

No. 8883

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT
and
SENEGAL

Guarantee Agreement—*Port of Dakar Project* (with annexed Loan Regulations No. 4, as amended, and Loan Agreement between the Bank and the Port autonome de Dakar). Signed at Washington, on 1 May 1967

Official text: English.

Registered by the International Bank for Reconstruction and Development on 29 December 1967.

BANQUE INTERNATIONALE POUR
LA RECONSTRUCTION ET LE DÉVELOPPEMENT
et
SÉNÉGAL

Contrat de garantie — *Projet relatif au port de Dakar* (avec, en annexe, le Règlement n° 4 sur les emprunts, tel qu'il a été modifié, et le Contrat d'emprunt entre la Banque et le Port autonome de Dakar). Signé à Washington, le 1^{er} mai 1967

Texte officiel anglais.

Enregistré par la Banque internationale pour la reconstruction et le développement le 29 décembre 1967.

No. 8883. GUARANTEE AGREEMENT¹ (*PORT OF DAKAR PROJECT*) BETWEEN THE REPUBLIC OF SENEGAL AND THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT. SIGNED AT WASHINGTON, ON 1 MAY 1967

AGREEMENT, dated May 1, 1967, between REPUBLIC OF SENEGAL (hereinafter called the Guarantor) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank).

WHEREAS by an agreement of even date herewith between the Bank and the Port Autonome de Dakar (hereinafter called the Borrower), which agreement and the schedules therein referred to are hereinafter called the Loan Agreement,² the Bank has agreed to make to the Borrower a loan in various currencies equivalent to four million dollars (\$4,000,000) on the terms and conditions set forth in the Loan Agreement, but only on condition that the Guarantor agree to guarantee the obligations of the Borrower in respect of such loan as hereinafter provided ; and

WHEREAS the Guarantor, in consideration of the Bank's entering into the Loan Agreement with the Borrower, has agreed so to guarantee such obligations of the Borrower ;

NOW THEREFORE the parties hereto agree as follows :

Article I

Section 1.01. The parties to this Guarantee Agreement accept all the provisions of Loan Regulations No. 4 of the Bank dated February 15, 1961 as amended February 9, 1967,² subject, however, to the modification thereof set forth in Section 1.01 of the Loan Agreement (said Loan Regulations No. 4 as so modified being hereinafter called the Loan Regulations), with the same force and effect as if they were fully set forth herein.

Section 1.02. Wherever used in this Guarantee Agreement, unless the context shall otherwise require, the several terms defined in the Loan Agreement shall have the respective meanings therein set forth.

¹ Came into force on 12 September 1967, upon notification by the Bank to the Government of Senegal.

² See p. 276 of this volume.

Article II

Section 2.01. Without limitation or restriction upon any of the other covenants on its part in this Guarantee Agreement contained, the Guarantor hereby unconditionally guarantees, as primary obligor and not as surety merely, the due and punctual payment of the principal of, and the interest and other charges on, the Loan, the principal of and interest on the Bonds and the premium, if any, on the prepayment of the Loan or the redemption of the Bonds, and the punctual performance of all the covenants and agreements of the Borrower, all as set forth in the Loan Agreement and in the Bonds.

Section 2.02. Without limitation or restriction upon the provisions of Section 2.01 of this Agreement, the Guarantor specifically undertakes, whenever there is reasonable cause to believe that the funds available to the Borrower will be inadequate to meet the estimated expenditures required for carrying out the Project, to make arrangements, satisfactory to the Bank, promptly to provide the Borrower or cause the Borrower to be provided with such funds as are needed to meet such expenditures.

Article III

Section 3.01. It is the mutual intention of the Guarantor and the Bank that no other external debt shall enjoy any priority over the Loan by way of a lien on governmental assets. To that end, the Guarantor undertakes that, except as the Bank shall otherwise agree, if any lien shall be created on any assets of the Guarantor as security for any external debt, such lien will *ipso facto* equally and ratably secure the payment of the principal of, and interest and other charges on, the Loan and the Bonds, and that in the creation of any such lien express provision will be made to that effect ; provided, however, that the foregoing provisions of this Section shall not apply to : (i) any lien created on property, at the time of purchase thereof, solely as security for the payment of the purchase price of such property ; and (ii) any lien arising in the ordinary course of banking transactions and securing a debt maturing not more than one year after its date.

