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EXECUTION VERSION

NUMBER G2420-SL

INDEMNITY AGREEMENT

(SIERRA LEONE - WESTERN AREA POWER GENERATION PROJECT)

between

REPUBLIC OF SIERRA LEONE

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated January 23 2017



[Handwritten signature]



INDEMNITY AGREEMENT

THIS AGREEMENT, dated January 23 2017 between REPUBLIC OF SIERRA LEONE (the "Member Country") and the INTERNATIONAL DEVELOPMENT ASSOCIATION (the "Association") (the "Indemnity Agreement") in connection with the Guarantee Agreement (the "Guarantee Agreement") on or around the same date hereof between the Association and Societe General (the "Beneficiary") for the project described in the Schedule 1 to this Agreement (the "Project").

The Member Country and the Association therefore hereby agree as follows:

ARTICLE I

General Conditions; Definitions

Section 1.01. The provisions of the General Conditions (as defined in the Appendix to this Agreement) set forth in Section II of the Appendix to this Agreement constitute an integral part of this Agreement.

Section 1.02. Unless the context otherwise requires, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in Section I of the Appendix to this Agreement.

ARTICLE II

Indemnity by Member Country to the Association; Opinion

Section 2.01. In consideration of the Association providing the Guarantee on the terms and conditions set out in the Guarantee Agreement, the Member Country hereby irrevocably and unconditionally agrees:

(a) to reimburse the Association immediately on demand or as the Association may otherwise direct in writing for any amount paid by the Association under the Guarantee Agreement together with interest thereon at the rate per annum determined by the Association and notified to the Member Country (which rate shall not exceed the Bank's highest prevailing lending rate for loans with a fixed spread denominated in the Payment Currency, as may be shown from time to time on the Bank's external website) from the date such payment is made by the Association until such amount is reimbursed in full;

(b) to indemnify the Association on demand and hold the Association harmless against all actions, proceedings, liabilities, claims, losses, damages, costs and expenses brought against, suffered or incurred by the Association directly or indirectly in relation to or arising out of or in connection with the Guarantee Agreement (except as otherwise provided in Section 7.03(i) of the General Conditions); and





(c) that the obligations of the Member Country under this Agreement will not be affected by any act, omission, matter or thing which, but for this Section, would reduce, release or prejudice any of its obligations under this Agreement; and

(d) in the event that the Association receives funds from the Member Country pursuant to Section 2.01(a) and, in respect of the same amounts, the Association receives a refund of funds from the Beneficiary pursuant to the Guarantee Agreement or receives funds as a result of the exercise of the Association's subrogation rights under the Guarantee Agreement (the "**Double Payment**"), then the Association shall promptly refund to the Member Country the amount of the Double Payment together with any interest payments received pursuant to the Guarantee Agreement by the Association from the Beneficiary in respect of such Double Payment.

Section 2.02. Any payment required to be made by the Member Country pursuant to the terms of this Agreement shall be applied first, to pay all interest and other charges due to the Association and second, after such interest and other charges are paid, to pay all other amounts then due to the Association under this Agreement.

Section 2.03. The Member Country shall furnish to the Association an opinion or opinions satisfactory to the Association of counsel acceptable to the Association or, if the Association so requests, a certificate satisfactory to the Association of a competent official of the Member Country, showing the following matters: (a) that this Agreement has been duly authorized or ratified by, and executed and delivered on behalf of, the Member Country and is legally binding upon the Member Country in accordance with its terms; and (B) any other matter reasonably requested by the Association in connection with this Agreement or the Project. The Member Country acknowledges that the receipt by the Association of such opinion, opinions or certificate will be a condition to the effectiveness of the Guarantee Agreement.

ARTICLE III

Project

Section 3.01. The Member Country declares its commitment to the objectives of the Project.

Section 3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, the Member Country shall undertake the obligations with respect to the Project set forth in the Schedule 2 to this Agreement.

ARTICLE IV

Remedies

Section 4.01. In addition to the other remedies available to the Association under development credit and financing agreements between the Association and the Member Country, in the event that:

- (i) (x) the Member Country has failed to perform any of its obligations under Article III of this Agreement, or (y) any relevant Public Sector Entity has failed to perform any of its obligations under the Relevant Project Document(s) to which such Public Sector Entity is a party and the Member Country has failed to cause such Public Sector Entity to perform such obligations, and, in either case, such Member Country failure has continued and remained

