

*Finance (Administration) Act – Resolution of Parliament to
guarantee borrowing by the Saint Lucia Development Bank from
the National Insurance Corporation*

SAINT LUCIA

STATUTORY INSTRUMENT, 2012, No. 35

[23rd April, 2012]

RESOLUTION

WHEREAS it is provided by section 41 of the Finance (Administration) Act, Cap.15.01 that no guarantee involving any financial liability shall be binding upon Government unless it is given in accordance with an enactment or unless approved by Resolution of Parliament;

AND WHEREAS it is further provided by section 42 of the Finance (Administration) Act, Cap.15.01 that any obligation arising from a guarantee given in accordance with section 41 is a debt charge and all debt charges for which the Government is liable shall be charged upon and paid out of the Consolidated Fund;

AND WHEREAS the Minister of Finance deems it necessary to guarantee a Line of Credit in the amount of EC\$15,000,000.00 towards the repayment of a loan obtained by the Saint Lucia Development Bank from the National Insurance Corporation for on-lending to approved sectors of the economy;

AND WHEREAS the amount borrowed is to be disbursed in accordance with a mutually agreed schedule;

AND WHEREAS a commitment fee of $\frac{1}{4}\%$ of the loan amount prior to the first disbursement of the loan is payable;

AND WHEREAS the amount borrowed is to be repaid at an interest rate of 5% per annum;

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AND WHEREAS the amount borrowed is to be repaid quarterly over a twelve year period with interest only payments over the first two years and equal blended installments of principal and interest commencing on the earlier of March 31st, June 30th, September 30th or December 31st immediately following the expiration of two years after the first disbursements;

BE IT RESOLVED that Parliament authorizes the Minister of Finance to guarantee a Line of Credit in the amount of EC\$15,000,000.00 towards the repayment of a loan obtained by the Saint Lucia Development Bank from the National Insurance Corporation for on-lending to approved sectors of the economy.

Passed in the House of Assembly this 20th day of March, 2012.

PETER I. FOSTER,
Speaker of the House.

Passed in the Senate this 29th day of March, 2012.

CLAUDIUS J. FRANCIS,
President of the Senate.