

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 1.5 billion dollars 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 deems it necessary to borrow the sum of BDS \$150.0 million from FirstCaribbean International Bank (Barbados) Limited to assist with the repayment of a bridging loan which was taken out for the construction of the Judicial Centre at Whitepark, Saint Michael in Barbados and to provide budget support on the terms and conditions contained in the Agreement and the main provisions of which are set out in the *Schedule*;

AND WHEREAS the said sum of BDS \$150.0 million is within the authorized borrowing limits given to the Government under section 2 of the said Act;

RESOLVED therefore that Parliament approve the borrowing of the said sum of \$150.0 million from FirstCaribbean International Bank (Barbados) Limited to assist with the repayment of a bridging loan which was taken out for the construction of the Judicial Centre at Whitepark, Saint Michael in Barbados and to provide budget support on the terms and conditions contained in the Agreement and the main provisions of which are set out in the *Schedule*;

SCHEDULE

MAIN TERMS AND CONDITIONS

1. Facility: Long term loan.
2. Borrower: Government of Barbados.
3. Lender: FirstCaribbean International Bank (Barbados) Limited.
4. Amount: Up to BDS\$150 million.
5. Arranger: FirstCaribbean International Trust and Merchant Bank (Barbados) Limited.
6. Basis: Fully underwritten.
7. Purpose: To refinance an existing bridge facility advanced for the Judicial Centre, Whitepark Road, St. Michael and to provide budget support.
8. Tenor/Term: 20 years, amortizing over the period.
9. Representations and Warranties: Those made by the Government in respect of the Government having the authority to obtain the loan and to satisfy the terms and conditions set out in the loan Agreement.
10. Interest Rate: Fixed at 7.5%.
Subject to a 0.5% increase if Barbados' local currency debt is downgraded below investment grade by an international or regional credit rating agency. The increase shall be for the remaining term of the loan or until such time as the local currency debt is upgraded to investment grade or above.
11. Repayment: Payable in semi-annual installments of BDS\$7,298,918.45 commencing 6 months after drawdown.
12. Conditions Precedent: Those to be satisfied by the Government before disbursement of the loan and which are set out in the Agreement.
13. Events of Default: Those events set out in the Agreement that constitute default on the part of Government.
14. Arranging Fee: 0.4% of the amount, payable up front.
15. Administrative Agent Fee: Approximately \$40,000 per annum plus out-of-pocket expenses.
16. Legal fees: Government to pay to
 - (a) the Bank, stamp duty, filing, registration and legal fees;
 - (b) the Arranger, legal fees, other professional fees and out-of-pocket or other expenses incurred by the Arranger in relation to the loan.

ADDENDUM

The Government of Barbados has agreed to borrow the sum of BDS \$150 million from FirstCaribbean International Bank (Barbados) Limited for the purpose of refinancing the repayment of a bridging loan which was taken out for the construction of the Judicial Centre at Whitepark, Saint Michael in Barbados and to provide budget support. The terms and conditions are contained in the Agreement, the main provisions of which are set out in the *Schedule*.