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MINISTRY OF FINANCE, ECONOMIC AFFAIRS & INVESTMENT

Press Release

For Immediate Release

5 November 2019

## **Barbados Launches Exchange Offer for its U.S. Dollar-Denominated Commercial Debt**

Bridgetown, Barbados:

The Government of Barbados (the “Government”) announced today that it has launched invitations to eligible holders of certain of its U.S. dollar-denominated debt to offer to exchange such debt for new bonds to be issued by Barbados. The invitations comprise parallel invitations to: (a) holders of three series of English law-governed U.S. dollar bonds issued by the Government in an aggregate principal amount of U.S.\$540 million, (b) holders of certain Barbados law-governed U.S. dollar bonds issued by the Barbados Transport Board, Barbados Agricultural Management Co. Ltd and the Government and (c) lenders under a U.S.\$225 million credit agreement, each as set out below.

The launch of the invitations follows extensive discussions between the Barbados External Creditor Committee (the “Committee”) and the Government. These discussions have included a number of meetings between senior governmental officials and representatives from the four core members of the Committee, which includes Eaton Vance Management, Greylock Capital Management, LLC, Teachers Advisors, LLC, and Guyana Bank for Trade and Industry Limited. The terms of the invitations reflect the agreement in principle between the Government and the Committee as described in the joint press release dated 18 October 2019.

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**The English Law Bond Invitation**

The English law bond invitation will be made to certain eligible holders of bonds that are included in the invitation as listed below. Eligible holders of such bonds will be invited to offer to exchange their existing bonds for new bonds to be issued by Barbados and a cash payment, which Barbados does not expect to be available to holders in any future debt management exercise. In conjunction with the English law bond invitation, Barbados is soliciting consents from holders of each series of existing bonds in favour of an extraordinary resolution which, if passed, would mandatorily exchange all bonds of that series for the new bonds plus the cash payment. The terms and conditions of the English law bond invitation are described in the English law bond invitation memorandum, which is available from the Exchange and Information Agent as set out below.

Bonds issued by Barbados that are included in the English law bond invitation are:

- U.S.\$150 million 7.25% bonds due 2021 (CUSIP 067070AC6 and P48864AC9; ISIN US067070AC67 and USP48864AC94)
- U.S.\$200 million 7.00% bonds due 2022 (CUSIP 067070AF9 and P48864AD7; ISIN US067070AF98 and USP48864AD77)
- U.S.\$190 million 6.625% bonds due 2035 (CUSIP 067070AD4 and P48864AF2; ISIN US067070AD41 and USP48864AF26)

**The Barbados Law Bond Invitations**

The Barbados law bond invitations will be made to holders of (a) the Barbados law-governed Fixed Rate Non-Callable Guaranteed Bonds 2007-2022 issued by the Barbados Transport Board, (b) the Barbados law-governed Fixed Rate Non-Callable Guaranteed Bonds 2007-2022 issued by Barbados Agricultural Management Co. Ltd and (c) the Barbados law-governed Class B Fixed Rate Bonds due 2019 issued by the Government of Barbados (the “2019 Bonds”). Holders will be invited to offer to exchange their existing bonds for the new bonds to be issued by Barbados and the cash payment. In conjunction with the bond invitation relating to the 2019 Bonds, Barbados is soliciting consents from holders of such series of bonds in favour of an extraordinary resolution which, if passed, would mandatorily exchange all bonds of that series for the new bonds plus the cash payment. The terms and conditions of the Barbados law bond invitations are described in the relevant invitation memoranda, which are available from the Exchange and Information Agent as set out below.

**The Loan Invitation**

Concurrent with the bond invitations, Barbados is also inviting lenders under a U.S.\$225 million credit agreement dated 13 December 2013 between, among others, the Government and Credit Suisse AG, Cayman Islands Branch as administrative agent to exchange the loans thereunder for

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the new bonds to be issued by Barbados and the cash payment. In conjunction with the loan invitation, Barbados is soliciting consents from holders of the loans to amend or waive certain provisions of the credit agreement governing the loans. The terms and conditions of the loan invitation are described in the loan invitation memorandum which is available from the Exchange and Information Agent as set out below.

