1483

1454

28-5-69

Res. que aprueba el Acuerdo de Préstamo descrito en fecha 15 de abril de 1969, entre la Rep. Dom. y los Estados Unidos de América para Atención Materno Infantil.-

PRESIDENCIA DE LA REPUBLICA DOMINICANA

"AÑO DE LA PRODUCCION"

Núm: 26335

Santo Domingo de Guzmán, D.N.

28 MAY 1969

Señor
Presidente del Senado,
Ciudad.-

Señor Presidente:

Cúmpleme informarle, que la Resolución que aprueba el Acuerdo de Préstamo suscrito en fecha 15 de abril de 1969, entre la República Dominicana y los Estados Unidos de América para Atención Materno-Infantil, ha sido promulgada en fecha 26 de mayo del presente año, y registrada con el No. 454.

Muy atentamente,

Dr. José A. Quezada T.,
Secretario Administrativo de la Presidencia.

JAQT
ma/Aem.

Núm: 26335

Santo Domingo de Guzmán, D.N.
28 MAY 1969

Señor
Presidente del Senado,
Ciudad.-

Señor Presidente:

Cúmpleme informarle, que la Resolución que aprueba el Acuerdo de Préstamo suscrito en fecha 15 de abril de 1969, entre la República Dominicana y los Estados Unidos de América para Atención Materno-Infantil, ha sido promulgada en fecha 26 de mayo del presente año, y registrada con el No.454.

Muy atentamente,

Dr. José A. Quezada T.,
Secretario Administrativo de la Presidencia.

JAQT
ma/Aem.

Núm: 26335

Santo Domingo de Guzmán, D.N.

20 MAY 1969

Señor
Presidente del Senado,
Ciudad.-

Señor Presidente:

Cúmpleme informarle, que la Resolución que aprueba el Acuerdo de Préstamo suscrito en fecha 15 de abril de 1969, entre la República Dominicana y los Estados Unidos de América para Atención Materno-Infantil, ha sido promulgada en fecha 26 de mayo del presente año, y registrada con el No.454.

Muy atentamente,

Dr. José A. Quezada T.,
Secretario Administrativo de la Presidencia.

JAQT
ma/Aem.

Núm: 26335

Santo Domingo de Guzmán, D.N.

28 MAY 1969

Señor
Presidente del Senado,
Ciudad.-

Señor Presidente:

Cúmpleme informarle, que la Resolución que aprueba el Acuerdo de Préstamo suscrito en fecha 15 de abril de 1969, entre la República Dominicana y los Estados Unidos de América para Atención Materno-Infantil, ha sido promulgada en fecha 26 de mayo del presente año, y registrada con el No. 454.

Muy atentamente,

Dr. José A. Quezada T.,
Secretario Administrativo de la Presidencia.

JAQT
ma/Aem.

República Dominicana

CAMARA DE DIPUTADOS DE LA REPUBLICA DOMINICANA

Santo Domingo de Guzmán, d.N.
22 de mayo de 1969.

00185

Señor
Dr. Adriano A. Uribe Silva,
Presidente del Senado.
Su Despacho.

Señor Presidente:

Aviso a usted recibo de su oficio No.00185 de fecha 20 de mayo de 1969, junto al cual después de haber sido aprobada por el Senado, remitió usted a esta Cámara de Diputados, la Resolución aprobatoria del Acuerdo de Préstamo suscrito en fecha 15 de abril de 1969, entre la República Dominicana y los Estados Unidos de América para Atención Materno-Infantil.

Esta Resolución fué aprobada en sesión de esta misma fecha y remitida al Poder Ejecutivo para los fines constitucionales de lugar.

Muy atentamente le saluda,

Patricio G. Badía Lara,
Presidente de la Cámara de Diputados.

sls.

Santo Domingo de Guzmán, d.N.
22 de mayo de 1969.

00185

Señor
Dr. Adriano A. Uribe Silva,
Presidente del Senado.
Su Despacho.

Señor Presidente:

Aviso a usted recibo de su oficio No.00185 de fecha 20 de mayo de 1969, junto al cual después de haber sido aprobada por el Senado, remitió usted a esta Cámara de Diputados, la Resolución aprobatoria del Acuerdo de Préstamo suscrito en fecha 15 de abril de 1969, entre la República Dominicana y los Estados Unidos de América para Atención Materno-Infantil.