The term “ assets of the Guarantor ” as used in this Section includes assets of the Guarantor or of any of its political subdivisions or of any agency of the Guarantor or any of its political subdivisions or of any institution which may be established to perform the functions of a central bank exclusively for the Guarantor, and any participation, share, right or other financial interest which the Guarantor may have in any institution (other than an agency of the Guarantor) performing such functions for the Guarantor.

Section 3.02. (a) The Guarantor and the Bank shall cooperate fully to ensure that the purposes of the Loan will be accomplished. To that end,

each of them shall furnish to the other all such information as it shall reasonably request with regard to the general status of the Loan. On the part of the Guarantor, such information shall include information with respect to the administration, operations and financial condition of the Borrower and to financial and economic conditions in the territories of the Guarantor and the international balance of payments position of the Guarantor.

(b) The Guarantor and the Bank shall from time to time exchange views through their representatives with regard to the administration, operations and financial condition of the Borrower and other matters relating to the purposes of the Loan and the maintenance of the service thereof. The Guarantor shall promptly inform the Bank of any condition which interferes with, or threatens to interfere with, the accomplishment of the purposes of the Loan or the maintenance of the service thereof.

(c) The Guarantor shall afford all reasonable opportunity for accredited representatives of the Bank to visit any part of the territories of the Guarantor for purposes related to the Loan.

Section 3.03. The principal of, and interest and other charges on, the Loan and the Bonds shall be paid without deduction for, and free from, any taxes, and free from all restrictions, imposed under the laws of the Guarantor or laws in effect in its territories; provided, however, that the provisions of this Section shall not apply to taxation of payments under any Bond to a holder thereof other than the Bank when such Bond is beneficially owned by an individual or corporate resident of the Guarantor.

Section 3.04. This Guarantee Agreement, the Loan Agreement and the Bonds shall be free from any taxes that shall be imposed under the laws of the Guarantor or laws in effect in its territories on or in connection with the execution, issue, delivery or registration thereof.

Section 3.05. The Guarantor shall at all times make available to the Borrower, promptly as needed, all funds, facilities, services and other resources which shall be required for carrying out the Project and for the efficient administration and operation of the port; shall take all action necessary on its part to cause and enable the Borrower promptly to perform its obligations under the Loan Agreement and shall not take or permit any action which would interfere with such performance.

Section 3.06. The Guarantor shall take such action as shall be reasonable in the circumstances to facilitate passage through its territory of goods going to or coming from the Republic of Mali, in accordance with the International Traffic Agreement, the Customs Agreement, the Railway Agreement and the Free-Zone Agreement.

Section 3.07. The Guarantor shall from time to time take such action as may be necessary or appropriate on its part to ensure prompt compliance by the Borrower of its obligations under Section 5.14 of the Loan Agreement.

Article IV

Section 4.01. The Guarantor shall endorse, in accordance with the provisions of the Loan Regulations, its guarantee on the Bonds to be executed and delivered by the Borrower. The Minister of Finance of the Guarantor and such person or persons as he shall designate in writing are designated as the authorized representatives of the Guarantor for the purposes of Section 6.12 (b) of the Loan Regulations.

Article V

Section 5.01. The following addresses are specified for the purposes of Section 8.01 of the Loan Regulations :

For the Guarantor :

Ministry of Finance
Dakar, Senegal

Alternative address for cablegrams and radiograms :

Ministère Finances
Dakar

For the Bank :

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Alternative address for cablegrams and radiograms :

Intbafrad
Washington, D.C.

Section 5.02. The Minister of Finance of the Guarantor is designated for the purposes of Section 8.03 of the Loan Regulations.

IN WITNESS WHEREOF the parties hereto, acting through their representatives thereunto duly authorized, have caused this Guarantee Agreement to be signed in their respective names and delivered in the District of Columbia, United States of America, as of the day and year first above written.

Republic of Senegal :

By F. KANE
Authorized Representative

International Bank for Reconstruction and Development :

By SIMON ALDEWERELD
Vice President

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

LOAN REGULATIONS No. 4, DATED 15 FEBRUARY 1961,
AS AMENDED 9 FEBRUARY 1967

REGULATIONS APPLICABLE TO LOANS MADE BY THE BANK TO BORROWERS
OTHER THAN MEMBER GOVERNMENTS

[*Not published herein. See United Nations, Treaty Series, Vol. 598, p. 270.*]

LOAN AGREEMENT

(PORT OF DAKAR PROJECT)

AGREEMENT, dated May 1, 1967, between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank) and the PORT AUTONOME DE DAKAR, established and operating under Decree No. 67.0146 of February 10, 1967, of the Republic of Senegal, (hereinafter called the Borrower).

