.H. Roban
Minister of Transport and Regulatory Affairs

10:09 a.m.

Statements by Ministers and/or Junior Ministers:

MR. W.H. ROBAN read a Ministerial Statement regarding the "Emerging Space Economies".

MS. L.F. FOGGO read a Ministerial Statement providing the "2018 Update on Union Negotiations".

MS. K.N. WILSON read a Ministerial Statement on "Celebrating Life with the Gift That Keeps Giving".

MR. J.S. SIMMONS read a Ministerial Statement on the "BEDC Enterprise Bermuda Incubator Programme".

MR. W.M. CAINES read a Ministerial Statement concerning the "Explanation of the Termination of the GVI Initiative".

10:50 a.m.

Question Period:

DR. E.G. GIBBONS asked a question to Mr. W.H. Roban on his Ministerial Statement regarding the “Emerging Space Economies”.

DR. E.G. GIBBONS asked a second question.

MR. M.H. DUNKLEY asked a question to Ms. L.F. Foggo on her Ministerial Statement providing the “2018 Update on Union Negotiations”.

Mr. M.H. Dunkley asked a supplementary question.

MR. M.H. DUNKLEY asked a second question.
Mr. M.H. Dunkley asked a supplementary question.
Mr. M.H. Dunkley asked a second supplementary question.

MR. M.H. DUNKLEY asked a third question.
Mr. M.H. Dunkley asked a supplementary question.
Mr. M.H. Dunkley asked a second supplementary question.

MR. M.H. DUNKLEY asked a question to Mr. W.M. Caines on his Ministerial Statement concerning the “Explanation of the Termination of the GVI Initiative”.

Mr. M.H. Dunkley asked a supplementary question.
Mr. M.H. Dunkley asked a second supplementary question.

MR. M.H. DUNKLEY asked a second question.

11:06 a.m.

**Congratulatory and /or Obituary Speeches:
(Please refer to the House Hansard)**

12:13 p.m.

Introduction of Bills:

MR. W.L. FURBERT, on behalf of Mr. E.D.G. Burt, introduced and read for the first time by its title a Bill entitled the “Public Service Superannuation Amendment Act 2018”.

MS. L.F. FOGGO, on behalf of Mr. D.V.S. Rabain, introduced and read for the first time by its title a Bill entitled the “Department of Libraries and Archives (Amalgamation) Act 2018”.

MS. K.N. WILSON introduced and read for the first time by its title a Bill entitled the “Evidence (Audio Visual Link) Act 2018”.

12:16 p.m.

Orders of the Day

Mr. Speaker noted that on the Orders of the Day, Order number 2 would be dealt with prior to Order number 1.

MR. W.L. FURBERT, on behalf of Mr. E.D.G. Burt, moved second reading of the “Companies Amendment Act 2018” which was agreed to.

12:20p.m. – Ms. L.K. Scott
12:22p.m. – Ms. J.J. Atherden

The Bill was Committed.

Mr. D.V. Burgess in the Chair

MR. W.L. FURBERT moved Clauses 1 to 4, which was agreed to.

12:27p.m. – Ms. L.K. Scott
12:28p.m. – Mrs. P.J. Gordon-Pamplin
12:29p.m. – Mr. W.L. Furbert
12:31p.m. – Ms. L.K. Scott
12:31p.m. – Mrs. P.J. Gordon-Pamplin
12:33p.m. – Ms. L.K. Scott
12:33p.m. – Mr. W.L. Furbert
12:34p.m. – Ms. L.K. Scott

Clauses 1 to 4 were agreed to, as printed.

The Preamble was agreed to.

The Committee rose.

The House resumed.

The Bill was reported to the House, as printed, which was agreed to.

12:37 p.m.

MR. W.H. ROBAN moved that the House do now adjourn for lunch and resume at 2:15 p.m., which was agreed to.

2:15 p.m.

The House resumed.

2:17 p.m.

(2:18p.m. Mr. E.D.G. Burt acknowledged the presence of the CEO of the global cryptocurrency trader 'Binance', Mr. Zhao Changpeng and his team in the Public Gallery).

Mr. Speaker welcomed the distinguished guests in the Public Gallery.

2:19 p.m.

MR. E.D.G. BURT moved second reading of the "Companies and Limited Liability Company (Initial Coin Offering) Amendment Act 2018" which was agreed to.

(Mr. E.D.G. Burt also acknowledged the presence of the CEO of 'Overstock.com', Dr. Patrick Byrne in the Public Gallery).