Esta Resolución fué aprobada en sesión de esta misma fecha y remitida al Poder Ejecutivo para los fines constitucionales de lugar.

Muy atentamente le saluda,

Patricio G. Badía Lara,
Presidente de la Cámara de Diputados.

sls.

EL CONGRESO NACIONAL

EN NOMBRE DE LA REPUBLICA

VISTO: el inciso 19 del artículo 37 de la Constitución de la República;

VISTO: el Acuerdo de Préstamo suscrito en fecha 15 de abril de 1969, entre la República Dominicana y los Estados Unidos de América para Atención Materno-Infantil.

R E S U E L V E :

UNICO: APROBAR el Acuerdo de Préstamo suscrito en fecha 15 de abril de 1969, entre la República Dominicana representada debidamente por el Dr. Joaquín Balaguer, Excelentísimo señor Presidente de la República, y los Estados Unidos de América, representados por el Honorable señor John H. Crimmins, Embajador de este país, para Atención Materno-Infantil; que copiado a la letra dice así:

- s i g u e -

la.

1a LEGISLATURA Ord. de 19 69

REGISTRADA AL No. 438

en el folio ..... del libro letra L

No. ..... de asientos de Leyes, Resoluciones y Decretos votados por el Senado

y consta de 39 hojas escritas en máquina a razón de dos espacios interlineales.

Santo Domingo, 20 de Mayo 19 69

Jefe de las Oficinas del Senado

SENADO REPÚBLICA DOMINICANA

ASUNTO: Proyecto de Resolución aprobatoria del Acuerdo de Préstamo suscrito en fecha 15 de abril de 1969, entre la República Dominicana y los Estados Unidos de América, atención Materno-Infantil. —PAG.

DADA en la Sala de Sesiones del Senado, Palacio del Congreso Nacional, en Santo Domingo de Guzmán, Distrito Nacional, Capital de la República Dominicana, a los veinte días del mes de mayo del año mil novecientos sesenta y nueve; años 126 de la Independencia y 106 de la Restauración.

Adriano A. Uribe Silva
Presidente

Yolanda A. Pimentel de Pérez,
Secretaria.

Fernado A. Hernández Pérez,
Secretario.

ia.

1a LEGISLATURA Ord. de 1969

REGISTRADA AL No. 478

en el folio.....del libro letra....L...

No.....de asientos de Leyes, Resoluciones

y Decretos votados por el Senado

y consta de.....39.....

hojas escritas en máquina a razón de dos espacios interlineales.

Santo Domingo, 20 de Mayo de 1969

Jefe de las Oficinas del Senado

SENADO
REPÚBLICA DOMINICANA

EL CONGRESO NACIONAL

EN NOMBRE DE LA REPUBLICA

VISTO: el inciso 19 del artículo 37 de la Constitución de la República;

VISTO: el Acuerdo de Préstamo suscrito en fecha 15 de abril de 1969, entre la República Dominicana y los Estados Unidos de América para Atención Materno-Infantil.

R E S U E L V E :

UNICO: APROBAR el Acuerdo de Préstamo suscrito en fecha 15 de abril de 1969, entre la República Dominicana representada debidamente por el Dr. Joaquín Balaguer, Excelentísimo señor Presidente de la República, y los Estados Unidos de América, representados por el Honorable Señor John H. Crimmins, Embajador de este país, para Atención Materno-Infantil; que copiado a la letra dice así:

- sigue -

EL CONGRESO NACIONAL

EN NOMBRE DE LA REPUBLICA

VISTO: el inciso 19 del artículo 37 de la Constitución de la República;

VISTO: el Acuerdo de Préstamo suscrito en fecha 15 de abril de 1959, entre la República Dominicana y los Estados Unidos de América para la Ejecución Material-Infantil;

R E S U E L V E :

UNICO: APROBAR el Acuerdo de Préstamo suscrito en fecha 15 de abril de 1959, entre la República Dominicana representada debidamente por el Dr. Joaquín Balaguer Ministro Ilustrísimo señor Presidente de la República, y los Estados Unidos de América, representados por el Honorable Señor John R. Williams, Embajador de este país, para la Ejecución Material-Infantil; que copiado a la letra dice así:

JOAQUIN BALAGUER
PRESIDENTE DE LA REPUBLICA DOMINICANA

" AÑO DE LA EDUCACION "

Núm . 25007 Santo Domingo de Guzmán, D. N.

19 MAYO 1969

Al
Presidente del Senado,
CIUDAD.

