

No. 16605

**UNITED STATES OF AMERICA
and
SYRIAN ARAB REPUBLIC**

**Loan Agreement relating to economic development: basic
inputs and production. Signed at Damascus on
30 September 1976**

Authentic text: English.

Registered by the United States of America on 27 April 1978.

**ÉTATS-UNIS D'AMÉRIQUE
et
RÉPUBLIQUE ARABE SYRIENNE**

**Accord de prêt relatif au développement économique : dota-
tions et production de base. Signé à Damas le
30 septembre 1976**

Texte authentique : anglais.

Enregistré par les États-Unis d'Amérique le 27 avril 1978.

LOAN AGREEMENT¹ BETWEEN THE UNITED STATES OF AMERICA AND THE SYRIAN ARAB REPUBLIC (BASIC INPUTS AND PRODUCTION)

Dated: September 30, 1976

LOAN AGREEMENT dated the 30th day of September, 1976, between the UNITED STATES OF AMERICA, acting through the AGENCY FOR INTERNATIONAL DEVELOPMENT (“A.I.D.”), and the SYRIAN ARAB REPUBLIC (“Borrower”).

Article I. THE LOAN

Section 1.01. THE LOAN. A.I.D. agrees to lend to the Borrower pursuant to the Foreign Assistance Act of 1961, as amended, an amount not to exceed fifteen million United States dollars (\$15,000,000) (the “Loan”) for the foreign exchange costs of commodities and commodity-related services, as such services are defined by A.I.D. Regulation 1, needed to assist the Borrower in its economic development programs. Commodities and commodity-related services authorized to be financed hereunder are hereinafter referred to as “Eligible Items”, as more fully described in Section 4.04. The aggregate amount of disbursements under the Loan shall constitute the principal of the Loan.

Article II. LOAN TERMS

Section 2.01. INTEREST. The Borrower shall pay to A.I.D. interest which shall accrue at the rate of two per cent (2%) per annum for ten years following the date of the first disbursement hereunder and at the rate of three per cent (3%) per annum thereafter on the outstanding balance of principal and on any due and unpaid interest. Interest on the outstanding balance shall accrue from the date of each respective disbursement (as such date is defined in Section 5.03) and shall be computed on the basis of a 365-day year. Interest shall be payable semi-annually. The first payment of interest shall be due and payable no later than six (6) months after the first disbursement hereunder, on a date to be indicated by A.I.D.

Section 2.02. REPAYMENT. The Borrower shall repay to A.I.D. the principal within forty (40) years from the date of the first disbursement hereunder in sixty-one (61) approximately equal semi-annual installments of principal and interest. The first installment of principal shall be payable nine and one half (9½) years after the date on which the first interest payment is due in accordance with Section 2.01. A.I.D. shall provide the Borrower with an amortization schedule in accordance with this Section after the final disbursement under the Loan.

Section 2.03. APPLICATION, CURRENCY AND PLACE OF PAYMENT. All payments of interest and principal hereunder shall be made in United States dollars and shall be applied first to the payment of interest due and then to the repayment of principal. Except as A.I.D. may otherwise specify in writing, all such payments shall be made to the Controller, Agency for International Development, Washington, D.C., U.S.A., and shall be deemed made when received by the Office of the Controller.

¹ Came into force on 30 September 1976 by signature.

Section 2.04. PREPAYMENT. Upon payment of all interest and refunds then due, the Borrower may prepay, without penalty, all or any part of the principal. Any such prepayment shall be applied to the installments of principal in the inverse order of their maturity.

Section 2.05. RENEGOTIATION OF THE TERMS OF THE LOAN. The Borrower agrees to negotiate with A.I.D., at such time or times as A.I.D. may request, an acceleration of the repayment of the Loan in the event that there is any significant improvement in the internal and external economic and financial position and prospects of Syria.

Article III. CONDITIONS PRECEDENT TO DISBURSEMENT

Section 3.01. CONDITIONS PRECEDENT TO INITIAL DISBURSEMENT. Prior to any disbursement or to the issuance of any Letter of Commitment or other authorization of disbursement under the Loan, the Borrower shall, except as A.I.D. may otherwise agree in writing, furnish to A.I.D. in form and substance satisfactory to A.I.D.:

- (a) an opinion or opinions of the State Council of the Syrian Arab Republic that this Agreement has been duly authorized and/or ratified by and executed on behalf of the Borrower and that it constitutes a valid and legally binding obligation of the Borrower in accordance with all of its terms;
- (b) a statement of the names of the persons holding or acting in the office of the Borrower specified in Section 8.02 and a specimen signature of each person specified in such statement;
- (c) a procurement plan including the procedures by which all procurement financed under this Agreement will be carried out, the criteria and procedures for determining importer eligibility, and the mechanism for publicizing procurement and making awards.