Article I

LOAN REGULATIONS ; DEFINITIONS

Section 1.01. The parties to this Loan Agreement accept all the provisions of Loan Regulations No. 4 of the Bank dated February 15, 1961 as amended February 9, 1967,¹ with the same force and effect as if they were fully set forth herein, subject, however, to the following modification thereof (said Loan Regulations No. 4 as so modified being hereinafter called the Loan Regulations) : Section 4.01 is deleted.

Section 1.02. Unless the context otherwise requires, the following terms, wherever used in the Loan Agreement, shall have the following meanings :

¹ See above.

(a) the term "International Traffic Agreement" means the agreement dated June 9, 1963, between the Guarantor and the Republic of Mali relating to international railway traffic, as the same may from time to time be amended by agreement of the parties thereto ;

(b) the term "Customs Agreement" means the *Accord douanier* dated June 8, 1963, between the Guarantor and the Republic of Mali, as the same may from time to time be amended by agreement of the parties thereto ;

(c) the term "Railway Convention" means the Convention dated June 8, 1963, between the Régie des Chemins de Fer du Senegal and the Régie du Chemin de Fer du Mali, as the same may from time to time be amended by agreement of the parties thereto ;

(d) the term "Free-Zone Agreement" means the *Accord* between the Guarantor and the Republic of Mali concerning the utilization of the Ports of Dakar and Kaolack dated June 8, 1963, as the same may from time to time be amended by agreement of the parties thereto ;

(e) the term "Statutes" means Decree No. 67.0146, referred to in the preamble of this Agreement.

Article II

THE LOAN

Section 2.01. The Bank agrees to lend to the Borrower, on the terms and conditions in this Loan Agreement set forth or referred to, an amount in various currencies equivalent to four million dollars (\$4,000,000).

Section 2.02. The Bank shall open a Loan Account on its books in the name of the Borrower and shall credit to such Account the amount of the Loan. The amount of the Loan may be withdrawn from the Loan Account as provided in, and subject to the rights of cancellation and suspension set forth in, this Loan Agreement.

Section 2.03. Except as the Bank shall otherwise agree, the Borrower shall be entitled to withdraw from the Loan Account the equivalent of fifty-eight per cent, or such other percentage as may be established from time to time by agreement between the Borrower and the Bank, (1) of such amounts as shall have been paid for the reasonable cost of goods required for carrying out the Project, and, if the Bank shall so agree, (2) of such amounts as shall be required by the Borrower to meet payments for such goods ; provided, however, that no withdrawals shall be made on account of : (i) expenditures prior to November 15, 1966 ; or (ii) expenditures made in the territories of any country (except Switzerland) which is not a member of the Bank or for goods produced in (including services supplied from such territories.

Section 2.04. Pursuant to Section 3.02 of the Loan Regulations, it is agreed that withdrawals from the Loan Account shall be made in such currency or currencies as the Bank shall from time to time reasonably select.

Section 2.05. The Borrower shall pay to the Bank a commitment charge at the rate of three-eighths of one per cent ($\frac{3}{8}$ of 1 %) per annum on the principal amount of the Loan not withdrawn from time to time.

Section 2.06. The Borrower shall pay interest at the rate of six per cent (6 %) per annum on the principal amount of the Loan so withdrawn and outstanding from time to time.

Section 2.07. Except as the Bank and the Borrower shall otherwise agree, the charge payable for special commitments entered into by the Bank at the request of the Borrower pursuant to Section 4.02 of the Loan Regulations shall be at the rate of one-half of one per cent ($\frac{1}{2}$ of 1 %) per annum on the principal amount of any such special commitment outstanding from time to time.

Section 2.08. Interest and other charges shall be payable semi-annually on April 15 and October 15 in each year.

Section 2.09. The Borrower shall repay the principal of the Loan in accordance with the amortization schedule set forth in Schedule 1 to this Agreement.

Article III

USE OF PROCEEDS OF THE LOAN

Section 3.01. The Borrower shall apply the proceeds of the Loan exclusively to financing the cost of goods required to carry out the Project, described in Schedule 2 to this Loan Agreement. The specific goods to be financed out of the proceeds of the Loan and the methods and procedures for procurement of such goods shall be determined by agreement between the Bank and the Borrower, subject to modification by further agreement between them.