Señor Presidente:

Me permito someter a la consideración del Congreso Nacional, por conducto de ese alto cuerpo legislativo de su digna presidencia, el Acuerdo de Préstamo de fecha 15 de abril del presente año celebrado entre la República Dominicana y los Estados Unidos de América, actuando a través de la Agencia para el Desarrollo Internacional (AID), firmado por el Embajador John H. Crimmins y el suscrito.

Por medio del referido Acuerdo de Préstamo para Atención Materno-Infantil, los Estados Unidos de América, por intermedio del citado organismo, prestará a la República Dominicana la suma de US$7,100,000.00, para ser amortizada dentro de un plazo de cuarenta años desde la fecha del primer desembolso. Dicha suma devengará un interés de un 2% anual durante los primeros diez años, y de un 2 1/2% anual durante el plazo restante.

La suma obtenida por medio del referido Acuerdo de Préstamo será destinada a establecer un programa de salud para la atención materno-infantil, incluyendo la remodelación y construcción de establecimientos de salud, compra de equipos, educación y entrenamiento de personal, estudios, materiales de difusión popular y ayuda técnica al programa.

Al someter a la aprobación del Congreso Nacional el anexo Acuerdo de Préstamo para Atención Materno-Infantil, lo hago en cumplimiento del artículo 55, inciso 10 de la Constitución de la República.

DIOS, PATRIA Y LIBERTAD.

Joaquín Balaguer.

VISTO: el inciso 19 del artículo 37 de la Constitución de la República;

VISTO: el Acuerdo de Préstamo suscrito en fecha 15 de abril de 1969, entre la República Dominicana y los Estados Unidos de América para Atención Materno-Infantil.

R E SU E L V E :

UNICO: APROBAR el Acuerdo de Préstamo suscrito en fecha 15 de abril de 1969, entre la República Dominicana representada debidamente por el Dr. Joaquín Balaguer, Excelentísimo señor Presidente de la República, y los Estados Unidos de América, representados por el Honorable Señor John H. Crimmins, Embajador de este país, para Atención Materno-Infantil; que copiado a la letra dice así:

Joaquín Balaguer

Presidente de la República Dominicana

" AÑO DE LA EDUCACION "

Núm. 25007 Santo Domingo de Guzmán, D. N.

19 MAYO 1969

Al
Presidente del Senado,
CIUDAD.

Señor Presidente:

Me permito someter a la consideración del Congreso Nacional, por conducto de ese alto cuerpo legislativo de su digna presidencia, el Acuerdo de Préstamo de fecha 15 de abril del presente año celebrado entre la República Dominicana y los Estados Unidos de América, actuando a través de la Agencia para el Desarrollo Internacional (AID), firmado por el Embajador John H. Crimmins y el suscrito.

Por medio del referido Acuerdo de Préstamo para Atención Materno-Infantil, los Estados Unidos de América, por intermedio del citado organismo, prestará a la República Dominicana la suma de US$7,100,000.00, para ser amortizada dentro de un plazo de cuarenta años desde la fecha del primer desembolso. Dicha suma devengará un interés de un 2% anual durante los primeros diez años, y de un 2 1/2% anual durante el plazo restante.

Joaquín Balaguer

PRESIDENTE DE LA REPUBLICA DOMINICANA

La suma obtenida por medio del referido Acuerdo de Préstamo será destinada a establecer un programa de salud para la atención materno-infantil, incluyendo la remodelación y construcción de establecimientos de salud, compra de equipos, educación y entrenamiento de personal, estudios, materiales de difusión popular y ayuda técnica al programa.

Al someter a la aprobación del Congreso Nacional el anexo Acuerdo de Préstamo para Atención Materno-Infantil, lo hago en cumplimiento del artículo 55, inciso 10 de la Constitución de la República.

DIOS, PATRIA Y LIBERTAD.

Joaquín Balaguer.

Núm. 00185

Santo Domingo de Guzmán, D. N.
20 de Mayo de 1969

Señor
Dr. Patricio G. Badía Lara,
Presidente de la Cámara de Diputados,
SU DESPACHO.

Señor Presidente:

Aprobado por el Senado en sesión de esta misma fecha, pláceme remitirle para los fines Constitucionales el anexo proyecto de Resolución Aprobatoria del Acuerdo de Préstamo suscrito en fecha 15 de Abril de 1969, entre la República Dominicana y los Estados Unidos de América para Atención Materno-Infantil.