Section 3.02. TERMINAL DATE FOR MEETING CONDITIONS PRECEDENT TO DISBURSEMENT. If all the conditions specified in Section 3.01 shall not have been met within one hundred and twenty (120) days after the date of this Agreement or such later date as A.I.D. and the Borrower may agree to in writing, A.I.D., at its option, may terminate this Agreement by giving written notice to the Borrower. In the event of a termination hereunder, this Agreement and all obligations of the parties hereunder shall terminate, provided, if A.I.D. shall have disbursed any funds in advance of said conditions being met, upon the giving of notice, the Borrower shall immediately repay the principal then outstanding and shall pay any accrued interest.

Section 3.03. NOTIFICATION OF MEETING CONDITIONS PRECEDENT TO DISBURSEMENT. A.I.D. shall notify the Borrower upon determination by A.I.D. that the conditions precedent to disbursement specified in Section 3.01 have been met.

Article IV. PROCUREMENT, UTILIZATION AND ELIGIBILITY OF COMMODITIES

Section 4.01. A.I.D. REGULATION 1. Except as A.I.D. may otherwise specify in writing, this Loan and the procurement and utilization of Eligible Items financed under it are subject to the terms and conditions of A.I.D. Regulation 1 as from time to time amended and in effect, which is incorporated and made a part hereof. If any provision of A.I.D. Regulation 1 is inconsistent with a provision of this Agreement, the provision of this Agreement shall govern.

Section 4.02. SOURCE OF PROCUREMENT. Except as A.I.D. may specify in Implementation Letters or Commodity Procurement Instructions, or as it may otherwise agree in writing, all Eligible Items shall have their source and origin in the United States of America.

Section 4.03. DATE OF PROCUREMENT. Except as A.I.D. and the Borrower may otherwise agree in writing, only those commodities otherwise eligible for financing hereunder for which firm orders are placed on or after September 30, 1976, and services related to such commodities, shall be eligible for financing under this Loan.

Section 4.04. ELIGIBLE ITEMS. (a) The commodities eligible for financing under this Loan shall be those specified in the Implementation Letters and Commodity Procurement Instructions. Commodity-related services as defined in A.I.D. Regulation 1 (including transportation costs of shipping on United States flag vessels) are eligible for financing under this Loan. Other items shall become eligible for financing only after the written agreement between A.I.D. and the Borrower. After consultation with the Borrower pursuant to Section 4.13, A.I.D. may delete from the commodities specified as eligible any specific commodity, category of commodity, or commodity-related service.

(b) A.I.D. reserves the right in exceptional situations to decline to finance any specific commodity or commodity-related service. Exceptional situations, for example, include, but are not limited to, circumstances in which the commodity would jeopardize the health or safety of persons within the Borrower's country or would not be suited for the purpose for which the commodity is intended, or the financing thereof would be inconsistent with the purposes of the Loan. If disbursement for such a transaction will be pursuant to Section 5.01, such right of A.I.D. will be exercised at a point in time no later than commodity prevalidation by A.I.D. (Form 11 approval).

(c) The Borrower shall be notified of any decision by A.I.D. to exercise its rights hereunder.

Section 4.05. PROCUREMENT FOR PUBLIC SECTOR. With respect to procurement hereunder by or for the Borrower, its departments and instrumentalities:

- (a) the provisions of Section 201.22 of A.I.D. Regulation 1 regarding competitive bid procedures shall apply unless A.I.D. and the Borrower agree otherwise in writing; and
- (b) the Borrower will undertake to assure that public sector importers under this Loan establish adequate logistic management facilities and that adequate funds are available to pay banking charges, customs duties and other commodity-related charges in connection with commodities imported by public sector organizations.

Section 4.06. FINANCING PHYSICAL FACILITIES. Except as A.I.D. and the Borrower may otherwise agree in writing, not more than \$1,000,000 from the proceeds of this Loan shall be used for the purchase of commodities or commodity-related services for use in the construction, expansion, equipping, or alteration of any one physical facility or of related physical facilities without prior A.I.D. approval, additional to the approvals required by A.I.D. Regulation 1. "Related physical facilities" shall mean those facilities which, taking into account such factors as functional interdependence, geographic proximity and ownership, constitute a single enterprise.