Section 3.02. Except as the Bank and the Borrower shall otherwise agree, the Borrower shall cause all goods financed out of the proceeds of the Loan to be used exclusively in the carrying out of the Project.

Article IV

BONDS

Section 4.01. The Borrower shall execute and deliver Bonds representing the principal amount of the Loan as provided in the Loan Regulations.

Section 4.02. The *Directeur* of the Borrower is designated as the authorized representative of the Borrower for the purposes of Section 6.12 (a) of the Loan Regulations.

Article V

PARTICULAR COVENANTS

Section 5.01. (a) The Borrower shall carry out the Project with due diligence and efficiency and in conformity with sound engineering and financial practices.

(b) In the carrying out of the Project the Borrower shall employ competent and experienced consultants and contractors satisfactory to, and under terms and conditions acceptable to, the Bank and the Borrower.

(c) Upon request by the Bank, the Borrower shall furnish or cause to be furnished to the Bank, promptly upon their preparation, the plans and specifications and work schedules for the Project and any material modifications subsequently made therein, in such detail as the Bank shall from time to time specify.

Section 5.02. The Borrower shall at all times conduct its business and carry on its operations in accordance with sound financial, engineering and port practices and to that end shall employ and maintain such management with such qualifications and experience as shall be required for the purpose.

Section 5.03. The Borrower shall maintain records adequate to identify the goods financed out of the proceeds of the Loan, to disclose the use thereof in the Project, to record the progress of the Project (including the cost thereof) and to reflect in accordance with consistently maintained sound accounting practices the operations and financial condition of the Borrower and shall enable the Bank's representatives to inspect the Project, the goods and all other plants, sites, works, property and equipment of the Borrower and any relevant records and documents.

Section 5.04. (a) The Bank and the Borrower shall cooperate fully to ensure that the purposes of the Loan will be accomplished. To that end, the Bank and the Borrower shall from time to time, at the request of either party, exchange views through their representatives with regard to the performance by the Borrower of its obligations under this Loan Agreement, the administration, operations and financial condition of the Borrower and other matters relating to the purposes of the Loan.

(b) The Borrower shall furnish to the Bank all such information as the Bank shall reasonably request concerning the expenditure of the proceeds of the Loan, the goods, the Project, and the administration, operations and financial condition of the Borrower.

(c) The Borrower shall promptly inform the Bank of any condition which interferes with, or threatens to interfere with, the accomplishment of the purposes of the Loan, the maintenance of the service thereof or the performance by the Borrower of its obligations under this Loan Agreement.

Section 5.05. The Borrower undertakes that, except as the Bank shall otherwise agree, if any lien shall be created on any assets of the Borrower as security for any debt, such lien will *ipso facto* equally and ratably secure the payment of the principal of, and interest and other charges on, the Loan and the Bonds, and that in the creation of any such lien express provision will be made to that effect ; provided however, that the foregoing provisions of this Section shall not apply to : (i) any lien created on property, at the time of purchase thereof, solely as security for the payment of the purchase price of such property ; and (ii) any lien arising in the ordinary course of banking transactions and securing a debt maturing not more than one year after its date.

Section 5.06. The Borrower shall pay or cause to be paid all taxes, if any, imposed under the laws of the Guarantor or laws in effect in the territories of the Guarantor on or in connection with the execution, issue, delivery or registration of this Loan Agreement, the Guarantee Agreement or the Bonds, or the payment of principal, interest or other charges thereunder; provided, however, that the provisions of this Section shall not apply to taxation of payments under any Bond to a holder thereof other than the Bank when such Bond is beneficially owned by an individual or corporate resident of the Guarantor.

Section 5.07. The Borrower shall pay or cause to be paid all taxes, if any, imposed under the laws of the country or countries in whose currency the Loan and the Bonds are payable or laws in effect in the territories of such country or countries on or in connection with the execution, issue, delivery or registration of this Loan Agreement, the Guarantee Agreement or the Bonds.

Section 5.08. Except as the Bank and the Borrower shall otherwise agree:

(a) The Borrower shall take out and maintain with responsible insurers or make other provisions satisfactory to the Bank for insurance against such risks and in such amount as shall be consistent with sound practice.