Muy atentamente le saluda,

Adriano A. Uribe Silva,
Presidente.

ia.

Núm. 00184

Santo Domingo de Guzmán, D. N.
20 de Mayo de 1969

Señor
Dr. Joaquín Balaguer,
Honorable Presidente de la República,
SU DESPACHO.

Señor Presidente:

Aviso a usted recibo de su Mensaje No.25007, de fecha 19 de mayo de 1969, adjunto al cual remitió al Senado el Acuerdo de Préstamo suscrito en fecha 15 de abril de 1969, entre la República Dominicana y los Estados Unidos de América para Atención Materno-Infantil.

Pláceme participarle que el Senado en Sesión de esta misma fecha dictó la Resolución Aprobatoria del referido Acuerdo de Préstamo y lo remitió a la Cámara de Diputados para los fines Constitucionales.

Con sentimientos de la más distinguida consideración, saluda a usted muy atentamente,

Adriano A. Uribe Silva,
Presidente.

ia.

THE DOMINICAN REPUBLIC
&
THE UNITED STATES OF AMERICA

LOAN AGREEMENT: MATERNAL & INFANT CARE

A.I.D. Loan Number 517-L-021

LOAN AGREEMENT

Between

THE DOMINICAN REPUBLIC

and the

UNITED STATES OF AMERICA

for

Maternal and Infant Care

Dated: April 15, 1969

LOAN AGREEMENT dated April 15, 1969 between the DOMINICAN REPUBLIC ("Borrower") and the UNITED STATES OF AMERICA, acting through the AGENCY FOR INTERNATIONAL DEVELOPMENT ("A.I.D.").

ARTICLE I

The Loan

SECTION 1.01. The Loan. A.I.D. agrees to lend to Borrower in furtherance of the Alliance for Progress and pursuant to the Foreign Assistance Act of 1961, as amended, an amount not to exceed seven million one hundred thousand United States Dollars ($7,100,000) ("Loan") to assist the Borrower in carrying out the Project referred to in Section 1.02 ("Project"). The Loan shall be used exclusively to finance United States dollar costs of goods and services required for the Project ("Dollar Costs") and local currency costs of goods and services required for the Project ("Local Currency Costs"). The aggregate amount of disbursements under the Loan is hereinafter referred to as "Principal".

SECTION 1.02. The Project. The Project shall consist of instituting a health program of maternal and infant care including the remodeling and construction of health facilities, procurement of equipment, education and training of personnel, studies, mass media materials, and technical assistance for the program. The Project is more fully described in Annex I, attached hereto, which Annex may be modified in writing by the representatives of Borrower and A.I.D. designated pursuant to Section 9.02 hereof. The goods and services to be financed under the Loan shall be listed in the implementation letters referred to in Section 9.03 ("Implementation Letters").

SECTION 1.03. Use of Funds Generated by Other United States Assistance. The Borrower shall use for the Project, in lieu of any United States dollars that would otherwise be disbursed under the Loan to finance the Local Currency Costs of the Project, any currencies other than United States dollars that may become available to the Borrower after the date of this Agreement in connection with assistance (other than the Loan) provided by the United States of America to the Borrower to the extent and for the purposes that A.I.D. and the Borrower may agree in writing. Any such funds used for the Project shall reduce the amount of the Loan (to the extent that it shall not then have been disbursed) by an equivalent amount of United States dollars computed, as of the date of the agreement between A.I.D. and the Borrower as to the use of such funds, at the rate of exchange defined in the Special Letter of Credit Implementation Memorandum referred to in Section 7.02 as in effect on such date.

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 percent (2%) per annum for ten years following the date of the first disbursement hereunder and at the rate of two and one-half percent (2-1/2%) 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 7.04), and shall be computed on the basis of a 365-day year.

Interest shall be payable semiannually. 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 specified 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 semiannual installments of Principal and interest. The first installment of Principal shall be payable nine and one-half (9 1/2) 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.

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. In the

light of the undertakings of the United States of America, and the other signatories of the Act of Bogota and the Charter of Punta del Este to forge an Alliance for Progress, 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 the country of the Borrower taking into consideration the relative capital requirements of the Dominican Republic and of the other signatories of the Act of Bogota and the Charter of Punta del Este.