Section 4.07. UTILIZATION OF COMMODITIES. (a) The Borrower shall insure that commodities financed under this Agreement shall be effectively used for the purpose for which the assistance is made available. Such effective use shall include:

- (i) the maintenance of accurate arrival and clearance records by customs authorities and the prompt processing of commodity imports through customs at ports of entry and removal from customs and/or custom-bonded warehouses of such commodities, the total time for which (from date commodities arrive at port of entry to date importer removes them from customs) shall not exceed ninety (90) calendar days, unless the importer is hindered by *force majeure* or A.I.D. otherwise agrees in writing;
- (ii) the consumption or use not later than one (1) year from the date the commodities arrive at the port of entry unless a longer period can be justified to the satisfaction of A.I.D. by reason of *force majeure* or special market or other circumstances; and
- (iii) the proper surveillance and supervision by the Borrower to reduce breakage and pilferage in ports resulting from careless or deliberately improper cargo handling practices, as specified in detail in Implementation Letters.

The term "*force majeure*" as used herein shall mean the happening of an unusual event beyond the control of the Borrower, which event renders the performance of the act contemplated impossible of completion or so ineffective that the purpose of the contemplated act would not be effectively realized. *Force majeure* shall include, but not be limited to, earthquakes, floods, cyclones, extraordinary rains or winds, ship sinkings, war, or hostile actions by foreign powers.

(b) The Borrower shall use its best efforts to prevent the use of commodities financed under this Agreement to promote or assist any project or activity associated with or financed by any country not included in Code 935 of the *A.I.D. Geographic Code Book* as in effect at the time of such projected use, except with the prior written agreement of A.I.D. and the Borrower.

Section 4.08. SHIPPING AND INSURANCE. (a) Goods financed under the Loan shall be transported to Syria on flag carriers of any country included in Code 935 of the *A.I.D. Geographic Code Book* as in effect at the time of shipment, provided,

- (i) at least fifty per cent (50%) of the gross tonnage of all commodities (computed separately for dry bulk carriers, dry cargo liners and tankers) financed hereunder which may be transported on ocean vessels shall be transported on privately owned United States flag commercial vessels;
- (ii) additionally, at least fifty per cent (50%) of the gross freight revenue generated by all shipments financed hereunder and transported to Syria on dry cargo liners shall be paid to or for the benefit of privately owned United States flag commercial vessels;
- (iii) compliance with the requirements of (i) and (ii) above must be achieved with respect to cargo transported from U.S. ports and also to cargo transported from non-U.S. ports, computed separately;
- (iv) within ninety (90) days following the end of each calendar quarter, or such other period as A.I.D. may specify in writing, the Borrower shall furnish A.I.D. with a statement, in form and substance satisfactory to A.I.D., reporting on compliance with the requirements of this Section;

(v) no such goods may be transported on any ocean vessel (or aircraft) which A.I.D., in a notice to the Borrower, has designated as ineligible to carry A.I.D.-financed goods or which has been chartered for the carriage of A.I.D.-financed goods unless such charter has been approved by A.I.D.

(b) If, in connection with the placement of marine insurance on shipments to be financed hereunder, the Borrower, by statute, decree, rule, or regulation, favors any marine insurance company of any country over any marine insurance company authorized to do business in any state of the United States of America, goods procured from the United States and financed under the Loan shall, during the continuance of such favoritism, be insured against marine risk in the United States of America with a company or companies authorized to do a marine insurance business in any state of the United States of America.

(c) The Borrower shall insure, or cause to be insured, all goods financed under the Loan against risks incident to their transit to the point of their use. Such insurance shall be issued upon terms and conditions consistent with sound commercial practice, shall insure the full value of the goods, and shall be payable in the currency in which such goods were financed. Any indemnification received by the Borrower under such insurance shall be used to replace or repair any material damage or any loss of the goods insured or shall be used to reimburse the Borrower for the replacement or repair of such goods. Any such replacements shall have both their source and origin in the United States unless A.I.D. and the Borrower shall otherwise agree in writing and shall be otherwise subject to the provisions of this Agreement.

Section 4.09. NOTIFICATION TO POTENTIAL SUPPLIERS. In order that United States firms shall have the opportunity to participate in furnishing Eligible Items, the Borrower shall furnish to A.I.D. appropriate information with regard thereto at such time as A.I.D. may request in Implementation Letters.