(b) Without limiting the generality of the foregoing, the Borrower undertakes to insure any goods imported by the Borrower and financed out of the proceeds of the Loan against marine, transit and other hazards incident to the acquisition, transportation and delivery thereof to the place of use or installation and for such insurance any indemnity shall be payable in a currency freely usable by the Borrower to replace or repair such goods.

Section 5.09. The Borrower shall promptly take all steps required to obtain, maintain and renew all powers, rights, privileges and franchises which are necessary or useful for the construction of the Project or the carrying out of the Borrower's operations.

Section 5.10. The Borrower shall operate and maintain its installations, equipment and other property, and from time to time make all necessary renewals and repairs thereof, in accordance with sound engineering and port practices.

Section 5.11. The Borrower shall not, without the prior consent of the Bank, sell or otherwise dispose of any of its assets except in the ordinary course of its business.

Section 5.12. The Borrower shall have its accounts audited, and its balance sheet, income account and statement of profit and loss certified, annually by auditors independent of the Borrower and acceptable to the Bank. Copies of such certified balance sheet and statements, and the report of the auditors, shall be furnished to the Bank within six months from the close of the fiscal year to which they relate, beginning in respect of the fiscal year 1966/1967.

Section 5.13. (a) Until the completion of the Project, the Borrower shall not (i) undertake any works for the Port of Dakar included in the Second Four-Year Development Plan which are not a part of the Project, or (ii) incur any major capital expenditures other than for the Project unless the Guarantor, the Bank and the Borrower shall agree that the Borrower has the administrative and financial capacity required to carry out such undertaking or expenditure without prejudice to the efficient carrying out of the Project and of the Borrower's operations.

(b) Thereafter, if the Borrower shall propose to incur any major capital expenditure, it shall promptly inform the Bank of such proposal and afford the Bank a reasonable opportunity to exchange views with the Borrower thereon before the proposed action is taken.

Section 5.14. The Borrower shall from time to time make such adjustments in its tariffs and shall take all such other action as may be necessary to provide the Borrower, by such date or dates as shall be agreed upon between the Bank and the Borrower, with revenue sufficient : (a) to ensure an adequate return on the Borrower's revalued net fixed assets in use after covering all operating expenses, including adequate maintenance and depreciation, and (b) to enable the Borrower, out of internally-generated resources : (i) to meet interest on and amortization of debt, (ii) to maintain adequate working capital, (iii) to maintain statutory reserves, and (iv) to finance a substantial portion of its capital expenditures, including replacements of assets.

Section 5.15. The Borrower shall take such action as shall be reasonable in the circumstances to facilitate the passage through the port of goods going to or coming from the Republic of Mali, in accordance with the International Traffic Agreement, the Customs Agreement, the Railway Convention and the Free-Zone Agreement.

Article VI

REMEDIES OF THE BANK

Section 6.01. (i) If any event specified in paragraph (a), paragraph (e) or paragraph (f) of Section 5.02 of the Loan Regulations shall occur and shall continue for a period of thirty days ; or (ii) if a default shall occur in the payment of principal or interest or any other payment required under any other loan agreement between the Bank and the Borrower or under any bond delivered pursuant thereto or under any credit agreement between the Association and the Borrower and such default shall continue for a period of thirty days ; or (iii) if a default shall occur in the payment of principal or interest or any other payment required under any loan agreement or under any guarantee agreement between the Guarantor and the Bank or under any bond delivered pursuant to any such agreement or under any credit agreement between the Association and the Guarantor under circumstances which would make it unlikely that the Guarantor would meet its obligations under the Guarantee Agreement and such default shall continue for a period of thirty days ; or (iv) if any event specified in paragraph (c) of Section 5.02 of the Loan Regulations or in Section 6.02 of this Agreement shall occur and shall continue for a period of sixty days after notice thereof shall have been given by the Bank to the Borrower, then at any subsequent time during the continuance thereof, the Bank, at its op-

tion, may declare the principal of the Loan and of all the Bonds then outstanding to be due and payable immediately, and upon any such declaration such principal shall become due and payable immediately, anything in this Agreement or in the Bonds to the contrary notwithstanding.

Section 6.02. For the purposes of Section 5.02 of the Loan Regulations, the following additional events are specified :

(a) The International Traffic Agreement, the Customs Agreement, the Railway Convention, the Free-Zone Agreement or the Statutes shall have been amended, suspended, waived, terminated or repealed so as to affect adversely the ability of the Borrower to carry out its obligations under this Loan Agreement ;

(b) Railway traffic between the territories of the Guarantor and the territories of the Republic of Mali shall have been substantially interrupted for other than technical reasons, unless such reasons shall be manifestly beyond the Guarantor's control.

