

**ARRANGEMENT OF CLAUSES**

1. Short Title
2. Authority to raise loan

**SCHEDULE**





GRENADA

**ACT NO. 17 OF 2011**

**I assent,**

15th September, 2011. CARLYLE ARNOLD GLEAN  
*Governor-General.*

AN ACT to authorize the Minister of Finance to borrow from the Bank of Nova Scotia, an amount of fifteen million Eastern Caribbean Dollars.

*[ 23rd September, 2011 ].*

WHEREAS it is deemed necessary to term out the existing overdraft facility held at the Bank of Nova Scotia which averages fifteen million Eastern Caribbean Dollars per month but peaks at twenty five million Eastern Caribbean Dollars at the end of each month whenever the Government's operating account is held with the Bank of Nova Scotia;

WHEREAS it is deemed appropriate to term out the existing overdraft facility held at the Bank of Nova Scotia by conversion to a non-revolving loan;

WHEREAS it is necessary for the Government of Grenada

to secure funding to provide for such a loan;

WHEREAS section 49 of the Public Finance Management Act No. 27 of 2007, authorises the Minister of Finance to secure a liability by borrowing for the purposes specified therein, including for any purpose of a capital nature;

AND WHEREAS the Minister of Finance proposes to borrow from the Bank of Nova Scotia, on behalf of the Government of Grenada an amount of fifteen million Eastern Caribbean Dollars for the purpose aforementioned in the manner provided for under this Act;

BE IT ENACTED by the Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Representatives and by the authority of the same as follows:

Short title.

1. This Act may be cited as the

BANK OF NOVA SCOTIA LOAN AUTHORISATION  
ACT, 2011.

Authority to  
raise loan.

2.—(1) The Minister of Finance is hereby authorised to raise a loan in an amount of fifteen million Eastern Caribbean Dollars for the purpose of terming out previous overdraft facilities including a temporary facility of seven million five hundred thousand Eastern Caribbean Dollars held with the Bank of Nova Scotia.

(2) All monies borrowed under this Act shall be effected and secured pursuant to the terms and conditions specified in the Schedule.

SCHEDULE

<b>CREDIT # 6</b>	<b>AUTHORIZED AMOUNT-XCD 15,000, 000</b>
Type	Non-Revolving Loan.
Purpose	To convert the existing over draft facilities held with the Bank of Nova Scotia into a non-revolving loan (term out).
Currency	Eastern Caribbean Dollars.
Availment	The Borrower may avail the credit by way of direct advances evidenced by promissory note.
Interest Rate	9.00% per annum. Interest payable monthly and subject to revision from time to time.
Terms & Repayment	Principal is repayable in 59 equal monthly installments of XCD 125,000 with payment commencing one month after drawdown and a final payment of the balance of principal and interest then outstanding due 60 months after drawdown. The term of the loan is 5 years and the amortization is 10 years.

Fees	A commitment fee of 1% on new facility=\$150,000. Annual renewal fee= \$10,000.
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Passed by the House of Representatives this 18th day of July, 2011.

ADRIAN C. A. HAYES  
*Clerk to the House of Representatives.*

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Passed by the Senate this 29th day of July, 2011.

ADRIAN C. A. HAYES  
*Clerk to the Senate.*

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GRENADA  
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