ARTICLE III

Conditions Precedent to Disbursement

SECTION 3.01. Conditions Precedent to Initial Disbursement. Prior to the first disbursement or to the issuance of the first Letter of Commitment 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 of the Legal Adviser to the Presidency of the Dominican Republic or of other counsel acceptable to A.I.D. 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 its terms;

(b) A statement of the names of the persons holding or acting in the office of the Borrower specified in Section 9.02, and a specimen signature of each person specified in such statement;

(c) Evidence that Borrower has created a National Population

and Family Council to serve as an advisory body to the Secretary of Health, to supervise all population matters within government hospitals, and to coordinate all family planning programs conducted in facilities other than government hospitals.

(d) Evidence that the National Population and Family Council is fully prepared to carry out its duties; such evidence shall demonstrate, inter alia, that sufficient staff has been hired, that all necessary equipment, including vehicles, has been acquired, that appropriate supervision of the Existing Rural Clinics has been undertaken and that a statistical reporting system for Project Services has been prepared.

(e) Evidence that the rural clinics constructed under Investment Agreement Number 19, dated September 21, 1966 as amended (herein called "Existing Rural Clinics") have been put into full or substantially full operation and are providing the full range of Project Services: such evidence shall demonstrate for each Existing Rural Clinic, inter alia, that sufficient staff is available, that adequate supervision -- including visiting physicians and nurses -- is available, that electricity and water are installed and operational, that sufficient medicines are available, and that necessary equipment is available, and where appropriate, installed.

(f) Evidence that the Secretariat of Health has received the Secretariat of Health Monthly Budget Installments in accordance with Section 4.02 (a) hereof.

SECTION 3.02. Conditions Precedent to Additional Particular

Disbursements. Prior to any disbursement or to the issuance of any Letter of Commitment under the Loan for the particular purpose enumerated in this Section, 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) Prior to any disbursement to finance the procurement of equipment or materials, evidence demonstrating that Borrower has established adequate warehousing, insurance, and inventory controls for such equipment and materials.

(b) Prior to disbursement for the construction or remodeling of each health facility:

(i) An executed contract, entered into in accordance with the requirements stated in Section 6.06 hereof, for such construction or remodeling with a firm acceptable to A.I.D.;

(ii) A staffing pattern and evidence of the establishment of staff positions, with corresponding allocations from the budget of the Secretariat of Health for such staff positions;

(iii) A plan for supervision of the facility;

(iv) A plan for the procurement of supplies for the facility;

(v) A list of equipment to be installed in the facility;

(vi) A plan for maintenance of the facility.

SECTION 3.03. Terminal Dates for Meeting Conditions Precedent to Disbursement.

(a) If all of the conditions specified in Section 3.01 shall not have been met on or before July 31, 1969 or such later date as A.I.D.

may agree to in writing, A.I.D., at its option, may terminate this Agreement by giving written notice to the Borrower. Upon the giving of such notice, this Agreement and all obligations of the parties hereunder shall terminate.

(b) If all of the conditions specified in Section 3.02 shall not have been met on or before December 31, 1972 or such later date as A.I.D. may agree to in writing, A.I.D. at its option, may cancel the then undisbursed balance of the amount of the Loan and/or may terminate this Agreement by giving written notice to the Borrower. In the event of a termination, upon the giving of notice, the Borrower shall immediately repay the Principal then outstanding and shall pay any accrued interest and, upon receipt of such payments in full, this Agreement and all obligations of the parties hereunder shall terminate.

SECTION 3.04. Notification of Meeting of 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 and, as the case may be, 3.02 have been met.

ARTICLE IV

General Covenants and Warranties

SECTION 4.01. Execution of the Project.

(a) The Borrower shall carry out the Project with due diligence and efficiency, and in conformity with sound engineering, construction, financial, administrative, hospital management and health practices.

(b) The Borrower shall cause the Project to be carried out in conformity with all of the plans, specifications, contracts, schedules,

and other arrangements, and with all modifications therein, approved by A.I.D. pursuant to this Agreement.

SECTION 4.02. Funds and Other Resources to be Provided by Borrower.

The Borrower shall provide promptly as needed all funds, in addition to the Loan, and all other resources required for the punctual and effective carrying out, maintenance, repair, and operation of the Project. Without limiting the generality of the foregoing, and except as A.I.D. may otherwise agree in writing, Borrower shall:

(a) Provide the Secretariat of Health with a monthly budget of not less than one million two hundred and eight thousand Dominican Pesos (RD$1,208,000) for each and every month beginning with the first month following the date of this Agreement, exclusive of those funds provided to the Secretariat of Health for the support of INAPA. Such monthly installments (Referred to herein as "Secretariat of Health Monthly Budget Installments") shall be received by the Secretariat of Health not later than the last calendar day of the month for which the corresponding installment is due.

