

RESOLUTION NO.

PARLIAMENT

WHEREAS by virtue of section 2 of the Special Loans Act, Cap 105, the Government is authorized from time to time to borrow from another government, any bank, corporation, company, or other institution, sums of money not exceeding in the aggregate BBD2 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 approximately BBD194.5 million from Banco Santander, S.A. to fund the acquisition of equipment for security purposes;

AND WHEREAS the sum of approximately BBD194.5 million is borrowed by way of two export finance credits of approximately BBD54.2 million and BBD140.3 million respectively, from Banco Santander, S.A., on the terms and conditions contained in an Agreement, the main provisions of which are set out in the Schedule;

SCHEDULE

TERMS AND CONDITIONS

Borrower:	Government of Barbados
Lender:	Banco Santander, S.A
Facility:	BPIAE backed Export Finance Credit Facility
Currency:	Euro (EUR)
Amount:	EUR 23,553,213 (approximately BBD54.2 million)
Term:	8 years
Repayment:	16 semi-annual instalments
Interest:	Commercial Interest Reference Rate (CIRR) plus 0.3%. Indicative rate (3.55%) (CIRR to be locked in at signing).
ECA Insurance Premium:	Up to 9.85%
Commitment rate:	0.09% (30% of the Margin) per annum.
Structuring Fee:	0.95%
Indicative All-in-Cost:	5.61% per annum
Natural Disaster Clause:	Yes

Schedule - (Concl'd)

LOAN 2

TERMS AND CONDITIONS

Borrower:	Government of Barbados
Lender:	Banco Santander, S.A
Facility:	BPIAE backed Export Finance Credit Facility
Currency:	Euro (EUR)
Amount:	EUR 61,001,406 (approximately BBD140.3 million)
Term:	10 years
Repayment:	20 semi-annual instalments
Interest:	Commercial Interest Reference Rate (CIRR) plus 0.4% per annum Indicative rate (3.75%) (CIRR to be locked in at signing).
ECA Insurance Premium:	Up to 11.96%
Commitment rate:	0.09% (30% of the Margin) per annum.
Structuring Fee:	0.95%
Indicative All-in-Cost:	5.67% per annum
Natural Disaster Clause:	Yes

ADDENDUM

This Resolution seeks the approval of Parliament for the borrowing of the sum of approximately BBD194.5 million by way of two export finance credits of approximately BBD54.2 million and BBD140.3 million, respectively, from Banco Santander, S.A..

The sum of approximately BBD194.5 million is within the limit of the *Special Loans Act*, Cap. 105.

The loan will be used for the acquisition of radars and offshore patrol vessels and is intended to bolster Barbados' national security purposes on the terms and conditions contained in an Agreement, the main provisions of which are set out in the *Schedule*.