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OFID The OPEC Fund for International Development

LOAN NO. 1377P

THREE TOWNS WATER SUPPLY AND
SANITATION PROJECT

LOAN AGREEMENT

BETWEEN

THE REPUBLIC OF SIERRA LEONE

AND

THE OPEC FUND FOR
INTERNATIONAL DEVELOPMENT

DATED

FEBRUARY 23, 2011

**PARLIAMENT LIBRARY
TOWER HILL FREETOWN.**

LOWER HILL FREEDOM

BY THE PEOPLE

AGREEMENT dated February 23, 2011, between the Republic of Sierra Leone (“the Borrower”) and OFID.

Whereas the Borrower has requested a loan from OFID for part financing of the Project described in Schedule 1;

And whereas OFID has approved a loan to the Borrower in the amount of nineteen million Dollars (\$19,000,000) upon the terms and conditions set forth hereinafter;

Now, therefore, the parties to this Loan Agreement (the “Agreement”) hereby agree as follows:

Article 1
GENERAL CONDITIONS; DEFINITIONS

1.01 The General Conditions attached hereto shall constitute an integral part of this Agreement.

1.02 In addition to the terms defined in the preamble, the following terms and expressions shall have the following meanings or, where they duplicate terms and expressions in the General Conditions, the following specific meanings:

- (a) “Authorized Representative of the Borrower” means the Minister of Finance and Economic Development of the Borrower;
- (b) “Closing Date” means September 30, 2015;
- (c) “Dollar and the sign \$” mean and refer to the lawful currency of the United States of America;



- (d) “Eligible Expenditure Commencement Date” means September 21, 2010;
- (e) “Executing Agency” means the Sierra Leone Water Company;
- (f) “General Conditions” means OFID General Conditions Applicable to Public Sector Loan Agreements, December 2007;
- (g) “Grace Period” means the period beginning on February 23, 2011, and ending five (5) years from that Date; and
- (h) “Loan Administrator” means the African Development Bank.

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Article 2
THE LOAN

2.01 OFID agrees to lend to the Borrower and the Borrower agrees to borrow from OFID the Loan in the amount of nineteen million Dollars (\$19,000,000) on the terms and conditions set forth in this Agreement.

2.02 The Borrower shall pay interest at the rate of one per cent (1%) per annum on the principal amount of the Loan withdrawn and outstanding.

2.03 The Borrower shall pay a Service Charge at the rate of one per cent (1%) per annum on the principal amount of the Loan withdrawn and outstanding.

2.04 Interest and Service Charges shall be paid semi-annually on March 15 and September 15 in each year into OFID Account.

