

CONTRACTUAL NEGOTIATIONS WITH DR. ERNEST HILAIRE

Statement by the CEO of the West Indies Cricket Board, Dr. Donald Peters:

1. Board documents will indicate that it was decided by the Executive Committee that negotiations would take place with Dr. Ernest Hilaire for the post of Tournament Director, Champions Trophy 2010.
2. On or about April 3, 2008, I started negotiating a salary package with Dr. Hilaire. I contacted former Managing Director (MD) of Cricket World Cup (CWC) 2007, Chris Dehring and our CFO to review the salary package that was structured for Mr. Dehring. Equipped with that information, I contacted Dr. Hilaire.
3. The President was insistent that we move on this very quickly and in the interests of time, on April 8, 2008, I offered Dr. Hilaire a very generous package significantly higher than that of the CWC MD for a shorter and less complex tournament.
4. The package offered is included in your document but essentially there were four basic components – Base salary, unaccountable entertainment, vehicle and performance bonus
5. Dr. Hilaire was not happy with the offer. He provided me with more information and additional arguments attempting to demonstrate he needed more money from us to offset the losses he would suffer were he to leave his job. Among what he said was that he needed to rent a house in St Lucia because he had rented out his own house. I said that I would be prepared to offer a house allowance. I offered to ship a vehicle to St Lucia for him but he preferred to lease one in St Lucia. He told me he was not comfortable with a performance bonus because it was quite possible that I may not be around when the time came for his evaluation and he did not want to be in a position to have the Board decide whether he got a bonus or not. He indicated that he would prefer to have that amount guaranteed.
6. Recognising this would be a challenge, I told him that in my knowledge the regional civil service employees who are not civil servants but are contracted to work with governments, normally receive a gratuity at the end of the service, and while the WICB does not use that concept, I would be willing to offer it to him instead of the Performance Bonus. He agreed and suggested that it be set at 30% of base salary. I told him that 20% was the norm and that I would include it in the new offer.
7. The new offer was sent to Dr. Hilaire on April 10, 2008. (A copy has already been submitted to the HR Committee). In that offer, housing was inserted as a new component and the first and second column of Item 4, was changed from **Performance Bonus** to **Gratuity** and the value section was changed to 20% of annual salary. It now appears that the final column, “description” of the gratuity, was mistakenly left in describing the performance bonus from the previous version. This obvious mistake is at the heart of Dr. Hilaire’s claim

and it is clear that he is seeking to take advantage of it when there is no dispute about the conversation that the gratuity was instead of the performance bonus. He wants to receive both the guaranteed gratuity and a performance bonus (which he initially rejected). That package will put Dr. Hilaire's total emoluments and allowances at US\$244,000 per year.

These are the facts to the best of my recollection.

Tuesday, 03 June 2008

Donald C Peters
CEO
WICB