

RESOLUTION NO.

PARLIAMENT

WHEREAS by virtue of section 13 of the *Queen Elizabeth Hospital Act*, Cap. 54, the Queen Elizabeth Hospital Board may with the authorisation, in writing, of the Minister responsible for Finance, borrow money of an amount, from a source and upon such terms and conditions with respect to the borrowing, as the Minister responsible for Finance stipulates for the purpose of meeting the Boards obligations or performing any of its functions under the Act;

AND WHEREAS by virtue of subsection (5) of section 13 of the Act the Government of Barbados may by a resolution of both Houses of Parliament guarantee, on such conditions as Parliament thinks fit, the repayment of a loan obtained by the Board in accordance with subsection (2) of the Act;

AND WHEREAS the Queen Elizabeth Hospital Board is seeking to raise 25 million Barbados dollars to finance the performance of the functions of the Board by way of an issue of bonds, on the terms and conditions set out in the Schedule to this Resolution:

BE IT RESOLVED that Parliament approve the guarantee by the Government of Barbados of the principal and interest necessary for the redemption of the bond issue in the sum of 25 million Barbados dollars.

APPROVED by the House of Assembly this _____ day
of _____, 2005.

Speaker

APPROVED by the Senate this _____ day of _____,
2005.

President

SCHEDULE

TERMS AND CONDITIONS

- | | |
|--------------------------|---|
| 1. Borrower | Queen Elizabeth Hospital Board |
| 2. Lender | Citicorp Merchant Bank Limited or any one of its affiliates |
| 3. Facility | Corporate bonds up to a value of 25 million Barbados dollars |
| 4. Purpose | To finance the capital requirements of the Queen Elizabeth Hospital, which have already been approved by the Ministry of Finance and Economic Affairs |
| 5. Term | Seven (7) years |
| 5. Interest | Rate fixed at 4.9% plus an increase in market rate. Payments are to commence one (1) year after disbursement and are to be made semi-annually in arrears, based on outstanding principal |
| 6. Principal prepayment | at maturity |
| 7. Security & Collateral | Guarantee of the Government of Barbados in respect of principal and interest |
| 8. Loan Participation | Citicorp Merchant Bank Limited may, in its sole discretion, participate or assign all or a portion of the loan to one or more lending institutions (Co-Lenders or Participants). Citicorp Merchant Bank Limited may, but will not be obligated to serve as agent for the Co-Lenders with respect to the loan. |

ADDENDUM

This Resolution seeks the approval of Parliament of a guarantee by the Government of the principal and interest necessary for the redemption of an issue of bonds by the Queen Elizabeth Hospital Board in the sum of 25 million Barbados dollars.

The proceeds of the bond issue are to be used for meeting the obligations and facilitating the discharge of the functions of the Queen Elizabeth Hospital Board.