2:33p.m. – Ms. J.J. Atherden

2:52p.m. – Mr. W.M. Caines

3:19p.m. – Dr. E.G. Gibbons

3:48p.m. – Mr. M.J. Scott

4:19p.m. – Ms. L.K. Scott

4:25p.m. – Mrs. P.J. Gordon-Pamplin

4:45p.m. – Mr. R.P. Commissiong

5:12p.m. – Mr. E.D.G. Burt

The Bill was Committed.

Mr. D.V. Burgess in the Chair

MR. E.D.G BURT moved Clauses 1-3, which was agreed to.

Clauses 1-3 were agreed to, as printed.

5:19 p.m.

MR. E.D.G BURT moved Clause 4, with an amendment as follows:

Clause 4 is amended as follows-

(a) In section 34A, by inserting in the appropriate alphabetical order the following-

“ “distributed ledger technology” means a database system in which-

(a) information is recorded and consensually shared and synchronized across a network or multiple nodes; and

(b) all copies of the database are regarded as equally authentic;”;

(b) By inserting after section 34A the following-

“Restriction on issuing Initial Coin Offering

34B Subject to the provisions of section 4A, no person shall issue an Initial Coin Offering in or from within Bermuda unless that person is a company to which this Act applies and is for the time being registered with the Registrar of Companies under this Act.

(c) By renumbering the remaining provisions and the references accordingly;

(d) In the renumbered section 34F(1)(a), deleting the words “ICO offer document” where they appear the second time and substituting the words “ICO platform”;

(e) In the renumbered section 34H(1), by inserting after the words “verification of the words “the identity of”;

(f) By deleting the renumbered section 34J and substituting the following-

“Offences relating to the issue of an Initial Coin Offering

34J (1) Any person who-

(a) contravenes section 34B; or

(b) makes or authorizes the making of an untrue statement in an ICO offer document unless he proves either that the statement was immaterial or that at the time he made the statement he had reasonable grounds to believe it was true, commits an offence.

(2) A person convicted of an offence under subsection (1), shall be liable-

(a) on summary conviction, to a fine not exceeding \$50,000 or to imprisonment for a period of one year or to both such fine and imprisonment;

(b) on conviction on indictment, to a fine not exceeding \$250,000 or imprisonment for a period of five years or to both such fine and imprisonment.”;

(g) In the renumbered section 34K(2)(c), by inserting after the words “any issue” the words “of digital assets”;

(h) in the renumbered section 34N(1), by deleting the word “shall” and substituting the word “may”.”

5:27p.m. – Ms. L.K. Scott
5:28p.m. – Dr. E.G. Gibbons
5:30p.m. – Ms. L.K. Scott
5:30p.m. – Mr. N.H.C Simons
5:31p.m. – Mr. E.D.G. Burt
5:36p.m. – Ms. L.K. Scott
5:38p.m. – Mr. E.D.G. Burt
5:41p.m. – Ms. L.K. Scott
5:43p.m. – Mr. E.D.G. Burt
5:44p.m. – Dr. E.G. Gibbons
5:47p.m. – Mr. E.D.G. Burt
5:48p.m. – Dr. E.G. Gibbons
5:49p.m. – Ms. L.K. Scott
5:49p.m. – Mr. E.D.G. Burt
5:51p.m. – Ms. L.K. Scott
5:52p.m. – Mr. E.D.G. Burt
5:53p.m. – Ms. L.K. Scott
5:54p.m. – Mr. E.D.G. Burt
5:55p.m. – Ms. L.K. Scott
5:57p.m. – Mr. E.D.G. Burt

Mr. E.D.G. Burt moved that in section 34E(3) of the original Bill the words “subsection (1)” be amended to the words “subsection (2)”, which was agreed to.

6:04p.m. – Ms. L.K. Scott
6:05p.m. – Mr. E.D.G. Burt
6:05p.m. – Ms. L.K. Scott
6:05p.m. – Mr. E.D.G. Burt

Clause 4 was agreed to, as amended.

6:06 p.m.

MR. E.D.G. BURT moved Clauses 5-10, which was agreed to.

6:11p.m. – Ms. L.K. Scott
6:11p.m. – Mrs. P.J. Gordon-Pamplin
6:14p.m. – Ms. J.J. Atherden
6:16p.m. – Mr. E.D.G. Burt

Clauses 5-10 were agreed to, as printed.

6:18 p.m.