(b) Assure that the Secretariat of Health continues to provide necessary funds to existing sub-centers and hospitals in the monthly amounts listed in Annex II hereto as Current Amounts. Such Current Amounts may be provided from and need not be in addition to Secretariat of Health Monthly Budget Installments received from the Government. Such Current Amounts shall be provided to sub-centers and hospitals not later than the last calendar day of the month for which the corresponding amount is due. Annex II may be modified in writing by

the representatives of Borrower and A.I.D. designated pursuant to Section 9.02 hereof.

(c) Provide to the Secretariat of Health, in addition to the Secretariat of Health Monthly Budget Installments, and beginning promptly upon the completion of construction or remodeling of each health facility to be financed hereunder, the corresponding monthly amounts listed in Annex II hereto as Additional Amounts required for each such facility. Such Additional Amounts shall be received by the Secretariat of Health not later than the last calendar day of the month for which the corresponding amount is due.

(d) Provide to the Secretariat of Health, in addition to the Secretariat of Health Monthly Budget Installments, sixty four thousand Dominican Pesos (RD$64,000) in calendar year 1970 and seventy-nine thousand Dominican Pesos (RD$79,000) each calendar year thereafter to be used exclusively to support the operating budget of the National Population and Family Council.

SECTION 4.03. Continuing Consultation. The Borrower, A.I.D., and the National Population and Family Council shall cooperate fully to assure that the purpose of the Loan will be accomplished. To this end, the Borrower, A.I.D., and the National Population and Family Council, shall from time to time, at the request of either party, but not less than annually at the time of the preparation of the annual budget of the Secretariat of Health, exchange views through their representatives with regard to the progress of the Project, the performance by the Borrower of its obligations under this Agreement,

the performance of the National Population and Family Council, the consultants, contractors, and suppliers engaged on the Project, and other matters relating to the Project.

SECTION 4.04. Management. The Borrower shall provide qualified and experienced management for the Project, and it shall train such staff as may be appropriate for the maintenance and operation of the Project.

SECTION 4.05. Operation and Maintenance. The Borrower shall operate, maintain, and repair the Existing Rural Clinics and the health facilities to be constructed or remodeled hereunder in conformity with sound engineering, financial, administrative, hospital management, and health practices and in such manner as to insure the continuing and successful achievement of the purposes of the Project.

SECTION 4.06. Taxation. This Agreement, the Loan, and any evidences 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 the country of the Borrower. All contractors, including consulting firms, and personnel of such contractors financed hereunder, shall be exempt from identifiable taxes, tariffs, duties, and other levies imposed under laws in effect in the country of the Borrower. Ratification of this Agreement by the Congress of the Dominican Republic shall constitute Congressional approval and authorization for the inclusion of such exemptions in such contracts to be financed hereunder, and no further Congressional approval or authorization for such contracts by reason of the inclusion of such exemptions shall be

required. Nonetheless, and to the extent that (a) any contractor, including any consulting firm, any personnel of such contractor financed hereunder, and any property or transactions relating to such contracts, and (b) any commodity procurement transaction financed hereunder, are not exempt from indentifiable taxes, tariffs, duties, and other levies imposed under laws in effect in the country of the Borrower, the Borrower shall, as and to the extent prescribed in and pursuant to Implementation Letters, pay or reimburse the same under Section 4.02 of this Agreement with funds other than those provided under the Loan.

SECTION 4.07. Utilization of Goods and Services.

(a) Goods and services financed under the Loan shall be used exclusively for the Project, except as A.I.D. may otherwise agree in writing.

(b) Except as A.I.D. may otherwise agree in writing, no goods or services financed under the Loan shall be used to promote or assist any foreign aid 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 use.

SECTION 4.08. 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 Project and the discharge of its obligations 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, the Project or the discharge of the Borrower's obligations under this Agreement.

SECTION 4.09. 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 payments legally established in the country of the Borrower.

SECTION 4.10 Maintenance and Audit of Records. The Borrower

shall maintain, or cause to be maintained, in accordance with sound accounting principles and practices consistently applied, books and records relating both to the Project and to this Agreement. Such books and records shall, without limitation, be adequate to show:

(a) the receipt and use made of goods and services acquired with funds disbursed pursuant to this Agreement;

(b) the nature and extent of solicitations of prospective suppliers of goods and services acquired;

(c) the basis of the award of contracts and orders to successful bidders: and

(d) the progress of the Project.