Section 4.10. INFORMATION AND MARKING. The Borrower will cooperate with A.I.D. in its efforts to disseminate information concerning this Loan and shall comply with such reasonable instructions with respect to the marking of Eligible Items as A.I.D. may issue from time to time.

Section 4.11. MINIMUM SIZE TRANSACTIONS. Except as A.I.D. and the Borrower may agree in writing, no Letter of Credit issued pursuant to this Agreement, except for spare parts, shall be in an amount less than ten thousand dollars (\$10,000).

Section 4.12. PROCEDURES. A.I.D. will issue binding Implementation Letters and Commodity Procurement Instructions which will prescribe the procedures applicable in connection with the implementation of this Agreement.

Section 4.13. CONTINUING CONSULTATION. The Borrower and A.I.D. shall cooperate fully to assure adequate communication between the parties and that the purpose of the Loan will be accomplished. To this end, the Borrower and A.I.D. shall from time to time, within five days of the delivery of written request of either party, exchange views through their representatives with regard to the progress of the Loan, the performance by either party of its obligations under this Agreement, and other matters relating to the Loan.

Article V. DISBURSEMENTS

Section 5.01. DISBURSEMENTS FOR UNITED STATES DOLLAR COSTS — LETTERS OF COMMITMENT TO UNITED STATES BANKS. Upon satisfaction of the Conditions

Precedent, the Borrower may, from time to time, request A.I.D. to issue Letters of Commitment for specified amounts to one or more United States banks, satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made by them to the Borrower or any designee of the Borrower, through the use of Letters of Credit, or otherwise, for costs of Eligible Items procured in accordance with the terms and conditions of this Agreement. Payment by a bank to a contractor or supplier will be made by the bank upon presentation of such supporting documentation as A.I.D. may prescribe in Letters of Commitment and Implementation Letters. Banking charges incurred in connection with Letters of Commitment and Letters of Credit shall be for the account of the Borrower and may be financed under the Loan.

Section 5.02. OTHER FORMS OF DISBURSEMENT. Disbursements of the Loan may also be made through such other means and by such other procedures as the Borrower and A.I.D. may agree to in writing.

Section 5.03. DATE OF DISBURSEMENT. Disbursements by A.I.D. shall be deemed to occur, in the case of disbursements pursuant to Section 5.01, on the date on which A.I.D. makes a disbursement to the Borrower, to its designee, or to a banking institution pursuant to a Letter of Commitment. In the event of a disbursement under Section 5.02 hereof, the date of disbursement shall be designated in the documentation by which the parties agree to such disbursement, provided, in the absence of such designation, the date of disbursement shall be the date upon which A.I.D. makes payment with respect to commodities or delivers property into the control of the Borrower or its designee.

Section 5.04. TERMINAL DATE FOR REQUESTS FOR LETTERS OF COMMITMENT. Except as A.I.D. and the Borrower may otherwise agree in writing, no Letter of Commitment shall be issued in response to a request received after September 30, 1977.

Section 5.05. TERMINAL DATE FOR DISBURSEMENT. Except as A.I.D. and the Borrower may otherwise agree in writing, no disbursement of Loan funds shall be made against documentation submitted after August 31, 1978, and no loan funds shall be disbursed after September 30, 1978.

Section 5.06. DOCUMENTATION REQUIREMENTS. A.I.D. Regulation 1 specifies in detail the documents required to substantiate disbursements under this Agreement by Letter of Commitment or other method of financing. Additional documents may also be required by A.I.D. with respect to specific commodities as may be set forth in detail in Implementation Letters.

Section 5.07. RECORDS. Borrower shall maintain or cause to be maintained in accordance with sound accounting principles and practices consistently applied such books and records relating to this Agreement as may be prescribed in Implementation Letters. In addition to the above, the Borrower shall maintain records adequate to establish that commodities financed hereunder have been utilized in accordance with Section 4.07 of this Agreement. Such books and records shall be made available to A.I.D. or its representatives for inspection for such periods and at such times as A.I.D. may require, and shall be maintained for five years after the date of last disbursement by A.I.D. under this Agreement.

Article VI. GENERAL COVENANTS AND WARRANTIES

Section 6.01. REPORTS. Borrower shall furnish to A.I.D. such information and reports relating to the goods and services financed by this Loan and the performance of Borrower's obligations under this Agreement as A.I.D. may request.

