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PARLIAMENT LIBRARY  
TOWER HILL FREETOWN

ORIGINAL: ARABIC

LOAN NUMBER: 753

LOAN AGREEMENT

KENEMA - PENDEMBU ROAD PROJECT  
OF THE KENEMA - KOINDU CORRIDOR

BETWEEN

THE REPUBLIC OF SIERRA LEONE

AND

KUWAIT FUND FOR ARAB ECONOMIC DEVELOPMENT

DATED: 13 Dec, 97



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LIBRARY OF THE  
UNIVERSITY OF TORONTO

PARLIAMENT LIBRARY,  
TOWER HILL FREETOWN;

## LOAN AGREEMENT

Agreement, dated 13.12.2007 between the Republic of Sierra Leone (hereinafter referred to as the Borrower), and Kuwait Fund for Arab Economic Development (hereinafter referred to as the Fund).

Whereas, the Borrower has requested the Fund to assist in the financing of KENEMA – PENDEMBU road project described in Schedule No. 2 to this Agreement and (hereinafter referred to as the Project), the responsibility for carrying out the said Project being entrusted to the Sierra Leone Roads Authority (hereinafter call the Roads Authority).

Whereas, it is expected that, in addition to the Loan provided for in this Agreement, the Borrower will obtain other loans from the OPEC Fund for International Development in the amount equivalent to KD 3.68 million, the Islamic Development Bank, in the amount equivalent to KD 3.09 million, the Saudi Fund, in the amount equivalent to KD 2.94 million, BADEA in the amount equivalent to KD 2.35 million to assist in financing the Project, (such loans hereinafter referred to as "the other loans"). The remaining amount will be provided by Sierra Leone government.

Whereas, the purpose of the Fund is to assist Arab and other developing countries in developing their economies and to provide them with loans required for the execution of their development projects and programmes;

Whereas, the Fund is convinced of the importance of the project and of its beneficial effects for the development of the Borrower's economy; and

Whereas, the Fund has agreed, in view of the foregoing, to grant the Borrower a loan (hereinafter referred to as the Loan) on the terms and conditions set forth in this Agreement.

Now therefore, the parties hereto agree as follows:

### ARTICLE I

#### The Loan, Interest and Other Charges, Repayment, Place of Payment

**SECTION 1.01.** The Fund agrees to lend to the Borrower, on the terms and conditions set forth in this Agreement or herein referred to, an amount equivalent to Kuwaiti Dinars three million (KD 3, 000,000/-).



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**SECTION 1.02.** The Borrower shall pay interest at the rate of one and one half of one per cent (1.5%) per annum on the principal amount of the Loan withdrawn and outstanding from time to time. Interest shall accrue from the respective dates on which amounts shall be so withdrawn.

**SECTION 1.03.** An additional charge of (0.5%) one-half of one per cent per annum on the amounts withdrawn from the Loan and outstanding from time to time shall be paid to meet the administrative expenses and the expenses of implementing this Agreement.

**SECTION 1.04.** The charge payable for the irrevocable special commitments entered into by the Fund, at the request of the Borrower pursuant to Section 3.02 of this Agreement, shall be at the rate of one half of one per cent (0.5%) per annum on the principal amount of any such special commitments outstanding from time to time.

**SECTION 1.05.** Interest and other charges shall be computed on the basis of a 360-day year of twelve months of 30-day each, for any period less than a full one-half of a year.

**SECTION 1.06.** The Borrower shall repay the principal of the Loan in accordance with the provisions for Amortization of the Loan set forth in Schedule No.1 to this Agreement.

**SECTION 1.07.** Interest and other charges shall be payable semi-annually on 15 June and 15 December in each year.

**SECTION 1.08.** The Borrower shall have the right, upon payment of all accrued interest and all other charges, and upon giving not less than 45 days notice to the Fund, to repay in advance of maturity: (a) all of the principal amount of the Loan at the time outstanding or (b) all of the principal amount of any one or more maturities, provided that on the date of such prepayment there shall not be outstanding any portion of the Loan maturing after the portion to be prepaid.

**SECTION 1.09.** The principal of, and interest and other charges on, the Loan shall be paid at Kuwait or at such other places as the Fund may reasonably request.

## ARTICLE II

### Currency Provisions

**SECTION 2.01.** All accounts of the financial transactions made pursuant to this Agreement shall be, and all sums falling due thereunder shall be payable, in Kuwaiti Dinars.

