

## **18. SHORT TERM BANK LOANS**

During 2008, GWL entered into a \$300, 5-year committed credit facility provided by a syndicate of banks. This facility was the primary source of GWL's short term funding requirements. This facility replaced a \$300, 364-day revolving committed credit facility. As at December 31, 2008, nil was drawn on the new 5-year committed credit facility and as at December 31, 2007, \$30 was drawn on the \$300, 364-day revolving committed credit facility. Following the sale of the U.S. fresh bakery business in 2009, GWL terminated the 5-year committed credit facility (see note 33).

During 2008, Loblaw entered into an \$800, 5-year committed credit facility provided by a syndicate of banks, which contains certain financial covenants (see note 24). This facility is the primary source of Loblaw's short term funding requirements and permits borrowings having up to a 180-day term. Interest is based on a floating rate, primarily the bankers' acceptance rate, and an applicable margin based on Loblaw's credit rating. This facility replaced a \$500, 364-day committed credit facility. As at year end 2008, \$190 was drawn on the new 5-year committed credit facility.

Also included in short term bank loans are GWL's Series B debentures, due on demand, of \$263 (2007 – \$220) (see note 19).