Section 6.02. DISCLOSURE OF MATERIAL FACTS AND CIRCUMSTANCES. The Borrower represents and warrants that all facts and circumstances that it has disclosed or caused to be disclosed to A.I.D. in the course of obtaining the Loan are accurate and complete, and that it has disclosed to A.I.D., accurately and completely, all facts and circumstances that might materially affect the Loan and the discharge of its obligation under this Agreement. The Borrower shall promptly inform A.I.D. of any facts and circumstances that may hereafter arise that might materially affect, or that it is reasonable to believe might materially affect, this Loan, or the discharge of the Borrower's obligations under this Agreement.

Section 6.03. TAXATION. This Agreement, the Loan, and any evidence of indebtedness issued in connection herewith shall be free from, and the principal and interest shall be paid without deduction for and free from, any taxation or fees imposed under the laws in effect within Syria.

Section 6.04. COMMISSIONS, FEES AND OTHER PAYMENTS. (a) Borrower warrants and covenants that in connection with obtaining the Loan, or taking any action under or with respect to this Agreement, it has not paid, and will not pay or agree to pay, nor to the best of its knowledge has there been paid nor will there be paid or agreed to be paid by any other person or entity, commissions, fees, or other payments of any kind, except as regular compensation to the Borrower's full-time officers and employees or as compensation for bona fide professional, technical or comparable services. The Borrower shall promptly report to A.I.D. any payment or agreement to pay for such bona fide professional, technical, or comparable services to which it is a party or of which it has knowledge (indicating whether such payment has been made or is to be made on a contingent basis), and if the amount of any such payment is deemed unreasonable by A.I.D., the same shall be adjusted in a manner satisfactory to A.I.D.

(b) The Borrower warrants and covenants that no payments have been or will be received by the Borrower, or any official of the Borrower, in connection with the procurement of goods and services financed hereunder, except fees, taxes, or similar payment legally established in Syria.

Article VII. CANCELLATION AND SUSPENSION

Section 7.01. CANCELLATION BY THE BORROWER. The Borrower may, by written notice to A.I.D., cancel any part of the Loan which (i) prior to the giving of such notice, A.I.D. has not disbursed or committed itself to disburse, or (ii) has not then been utilized through the issuance of irrevocable Letters of Credit or through bank payments made other than under irrevocable Letters of Credit.

Section 7.02. EVENTS OF DEFAULT; ACCELERATION. If any one or more of the following ("Events of Default") shall occur:

(a) the Borrower shall have failed to pay when due any interest or installment of principal required under this Agreement;

- (b) the Borrower shall have failed to comply with any other provision of this Agreement;
- (c) the Borrower shall have failed to pay when due any interest or any installment of principal or any other payment required under any other loan agreement, any guaranty agreement, or any other agreement between the Borrower or any of its agencies and A.I.D., or any of its predecessor agencies;

then A.I.D. may request consultation pursuant to Section 4.13 hereof and may, at its option, give to the Borrower notice that all or any part of the unrepaid principal shall be due and payable sixty (60) days thereafter, and, unless the Event of Default is cured within such sixty (60) days: (i) such unrepaid principal and any accrued interest hereunder shall be due and payable immediately; and (ii) the amount of any further disbursements made under then outstanding irrevocable Letters of Credit or otherwise shall become due and payable as soon as made.

Section 7.03. SUSPENSION OF DISBURSEMENTS, TRANSFER OF GOODS TO A.I.D. In the event that at any time:

- (a) an Event of Default has occurred;
- (b) an event occurs which A.I.D. determines to be an extraordinary situation that makes it improbable either that the purpose of the Loan will be attained or that the Borrower will be able to perform its obligation under this Agreement; or
- (c) any disbursement would be inconsistent with the legislation governing A.I.D.;

then A.I.D. may request consultation pursuant to Section 4.13 hereof and may, at its option, in addition to remedies provided in A.I.D. Regulation 1, (i) decline to issue further Letters of Commitment or other disbursing authorization, (ii) suspend or cancel outstanding Letters of Commitment or other disbursing authorization to the extent that they have not been utilized through the issuance of irrevocable Letters of Credit, or (iii) to the extent that A.I.D. has not agreed to make direct reimbursement to Borrower, decline to make disbursements other than under Letters of Commitment; and (iv) at A.I.D.'s expense, direct that title to goods financed hereunder shall be transferred to A.I.D., if the goods are in a deliverable state and have not been off-loaded in ports of entry of Syria.

Section 7.04. CANCELLATION BY A.I.D. Following any suspension of disbursements pursuant to Section 7.03, if the cause or causes for such suspension of disbursement shall not have been eliminated or corrected within sixty (60) days from the date of such suspension, A.I.D. may, at its option, at any time or times thereafter, cancel all or any part of the Loan that is not then either disbursed or subject to irrevocable Letters of Credit.

