

**RESOLUTION NO.**

**PARLIAMENT**

**WHEREAS** by virtue of section 2 of the *Special Loans Act*, Cap. 105, the Government is authorised from time to time to borrow from another government, any bank, corporation, company or other institutions 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 BBD600 million from CIBC Caribbean Bank (Barbados) Limited, Scotiabank (Barbados) Limited and RBC Royal Bank (Barbados) Limited *via* a Sustainability-Linked Loan Syndicated Facility, arranged by CIBC Caribbean Bank (Barbados) Limited, the proceeds of which will be used to buy back an approximate equivalent amount in high cost Government of Barbados debt;

**AND WHEREAS** the said sum of approximately BBD600 million is borrowed on the terms and conditions contained in a Sustainability-Linked Loan Syndicated Facility Agreement, the main provisions of which are set out in the *Schedule*;

**AND WHEREAS** the said sum of approximately BBD600 million borrowed from CIBC Caribbean Bank (Barbados) Limited, Scotiabank (Barbados) Limited and RBC Royal Bank (Barbados) Limited is within the authorised borrowing limit given to the Government under section 2 of the said Act;

**BE IT RESOLVED** therefore that Parliament approve the borrowing of the sum of approximately BBD600 million from CIBC Caribbean Bank (Barbados) Limited, Scotiabank (Barbados) Limited and RBC Royal Bank (Barbados) Limited on the terms and conditions contained in a Sustainability-Linked Loan Syndicated Facility Agreement, the main provisions of which are set out in the *Schedule*, the proceeds of which will be used to buy back an approximate equivalent amount in high cost Government of Barbados debt.

**APPROVED** by the House of Assembly this            day of            ,Two  
Thousand and twenty-four.

**Speaker**

**APPROVED** by the Senate this            day of            ,Two  
Thousand and twenty-four.

**President**

## SCHEDULE

**TERMS AND CONDITIONS**

Facility:	Fixed Rate Sustainability-Linked Loan
Facility Arranger:	CIBC Caribbean Bank (Barbados) Limited
Lenders:	CIBC Caribbean Bank (Barbados) Limited BBD360,000,000, Scotiabank (Barbados) Limited and RBC Royal Bank (Barbados) Limited to sub participate in the facility, together up to BBD240,000,000.
Amount:	Up to BBD600,000,000, subject to reduction by one interest period and 14 days as required by Guarantors for payout, estimated at BBD594,000,000.
Currency	BBD
Interest rate:	3.25% per annum (Fixed)
Sustainability-Linked Amount:	<p>For any period commencing after the First Amount: SPT Observation Date, if the Borrower fails to meet the Sustainability Performance Targets by the immediately preceding SPT Observation Date an amount payable <i>in arrear</i> equal to the product of:</p> <ul style="list-style-type: none"><li>(a) the outstanding BBD Loan Principal Amount at the start of each Loan Interest Period;</li><li>(b) the Sustainability-Linked Rate; and</li><li>(c) the BBD Loan Day Count Fraction.</li></ul>

SCHEDULE - *(Concl'd)*

**TERMS AND CONDITIONS**

Sustainability-Linked Rate:	0.2% per annum until 2032, then 0.1% per annum until maturity
Term:	20 years
Grace period:	5 years and 3 months
Maturity	October, 2044
Repayment:	1.67% of Disbursed Amount each quarter. Approximately, 60 quarterly payments of BBD9,900,000, commencing January 31 <sup>st</sup> , 2030.
Interest:	Payable quarterly in arrears, commencing January 31 <sup>st</sup> , 2025.
Fees:	Arrangement and Agency fees in accordance with the Fee Letters, approximately 0.8% of the facility amount upfront along with BBD60,000 per annum, respectively.
Closing Cost:	Legal fees, Second Party Opinion cost and Facility Agent fees, approximately USD255,000, to be deducted from proceeds.
Taxes:	Subject to customary exemptions, the Borrower shall pay amounts without deduction or withholding for any taxes, except as required by applicable law and will gross up payments where any deduction or withholding is required by applicable law.
Natural Disaster and Pandemic Clause:	Yes

**ADDENDUM**

This Resolution seeks the approval of Parliament for the borrowing of the sum of approximately BBD600 million from CIBC Caribbean Bank (Barbados) Limited, Scotiabank (Barbados) Limited and RBC Royal Bank (Barbados) Limited on the terms and conditions contained in a Sustainability-Linked Loan Syndicated Facility Agreement, the main provisions of which are set out in the *Schedule* the proceeds of which will be used to buy back an approximate equivalent amount in high cost Government of Barbados debt.

The said sum is within the limit of the *Special Loans Act*, Cap. 105.