**Timing**

Unless extended by Barbados:

- the loan invitation and the exchange offer portions of the English and Barbados law bond invitations will expire at 5:00 p.m. (New York City time) on **Friday 22 November 2019**;
- the deadline for the consent solicitation relating to 2019 Bonds cleared through Euroclear or Clearstream is 5:00 p.m. (New York City time) on **Friday 22 November 2019**;
- the deadline for the consent solicitation relating to 2019 Bonds held in physical form is 5:00 p.m. (New York City time) on **Monday 25 November 2019**; and
- the deadline for the consent solicitation portion of the English law bond exchange is 5:00 p.m. (New York City time) on **Monday 25 November 2019**.

Holders should be aware that the bank, broker, dealer, trust company or other nominee through which they hold their existing claims may have earlier deadlines for taking action pursuant to the invitations.

**Further information**

Information concerning the invitations and copies of the relevant invitation memoranda may be obtained from the Exchange and Information Agent:

Lucid Issuer Services Limited  
Tankerton Works  
12 Argyle Walk  
London WC1H 8HA  
United Kingdom  
Telephone +44 20 7704 0880  
Attention: Arlind Bytyqi / Thomas Choquet  
Email: [barbados@lucid-is.com](mailto:barbados@lucid-is.com)  
[www.lucid-is.com/barbados](http://www.lucid-is.com/barbados)

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### **Disclaimer**

This communication is not an offer or a solicitation of offers to exchange any securities. The invitations are being made solely by the invitation memoranda referred to above. The distribution of materials relating to the invitations, and the transactions contemplated by the invitations, may be restricted by law in certain jurisdictions. If materials relating to the invitations come into your possession, you are required by the Government of Barbados to inform yourself of and to observe all of these restrictions. The materials relating to the invitations do not constitute, and may not be used in connection with, an offer or solicitation in any place where such exchange offers or solicitations are not permitted by law.

### **NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES**

The new bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), or the securities laws of any other jurisdiction. The new bonds will be offered in the United States only to qualified institutional buyers pursuant to Rule 144A under the Securities Act and to persons outside the United States in compliance with Regulation S under the Securities Act.

Barbados is making the exchange offer in reliance on exemptions from the registration requirements of the Securities Act. These exemptions apply to offers and sales of securities that do not involve a public offering. The new bonds have not been recommended by any U.S. or non-U.S. securities authorities, and these authorities have not determined that this invitation memorandum is accurate or complete. Any representation to the contrary is a criminal offence.

### **NOTICE TO PROSPECTIVE INVESTORS IN THE EUROPEAN ECONOMIC AREA**

In any member state of the European Economic Area (an “EEA Member State”), this communication and the invitation memoranda referred to above are only addressed to, and is only directed at, qualified investors within the meaning of Regulation (EU) 1129/2017 (the “Prospectus Regulation”).

This communication and the invitation memoranda referred to above have been prepared on the basis that all offers of the new bonds in any EEA Member State will be made pursuant to an exemption under the Prospectus Regulation, from the requirement to produce a prospectus for offers of the new bonds. Accordingly any person making or intending to make any offer within the European Economic Area of the new bonds which are the subject of the placement contemplated in this communication or the invitation memoranda referred to above should only do so in circumstances in which no obligation arises for Barbados to produce a prospectus for such offer. Barbados has not authorised, nor does it authorise, the making of any offer of the new bonds through any financial intermediary or in circumstances in which an obligation arises for Barbados to publish a prospectus for the offer.

### **NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED KINGDOM**

This communication and the invitation memoranda referred to above are only being distributed to and are only directed at (i) persons who are outside the United Kingdom or (ii) investment

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professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”) or (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “relevant persons”). The new bonds are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire the new bonds will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or the invitation memoranda referred to above or any of their contents.