Such books and records shall be regularly audited, in accordance with sound auditing standards, for such period and at such intervals as A.I.D. may require, and shall be maintained for five years after the date of the last disbursement by A.I.D. or until all sums due A.I.D. under this Agreement have been paid, whichever date shall first occur.

SECTION 4.11. Reports. The Borrower shall furnish to A.I.D. such information and reports relating to the Loan and to the Project as A.I.D. may request.

SECTION 4.12. Inspections. The authorized representatives of A.I.D. shall have the right at all reasonable times to inspect the Project, the utilization of all goods and services financed under the Loan, and the Borrower's books, records, and other documents relating to the Project and the Loan. The Borrower shall cooperate with A.I.D. to facilitate such inspections and shall permit representatives of A.I.D. to visit any part of the country of the Borrower for any

shall maintain, or cause to be maintained, in accordance with sound accounting principles and practices consistently applied, books and records relating both to the Project and to this Agreement. Such books and records shall, without limitation, be adequate to show:

(a) the receipt and use made of goods and services acquired with funds disbursed pursuant to this Agreement;

(b) the nature and extent of solicitations of prospective suppliers of goods and services acquired;

(c) the basis of the award of contracts and orders to successful bidders: and

(d) the progress of the Project.

Such books and records shall be regularly audited, in accordance with sound auditing standards, for such period and at such intervals as A.I.D. may require, and shall be maintained for five years after the date of the last disbursement by A.I.D. or until all sums due A.I.D. under this Agreement have been paid, whichever date shall first occur.

SECTION 4.11. Reports. The Borrower shall furnish to A.I.D. such information and reports relating to the Loan and to the Project as A.I.D. may request.

SECTION 4.12. Inspections. The authorized representatives of A.I.D. shall have the right at all reasonable times to inspect the Project, the utilization of all goods and services financed under the Loan, and the Borrower's books, records, and other documents relating to the Project and the Loan. The Borrower shall cooperate with A.I.D. to facilitate such inspections and shall permit representatives of A.I.D. to visit any part of the country of the Borrower for any

purpose relating to the Loan.

SECTION 4.13. Investment Guaranty Project Approval by Borrower. The Borrower agrees that the construction work to be financed under this Agreement is a project approved by the Borrower pursuant to the Agreement between the Government of the Dominican Republic and the United States of America on the subject of investment guaranties, and no further approval by the Government of the Dominican Republic shall be required to permit A.I.D. under that agreement to issue investment guaranties covering a contractor's investment in that project.

ARTICLE V

Special Covenants and Warranties

SECTION 5.01. Maternal Infant Care Service. Except as A.I.D. and the Borrower shall otherwise agree, the Borrower shall take all such action as may be necessary or advisable to cause the Existing Rural Clinics and the health facilities to be constructed or remodeled hereunder to administer a maternal infant care service as described in Annex I hereto. It is expressly agreed that the failure to provide the Project Services defined in Annex I shall constitute an Event of Default as defined in Section 8.02 hereof.

ARTICLE VI

Procurement

SECTION 6.01. Procurement from the United States. Except as A.I.D. may otherwise agree in writing, disbursements made pursuant to Section 7.01 shall be used exclusively to finance the procurement for the Project of goods and services having both their source and origin in

the United States of America. All ocean shipping and marine insurance financed under the Loan shall have both their source and origin in the United States of America.

SECTION 6.03. Procurement from the Dominican Republic. Disbursements made pursuant to Section 7.02 shall be used exclusively to finance the procurement for the Project of goods and services having both their source and origin in the Dominican Republic.

SECTION 6.03. Eligibility Date. Except as A.I.D. may otherwise agree in writing, no goods or services may be financed under the Loan which are procured pursuant to orders or contracts firmly placed or entered into prior to the date of this Agreement.

SECTION 6.04. Goods and Services Not Financed under Loan. Goods and services procured for the Project, but not financed under the Loan, shall have both their source and origin in countries included in Code 935 of the A.I.D. Geographic Code Book as in effect at the time orders are placed for such goods and services.

SECTION 6.05. Implementation of Procurement Requirements. The definitions applicable to the eligibility requirements of Sections 6.01, 6.02, and 6.04 will be set forth in detail in Implementation Letters.

