

LOAN AGREEMENT

BETWEEN

THE GOVERNMENT OF THE REPUBLIC OF MALTA

AND

THE GOVERNMENT OF THE KINGDOM OF SAUDI ARABIA

In the Fifth day of Shaban , 1401 equivalent the
Seventh of June, 1981 this loan agreement has been
concluded between:-

First Party: Government of the Kingdom of Saudi
Arabia, Represented by His Excellency Sheikh
Mohammed Abalknail, Minister of Finance and
National Economy,

Second Party: Government of the Republic of Malta,
Represented by His Excellency Dr Vincent Moran,
Minister of Health and Environment.

INTRODUCTION

For strengthening the friendship and co-operation ties
between the Republic of Malta and the Kingdom of Saudi
Arabia, and in response to the request of the Republic
of Malta to obtain a Financial Loan from the Kingdom
of Saudi Arabia to confront the economic circumstances
prevailing at the present time, and pursuant to the
Royal Order No. 531/8 dated 2/4/1400 A.H. including
the approval for provision of Financial Loan to the
Republic of Malta in the limits of two million U.S. Dollars,
the two parties have agreed to the following terms:



1. First Party to provide the Second Party with an interest-free Financial Loan, amounting to Two Million U.S. Dollars.
2. The Second Party undertakes to settle this loan - after 3 year grace period - by 8 equal annual instalments to be paid as follows:-

	<u>U.S. Dollars</u>	<u>Due Date</u>
- First Instalment	250,000	1-1-1984
- Second "	250,000	1-1-1985
- Third "	250,000	1-1-1986
- Fourth "	250,000	1-1-1987
- Fifth "	250,000	1-1-1988
- Sixth "	250,000	1-1-1989
- Seventh "	250,000	1-1-1990
- Eight "	250,000	1-1-1991

3. If disputes arise over interpretation or implementation of this agreement, disputes should be settled by arbitration. Each party nominates one arbitrator, the two arbitrators should nominate a third arbitrator with casting vote. The decision of the arbitrators, issued by majority or unanimity, should be regarded as final and obligatory to the two parties.



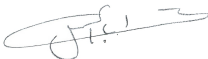

4. This agreement has been written in five copies in both Arabic and English version and both are equally authoritative. This agreement has been signed by the Representatives of the two parties after they considered the authorization documents.

Second Party
Government of the Republic
of Malta.



Vincent Moran

First Party
Government of the Kingdom
of Saudi Arabia.



Mohammed Abalkhail.