

GUYANA

DEMERARA

**AGREEMENT ON NATIONAL MICRO CREDIT PROGRAMME;
WOMEN OF WORTH (WOW) FACILITY**

Under Section 15 A of the Income Tax Act Cap. 81:01

THIS AGREEMENT is made this 6th day of July, 2010 between the **GOVERNMENT OF THE CO-OPERATIVE REPUBLIC OF GUYANA** acting through the Office of the Minister of Finance, Main Street, Georgetown, Demerara, Guyana, (hereinafter called 'the Government') and the Guyana Bank for Trade & Industry Limited, a company incorporated in Guyana and continued under the Companies Act 1991, being licensed under the Financial Institutions Act 1995 to carry on banking business in Guyana, whose registered office is at Lot 47-48 Water Street, Robbstown, Georgetown, Demerara, Guyana (hereinafter called 'the Bank') which expression shall include its successors or assigns.

WHEREAS the Minister of Finance is empowered under section 15A of the Income Tax Act, Cap. 81:01, to designate by order as an approved small business lending company, any company which has entered into an Agreement with the Government whereunder the company agrees to finance small business loans.

AND WHEREAS the Government is desirous of developing a programme to assist female single parents or female headed households which:-

- a) provides the women with information, technical assistance and access to credit, the tools they need to successfully start and grow their businesses.
- b) provides the women with special training and experiences that will help build their self confidence and increase their sense of self esteem so that they can overcome the numerous hurdles they may face both personally and professionally and be able to compete successfully in the marketplace.
- c) helps women to address and overcome the gender related obstacles that, as women, they will encounter in the business world.

AND WHEREAS the Bank, mindful of the programme of the Government to enhance national development through the empowerment of female single parents or female headed households has decided to partner with the Government on a Programme to finance small business ventures by female single parents or female headed households.

NOW THEREFORE this Agreement is entered into between the Government and the Bank in order that the Bank may be designated as an approved small business lending company, subject to the other conditions hereunder -

1. The Bank hereby agrees as follows :-

- a) that it shall allocate a loan facility totaling five hundred million dollars (\$500,000,000) (hereinafter referred to as the 'Women of Worth (WOW) facility') raised by deposits or such other means as the Bank shall in its sole discretion determine to provide financing for female single parents and female headed households desirous of pursuing a small business venture by making loans in accordance with the terms of this Agreement to single women for the sole purpose of pursuing a small business venture thereby providing an opportunity to earn an income and lead a normal life by providing for herself and family.
- b) that a loan granted shall not be required to be secured.
- c) that for any permissible re-negotiation of a loan including the rescheduling or refinancing thereof the benefits and exemptions afforded the Bank under and by virtue of this Agreement shall apply to such re-negotiated loan as it would to the original loan:

Provided that nothing in this Agreement shall be taken or interpreted as an absolute obligation on the Bank to make a loan in every case of an application for same and it is hereby confirmed and understood that the Bank shall in its sole discretion be responsible for the making of loans.

- d) the Bank will provide the Government with an Interview Worksheet, which will be the criterion used to establish eligibility for a loan under the facility.

- e) The Bank shall be responsible for all the financial risks associated with its lending under the Women of Worth (WOW) Facility.

2. Eligibility Criteria

Applicants for loans under this facility must be:-

- a) registered with the Ministry Of Human Services and Social Security as a female single parent or female head of a household;
- b) deemed by the Government to qualify under the facility and be issued with a Bank Introduction Letter by the Government.

3. Financing Conditions

The Bank agrees to offer financing as follows:

- a) to registered individuals to a maximum of two hundred and fifty thousand dollars (\$250,000);
- b) to waive business fees normally charged by the Bank for its lending services. This does not include stamp duty and value added tax (VAT) where applicable.

4. Exemption

The Government hereby exempts from tax the income of the Bank related to loans advanced in accordance with the terms of this Agreement.

5. Possible Ventures to be financed under the Women of Worth (WOW) Facility include but are not limited to:

- a) Food Preparation
- b) Cake and Pastry Making
- c) Uniform and Dress Making

- d) Juice Extraction and Processing
- e) Graphic Designing
- f) Cosmetology (hair dressing, facial treatment, pedicures, manicures)
- g) Barbering
- h) Craft and Novelty making
- i) Kitchen Gardening
- j) Poultry rearing
- k) Pest control business
- l) Garbage disposal
- m) Picture framing
- n) Floral arranging
- o) Engraving
- p) Tie Dye and Fabric designing
- q) Home Care services
- r) Internet Cafe
- s) Upholstery and Joinery
- t) Masonry
- u) Photography
- v) Tile Setting

6. Interest Rate

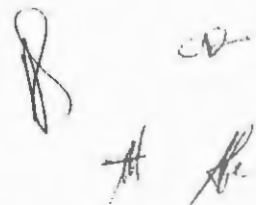
The rate of interest to be charged on the loan shall be six percent (6%) per annum.

7. Repayment Period

The designated period of repayment shall at no time be more than twenty-four (24) months inclusive of a three (3) to six (6) months moratorium as may be necessary.

8. Cessation of Benefits on Termination

In any event of breach of a term or condition of this Agreement the relief from taxation and other benefits mentioned above shall cease forthwith.

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9. Record Keeping

At all times the Bank shall cause proper records and accounts to be kept in relation to its financing transactions under the Women of Worth (WOW) Facility and such records and accounts shall be made available for inspection by the Governor of the Bank of Guyana or by officers duly authorised by the Governor or the Minister of Finance.

10. Severance

If any provision of this Agreement shall be prohibited by or judged by a Court to be unlawful, void or unenforceable such provision shall to the extent required be severed from this Agreement. The remaining provisions of this Agreement shall not as far as possible be changed or modified and all other terms and conditions not so severed shall continue in full force and effect.

11. Termination

Either party may by giving one year's written notice to the other party terminate this Agreement providing that the terms and conditions of loans already made under and by virtue of this Agreement shall remain valid and subsisting for all intents and purposes and such obligations of the Government in relation thereto shall remain valid and binding on it for the duration of the term of those loans or such shorter time as the obligation of the borrowers to repay the Bank becomes extinguished or are expired.

IN WITNESS OF THEIR AGREEMENT each party has caused its authorised representative to execute this Agreement effective as of the date first above written.

BY:

Dr. Ashni K. Singh


Mr. John Tracey

TITLE:

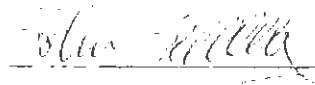
Minister of Finance

TITLE:

Chief Executive Officer



SIGNATURE



SIGNATURE

DATE:

6th July, 2010

6th July, 2010


Ministry of Finance

Guyana Bank for Trade & Industry Ltd

WITNESSES:

WITNESSES:

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