

Variable Rate First Mortgage Debenture Stock to
be issued by the Jamaica Public Service Company
Limited and Guarantee of \$15 Million loan by
the Government of Jamaica

The House of Representative is asked to note that the Jamaica Public Service Company Limited proposes to issue variable rate First Mortgage Debenture Stock to raise \$15 million. This loan will be subject to a Government Guarantee.

The Jamaica Public Service Company Limited has been engaged in a development and capital maintenance programme and has received loan financing from the World Bank to the extent of US\$30.5 million (Third Project Loan) to enable certain items to be obtained for the more efficient operation of the Company. The categories of expenditure under that loan will relate to generation, transmission, substations, distribution, vehicles and equipment, consultant services and training fees etc. These will apply to procurement of items from overseas. The variable rate First Mortgage Debenture Stock issue is to finance the local cost of the Company's construction programme which is being funded partly by the above World Bank Loan, the Second World Power Project Loan and other foreign currency loans.

The loan arrangements and the terms and conditions of the First Mortgage Debenture Stock Issue proposed by the Jamaica Public Service Company Limited are as follows:

The West Indies Company of Merchant Bankers Limited are to act on behalf of the Company in raising the above \$15 million Debenture Stock from the local money market on a private placement basis. It is expected that the Jamaica Stock Exchange will be approached for a listing of the Debenture Issue. Interest will be based on prime rate ruling in Jamaica plus 1.75% per annum subject to a minimum interest rate of 13% per annum and a maximum rate of 18% per annum. Repayment of principal is to be effected in twenty (20) semi-annual instalments of \$750,000 cash beginning two (2) years after first draw-down. The first repayment of principal is to be effected on the 15th August, 1984. The Debenture Stock Issue is to be instituted and secured by a Trust Deed. The Stock is intended to be transferable. Applications for the Stock are to be made for a minimum of \$50,000 and in multiples of \$10,000.

by a first charge on the fixed and floating assets of the Company and the above charge will rank pari passu with the existing Debenture.

This \$15 million debenture is the sixteenth in a series of debentures from the Jamaica Public Service Company Limited.

The House of Representatives is asked to note the above and an appropriate resolution will be moved in due course seeking the approval of the House to the guarantee of the above First Mortgage Debenture Stock Issue of \$15 million to be raised by the Jamaica Public Service Company Limited.

EDWARD P. G. SEACA
Prime Minister & Minister of
Finance & Planning
12 th August, 1982.

FILE: 285/032

CHAPTER 18 GUARANTEED LOAN AND OUTSTANDING AMOUNTS
AS AT MARCH, 1982

NAME OF ORGANIZATION	AMOUNT AUTHORIZED(J\$)	ESTIMATED OUTSTAND- ING BALANCE J\$
National Sugar Company Ltd.	32,040,000	9,901,000
Jamaica Public Service Co. Ltd.	277,872,820	46,186,296
Air Jamaica Ltd.	47,472,600	26,397,500
Jamaica Mortgage Bank Ltd.	118,870,000	83,648,830
Urban Development Corporation	30,370,547	3,303,140
Jamaica Telephone Company Ltd.	120,881,562	44,495,940
Point Hotel	21,538,000	11,872,600
Mallards Reef Hotel Ltd.	15,130,000	9,790,000
Rose Hall Intercontinental Hotel	20,897,912	12,086,200
Rose Hall Holiday Inn	11,125,000	8,677,500
Port Authority	74,093,470	39,514,856
Jamaica Soya Products	4,291,580	429,158
Kingston Waterfront Hotel	11,047,300	7,890,864
Pegasus Hotel	2,980,931	1,480,931
National Commercial Bank	4,450,000	1,253,120
Jamaica Railway Corporation	5,223,987	3,797,467
Jamaica Omnibus Service Ltd.	12,647,420	12,987,315
Kingston Sheraton Hotel	4,966,200	952,300
Ocho Rios Commercial Centre Ltd.	2,342,650	1,521,644
West Indies Glass Co. Ltd.	400,500	356,000
Jamaica Development Bank	99,067,880	18,411,760
National Water Commission	35,600,000	31,625,073
Airports Authority of Jamaica	20,917,468	20,917,468
West Indies Shipping Service	4,769,920	1,420,800
Banana Board	6,274,500	2,776,800
University of the West Indies	5,820,600	3,809,200
Forrest Industries Development Co.	21,717,000	2,693,670
National Housing Corporation	2,286,000	1,625,950
Coffee Industry Board	11,574,000	11,574,000
Jamaica Merchant Marine Ltd.	16,297,320	16,297,320
Jamaica Cricket Ass.	9,750,000	9,750,000
Petroleum Corporation	7,500,000	7,500,000
Jamaica National Investment Corp.	6,180,336	2,840,800
TOTAL J\$	1066,201,500	627,187,610