
SCOTTISH STATUTORY INSTRUMENTS

2004 No. 284

**The National Health Service (Borrowing and Loans
from Endowments) (Scotland) (No. 2) Regulations 2004**

Terms and conditions applying to loans under section 7(4) of the Act

3. The terms and conditions upon which a Health Board (“the lender”) may, under section 7(4) of the Act, make a loan to another Health Board (“the borrower”) from any endowment held by the Board are—

- (a) that the lender may only make the loan for purposes consistent with the purposes of the endowment from which the loan is made;
- (b) the lender may only make the loan on condition that the borrower pays interest on the loan quarterly in arrears to the endowment from which the loan is made at the Bank of England base lending rate plus 2% calculated at the date on which the loan is made;
- (c) the lender may only make a loan on condition that the borrower repays the amount of the loan within a period not exceeding 18 months from the date on which it is made; and
- (d) the lender shall inform the Scottish Ministers, not later than 28 days after the date on which the loan is due to be repaid, whether or not the loan has been repaid on the due date.