

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 \$1 500 000 000.00 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 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 fifteen million, four hundred and eighty-four thousand dollars (\$15 484 000.00) in the currency of the United States of America, from ELTA Systems Limited a corporation domiciled at 100 Yitzhak Hanassi Boulevard, Ashdod, Israel, for the purpose of financing the acquisition and installation of a coastal radar system in Barbados.

SCHEDULE

TERMS AND CONDITIONS

Lender:	ELTA Systems Ltd.
Borrower:	Government of Barbados
Proposed Facility/Tenor:	Loan
Principal Amount:	US \$15,484,000.00
Purpose:	To finance the acquisition, installation and operation of a coastal radar system;
Security:	Promissory notes;
Interest rate:	Interest is to be paid semi-annually, on the principal amount, at the rate of one per cent (1%) per annum above the 6 months Libor for US \$ deposits rounded upward to the nearest $\frac{1}{8}$ of 1% commencing from the "Date of Commencement" as stipulated in each promissory note. The last payment of interest is to be made on the "Due Date" as is stipulated in the promissory note;
Repayment terms:	<p>Payment of the principal amount is to be made of the amount of \$696,780 in the currency of the United States in 20 semi-annual installments on the date stipulated in the promissory note as the "Due Date";</p> <p>Interest will be accrued from the contract signature date and will be paid every elapsed 6 months together with principal installments.</p> <p>Interest to be calculated on the basis of a 360 day-year for the actual number of days elapsed;</p>

In the event that payment of principal amount and/or interest under this Promissory Note is not effected in full on the Due Date or on the Interest Payment Date, as the case may be, the Maker shall pay to the holder or to the endorsee/ assignee, on demand, interest on such unpaid amount for the period from such Due Date or Interest Payment Date until such amount shall have been paid in full, at the rate equal to one per cent (1%) per month. The forgoing shall not derogate from the Maker's obligation to pay the principal amount and/or interest on the Due Date/Interest payment Date(s);

Other Conditions:

Payment to be made in the currency of the United States of America.

ADDENDUM

This Resolution seeks the approval of Parliament to borrow the sum of US \$15 484 000.00, a sum that is within the limit authorized under the *Special Loans Act*, Cap. 105 from ELTA Systems Ltd. for the purpose of financing the acquisition and installation of a coastal radar system in Barbados.