MR. E.D.G. BURT moved Clause 11, with an amendments as follows:

Clause 11 is amended as follows-

(a) In section 85A as follows-

(i) in subsection (1), in the definition of “distributed ledger technology”, by deleting the word “decentralised”;

(iii) in subsection (4)(b)-

(A) by deleting the word “managers”, and substituting “members”;

(B) by deleting the word “board considers”, and substituting “managers consider”;

(b) By inserting after section SSA the following-

“Restriction on issuing Initial Coin Offering

85B Subject to the provisions of section 67, no person shall issue an Initial Coin Offering in or from within Bermuda unless that person is a limited liability company to which this Act applies and is for the time being registered with the Registrar of Companies under this Act”;

(c) By renumbering the remaining provisions and the references accordingly;

(d) In the renumbered section 85C, by deleting subsection (5);

(e) In the renumbered section 85D as follows-

(i) in subsection (1), by deleting paragraph (f) and substituting the following-

“(f) the disclosure as to the allocation of the amounts intended to be raised amongst the classes of any issuance (pre-sale, post-Initial Coin Offering etc.)”;

(ii) in subsection (2), by inserting after the words “prescribed by” the words “regulations or”;

(f) In the renumbered section 85H(1), by inserting after the words “verification of” the words “the identity of”;

(g) By deleting the renumbered section 85J and substituting the following-

“Offences relating to the issue of an Initial Coin Offering

85J (1) Any person who--

(a) contravenes section 85B; or

(b) makes or authorizes the making of an untrue statement in an reo offer document unless he proves either that the statement was immaterial or that at the time he made the statement he had reasonable grounds to believe it was true, commits an offence.

(2) A person convicted of an offence under subsection (1), shall be liable-

(a) on summary conviction, to a fine not exceeding \$50,000 or to imprisonment for a period of one year or to both such fine and imprisonment;

(b) on conviction on indictment, to a fine not exceeding \$250,000 or imprisonment for a period of five years or to both such fine and imprisonment.”;

(h) In the renumbered section 85K-

(i) in subsection (1), by deleting the word “can”;

(ii) in subsection (2)(c), by inserting after the words “any issue” the words “of digital assets”;

(i) In the renumbered section 85M, by deleting subsection (4).”

6:25p.m. – Ms. L.K. Scott

6:26p.m. – Mr. E.D.G. Burt

6:26p.m. – Mrs. P.J. Gordon-Pamplin

6:27p.m. – Mr. N.H.C. Simons

6:28p.m. – Mr. E.D.G. Burt

Clause 11 was agreed to, as amended.

6:30 p.m.

MR. E.D.G. BURT moved Clauses 12-13, which was agreed to.

Clauses 12-13 were agreed to, as printed.

6:31 p.m.

MR. E.D.G BURT moved Clause 14, with an amendment as follows:

Clause 14 is deleted and the following is substituted-

“Amends Government Fee Regulations 1976

14 The Government Fees Regulations 1976 are amended in the Schedule as follows-

(a) in Head 16, by inserting after paragraph 39 the following-

39A	Application by a company under section 4A for consent of the Minister to an ICO	\$5000
39B	Filing an ICO offer document under section 34C	\$95

(b) in Head 40, by inserting after paragraph 15 the following-

15A	Application for consent of the Minister under section 67 to an ICO	\$5000
15B	Filing an ICO offer document under section 85C	\$95

6:32p.m. – Mrs. P.J. Gordon-Pamplin

6:32p.m. – Mr. E.D.G. Burt

Clause 14 was agreed to, as amended.

6:34 p.m.

MR. E.D.G. BURT moved Clauses 15-16, which was agreed to.

Clauses 15-16 were agreed to, as printed.

The Preamble was agreed to.

The Committee rose.

The House resumed.

The Bill was reported to the House, as amended, which was agreed to.

Order number 3 was carried over.

6:36 p.m.

MR. W.L. FURBERT, on behalf of Mr. E.D.G. Burt, moved that Standing Order 21 be suspended to enable him to move that the Bill entitled the “Companies

Amendment Act 2018” be now read a third time, which was agreed to.

On the motion of Mr. W.L. Furbert, the Bill entitled the “Companies Amendment Act 2018” was then read the third time by its title only and passed.

MR. W.H. ROBAN, on behalf of Mr. E.D.G. Burt, moved that Standing Order 21 be suspended to enable him to move that the Bill entitled the “Companies and Limited Liability Company (Initial Coin Offering) Amendment Act 2018” be now read a third time, which was agreed to.

On the motion of Mr. W.H. Roban, the Bill entitled the “Companies and Limited Liability Company (Initial Coin Offering) Amendment Act 2018” was then read the third time by its title only and passed.

6:38 p.m.

Mr. E.D.G. Burt moved that, at its rising, the House adjourn to Friday, 4th May, 2018, which was agreed to.

Mr. E.D.G. Burt moved that the House do now adjourn, which was agreed to.

6:39p.m. – Dr. E.G. Gibbons

6:50p.m. – Mr. M.H. Dunkley

6:55p.m. – Mr. E.D.G. Burt

6:57 p.m.

The House was adjourned until Friday, 4th May, 2018 at 10:00am.