Article VII

EFFECTIVE DATE ; TERMINATION

Section 7.01. The following events are specified as additional conditions to the effectiveness of this Loan Agreement and the Guarantee Agreement within the meaning of Section 9.01 (d) of the Loan Regulations, namely, that the Borrower has engaged consultants and has taken out insurance in accordance with the provisions of Section 5.01 (b) and Section 5.08 (a), respectively, of this Agreement.

Section 7.02. The date of July 31, 1967 is specified for the purposes of Section 9.04 of the Loan Regulations.

Article VIII

MISCELLANEOUS

Section 8.01. The Closing Date shall be July 31, 1970, or such other date as shall be agreed upon by the Borrower and the Bank.

Section 8.02. The following addresses are specified for the purposes of Section 8.01 of the Loan Regulations :

For the Borrower :

Port autonome de Dakar
Boîte Postale 3195
Dakar, Senegal

Alternative address for cablegrams and radiograms :

Porcomer
Dakar

For the Bank :

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Alternative address for cablegrams and radiograms :

Intbafrad
Washington, D.C.

IN WITNESS WHEREOF the parties hereto, acting through their representatives thereunto duly authorized, have caused this Loan Agreement to be signed in their respective names and delivered in the District of Columbia, United States of America, as of the day and year first above written.

International Bank for Reconstruction and Development :

By SIMON ALDEWERELD
Vice President

Port autonome de Dakar :

By S. M. DIOURY
Authorized Representative

SCHEDULE 1

AMORTIZATION SCHEDULE

<i>Date Payment Due</i>	<i>Payment of Principal (expressed in dollars) *</i>	<i>Date Payment Due</i>	<i>Payment of Principal (expressed in dollars) *</i>
15 October 1970	\$115,000	15 October 1976	\$165,000
15 April 1971	120,000	15 April 1977	170,000
15 October 1971	155,000	15 October 1977	175,000
15 April 1972	125,000	15 April 1978	180,000
15 October 1972	130,000	15 October 1978	185,000
15 April 1973	135,000	15 April 1979	190,000
15 October 1973	140,000	15 October 1979	200,000
15 April 1974	145,000	15 April 1980	205,000
15 October 1974	145,000	15 October 1980	210,000
15 April 1975	150,000	15 April 1981	215,000
15 October 1975	155,000	15 October 1981	225,000
15 April 1976	160,000	15 April 1982	235,000

* To the extent that any part of the Loan is repayable in a currency other than dollars (see Loan Regulations, Section 3.03), the figures in this column represent dollar equivalents determined as for purposes of withdrawal.

PREMIUM ON PREPAYMENT AND REDEMPTION

The following percentages are specified as the premiums payable on repayment in advance of maturity of any part of the principal amount of the Loan pursuant to Section 2.05 (b) of the Loan Regulations or on the redemption of any Bond prior to its maturity pursuant to Section 6.16 of the Loan Regulations :

<i>Time of Prepayment or Redemption</i>	<i>Premium</i>
Not more than three years before maturity.....	1/2%
More than three years but not more than six years before maturity.....	2 1/4%
More than six years but not more than eleven years before maturity....	3 1/2%
More than eleven years but not more than thirteen years before maturity	5%
More than thirteen years before maturity.....	6%

SCHEDULE 2

DESCRIPTION OF THE PROJECT

The Project comprises parts of the Second Four-Year Development Plan for the port of Dakar, as modified :

A. Extension of existing Mole 3 to increase the over-all length of quay allocated to Mali traffic to 360 meters ; the reconstruction of the quay wall between Mole 2 and the extended Mole 3, both with 10 meters depth alongside.

B. Reconstruction of the Middle Basin quay wall with 10 meters depth alongside.

C. Dredging to provide the following :

1. a turning circle with a depth of 11 meters for vessels using the west side of Mole 5 ;
2. a depth of 10 meters on the west side of Mole 8 and at the Thiès quay, with necessary access thereto ;
3. a depth of 8.5 meters at all berths on the west side of Mole 1 and necessary access thereto ;
4. a depth of 10 meters to all berths in the East and Middle Basins (except alongside Mole 2) and necessary access thereto.