Section 7.05. CONTINUED EFFECTIVENESS OF AGREEMENT. Notwithstanding any cancellation, suspension of disbursement or acceleration of repayment, the provisions of this Agreement shall continue in full force and effect (as to any funds disbursed under this Loan) until the repayment in full of all principal and any accrued interest hereunder.

Section 7.06. REFUNDS. In addition to any refund otherwise required by A.I.D. pursuant to A.I.D. Regulation 1, in the case of any disbursement not supported by valid documentation in accordance with the terms of this Agreement or of any disbursement not made or used in accordance with the terms of this Agreement or in violation of the laws governing A.I.D., A.I.D. may require the Borrower to refund

such amount in United States dollars to A.I.D. within sixty (60) days after receipt of a request therefor. Refunds paid by Borrower to A.I.D. resulting from violations of the terms of this Agreement shall be considered as a reduction in the amount of A.I.D.'s obligation under the Agreement, reducing the amount available for future disbursement, and shall not be available for reuse under the Agreement.

Section 7.07. EXPENSES OF COLLECTION. All reasonable costs incurred by A.I.D., other than salaries of its staff, in connection with the collection of any refund or in connection with amounts due A.I.D. by reason of the occurrence of any of the events specified in Section 7.02 may be charged to the Borrower and reimbursed to A.I.D. in such manner as may be agreed between the parties after consultation under Section 4.13.

Section 7.08. NONWAIVER OF REMEDIES. No delay in exercising or omission to exercise any right, power, or remedy accruing to A.I.D. under this Agreement shall be construed as a waiver of such right, power, or remedy or any other right, power or remedy hereunder.

Article VIII. MISCELLANEOUS

Section 8.01. COMMUNICATIONS. Any notice, request, document, or other communication given, made, or sent by the Borrower or A.I.D. pursuant to this Agreement shall be in writing or by telegram, cable, or radiogram and shall be deemed to have been duly given, made, or sent to the party to which it is addressed when it shall be delivered to such party by hand or by mail, telegram, cable, or radiogram at the following address:

To Borrower:

Mail or Cable	State Planning Commission
Address:	Damascus, Syrian Arab Republic

To A.I.D.:

Mail or Cable	United States Agency for International Development
Address:	c/o Embassy of the United States of America Damascus, Syrian Arab Republic

Other addresses may be substituted for the above upon the giving of notice. All notices, requests, communications, and documents submitted to A.I.D. hereunder shall be in English, except as A.I.D. may otherwise agree in writing.

Section 8.02. REPRESENTATIVES. For all purposes relative to this Agreement, the Borrower will be represented by the individual holding or acting in the office of Deputy Minister of State for Planning Affairs and A.I.D. will be represented by the individual holding or acting in the office of A.I.D. Mission Director in Syria. Such individuals shall have the authority to designate additional representatives by written notice. In the event of any replacement or other designation of a representative hereunder, Borrower shall submit a statement of the representative's name and specimen signature in form and substance satisfactory to A.I.D. Until receipt by A.I.D. of written notice of revocation of the authority of any of the duly authorized representatives of the Borrower designated pursuant to this Section, it may accept the signature of any such representative or representatives on any instrument as conclusive evidence that any action effected by such instrument is duly authorized.

Section 8.03. IMPLEMENTATION LETTERS. A.I.D. shall from time to time issue Implementation Letters that will specify the procedures applicable hereunder in connection with the implementation of this Agreement.

Section 8.04. INSTRUMENTS OF INDEBTEDNESS. At such time or times as A.I.D. may request, the Borrower shall provide instruments of indebtedness with respect to the Loan, in such form, containing such terms and supported by such legal opinions as A.I.D. may reasonably request.

Section 8.05. TERMINATION UPON FULL PAYMENT. Upon payment in full of the principal and of any accrued interest, this Agreement and all obligations of the Borrower and A.I.D. under this Loan Agreement shall terminate.

IN WITNESS WHEREOF, the United States of America and the Syrian Arab Republic, each acting through its respective duly authorized representative, have caused two original copies of this Agreement to be signed in the English language and delivered as of the day and year first above written.

United States of America:

By: [Signed]

GORDON B. RAMSEY

Title: Director, U.S.A.I.D.
Mission to Syria

Syrian Arab Republic:

By: [Signed]

M. ISSAM HILOU

Title: Deputy Minister of State
for Planning Affairs