

RESOLUTION NO.

PARLIAMENT

WHEREAS by section 2 of the *Special Loans Act, Cap. 105* the Government is authorized from time to time to borrow from any bank, corporation, company or other institution sums of money not exceeding in the aggregate BDS\$2 500 000 000 on such terms as may be agreed upon between the Government and the lender of any such sum of money;

AND WHEREAS by section 3 of the said Act it is provided that any money borrowed under the authority of the Act shall be appropriated and applied to such purposes as Parliament may approve by resolution and that such money and any interest payable thereon is charged upon the general revenues and assets of Barbados;

AND WHEREAS the Government considers it necessary to borrow the sum of BDS\$35.0 million from the Republic Bank (Barbados) Limited to repay a BDS\$35.0 million line of credit on the terms and conditions contained in the Agreement, the main provisions of which are set out in the *Schedule*;

SCHEDULE

TERMS AND CONDITIONS

Agreement:	Between the Government of Barbados and Republic Bank (Barbados) Limited dated 2014/06/20.
Borrower:	Government of Barbados.
Lender:	Republic Bank (Barbados) Limited (hereinafter called "the Bank").
Amount:	BDS\$35,000,000.00
Purpose:	To repay a Line of Credit.
Facility:	Term Loan.
Term:	Seven (7) years.
Terms of Repayment:	Payable over 7 years via quarterly blended payments of principal and interest totaling \$1,501,818.68.
Basis:	All interest payable hereunder shall accrue from day to day on the basis of the actual number of days elapsed in a 365 day year.
Interest Rate:	Interest shall be charged at the rate of 2.75% below Prime floating, currently 8.0%, for an effective rate of 5.25% per annum. The Bank reserves the right to adjust the rate of interest payable to such level as it may in its absolute discretion consider appropriate on the giving of three (3) months notice to the Borrower.

- Notices:
- i) Any instruction or notice given by the Borrower to the Bank hereunder shall be signed by a person authorized to do so by the Government to be given to the Bank.
 - ii) Any demand made by the Bank hereunder shall be sufficiently made if in writing and signed by the Manager or Managing Director of the Bank or if made by the Attorney-at-Law of the Bank.
 - iii) Whenever any payment to be made hereunder shall be due on a day other than a business day, such payment shall be made on the next succeeding business day and such additional days shall be included in computing interest in connection with such payment.
- Waiver:
- Any waiver by the Bank of any breach by the Borrower of any of the terms thereof, or any indulgence, time or relaxation by the Bank to the Borrower shall be without prejudice to and shall not affect the exercise any time thereafter by the Bank of all or any of its rights and remedies hereunder, as though such waiver had not been made or indulgence or relaxation of time had not been granted.
- Commitment Fees:
- A commitment fee of 0.35% of \$35,000,000.00 i.e. \$122,500.00 is due and payable up front.
- Legal Fees:
- All legal, valuation, stamp duty or other fees incurred by the Bank in connection with this facility shall be paid by the Borrower.

- Late Fees: Provided payment is not made on the due payment date, this facility will be charged late fees at a rate to be determined and which is payable on demand by the Bank.
- Prepayment of Principal: Prepayment of principal may be without penalty.
- Principal Covenant: The Borrower shall furnish the Bank with such information as the Bank may from time to time reasonably request.
- Events of Default: Notwithstanding any other provision herein contained, any sum advanced with all unpaid interest thereon shall become immediately payable to the Bank upon the happenings of the following:
- (a) If any payment due by the Borrower hereunder is not paid on that date fixed for the payment thereof, or within a thirty-day grace period.
 - (b) If the Borrower shall default in the performance or observance of any of the terms or covenants contained herein.
 - (c) If any representation or warranty given hereunder shall prove to be untrue or incorrect in any respect.

ADDENDUM

This Resolution seeks the approval of Parliament for the borrowing of BDS\$35.0 million, a sum which is within the limit of the *Special Loans Act*, Cap. 105, from the Republic Bank (Barbados) Limited. The purpose of the loan is to repay a BDS\$35.0 million line of credit.