SECTION 6.06. Plans, Specifications, and Contracts.

(a) Except as A.I.D. may otherwise agree in writing, the Borrower shall furnish to A.I.D. promptly upon preparation, all plans, specifications, construction schedules, bid documents, and contracts relating to the Project, and any modifications therein, whether or not the goods and services to which they relate are financed under the Loan.

(b) Except as A.I.D. may otherwise agree in writing, all of the plans, specifications, and construction schedules furnished pursuant to subsection (a) above shall be approved in writing.

(c) All bid documents and documents related to the solicitation of proposals relating to goods and services financed under the Loan shall be approved by A.I.D. in writing prior to their issuance. All plans, specifications, and other documents relating to goods and services financed under the Loan shall be in terms of United States standards and measurements, except as A.I.D. may otherwise agree in writing.

(d) The following contracts financed under the Loan shall be approved by A.I.D. in writing prior to their execution:

(i) contracts for engineering and other professional services,

(ii) contracts for construction services,

(iii) contracts for such other services as A.I.D. may specify, and

(iv) contracts for such equipment and materials as A.I.D. may specify.

In the case of any of the above contracts for services, A.I.D. shall also approve in writing the contractor and such contractor personnel as A.I.D. may specify. Material modifications in any of such contracts and changes in any of such personnel shall also be approved by A.I.D. in writing prior to their becoming effective.

(e) Consulting firms used by the Borrower for the Project but not financed under the Loan, the scope of their services and such of their personnel assigned to the Project as A.I.D. may specify, and construction contractors used by the Borrower for the Project but not financed under the Loan shall be acceptable to A.I.D.

SECTION 6.07. Reasonable Price. No more than reasonable prices shall be paid for any goods or services financed, in whole or in part, under the Loan, as more fully described in Implementation Letters. Such items shall be procured on a fair and, except for professional services, on a competitive basis in accordance with procedures therefor prescribed in Implementation Letters.

SECTION 6.08. Employment of Third-country Nationals under Construction Contracts. The employment of personnel to perform services under construction contracts financed under the Loan shall be subject to requirements with respect to third-country nationals prescribed in Implementation Letters.

SECTION 6.09. Shipping and Insurance.

(a) Goods procured from the United States and financed under the Loan shall be transported to the country of the Borrower 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.

(b) At least fifty percent (50%) of the gross tonnage of all goods procured from the United States and financed under the Loan (computed separately for dry bulk carriers, dry cargo liners, and tankers) which shall be transported on ocean vessels shall be transported

on privately owned United States flag commercial vessels unless A.I.D. shall determine that such vessels are not available at fair and reasonable rates for United States flag commercial vessels. No such goods may be transported on any ocean vessel (or aircraft) (i) which A.I.D., in a notice to the Borrower, has designated as ineligible to carry A.I.D.-financed goods or (ii) which has been chartered for the carriage of A.I.D.-financed goods unless such charter has been approved by A.I.D.

(c) If in connection with the placement of marine insurance on shipments financed under United States legislation authorizing assistance to other nations, the country of 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 discrimination 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.

(d) The Borrower shall insure, or cause to be insured, all goods procured in the United States and financed under the Loan against risks incident to their transit to the point of their use in the Project. 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 idemnification 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 replacement shall be of United States source and origin and otherwise subject to the provisions of this Agreement.

(e) The financing of ocean freight costs under the Loan shall be limited to ninety percent (90%) of usual ocean freight costs and ninety-eight percent (98%) of ocean freight costs where such costs do not include unloading charges ("Free-out Shipments"); such limitation shall apply to each individual shipment. Procedures for financing such costs shall be contained in Implementation Letters.

SECTION 6.10. Notification to Potential Suppliers. In order that all United States firms shall have the opportunity to participate in furnishing goods and services to be financed under the Loan, the Borrower shall furnish to A.I.D. such information with regard thereto, and at such times, as A.I.D. may request in Implementation Letters.

SECTION 6.11. United States Government-owned Excess Property. The Borrower shall utilize, with respect to goods financed under the Loan to which the Borrower takes title at the time of procurement, such reconditioned United States Government-owned Excess Property as may be consistent with the requirements of the Project and as may be available within a reasonable period of time. The Borrower shall seek assistance from A.I.D. and A.I.D. will assist the Borrower in ascertaining the availability of and in obtaining such Excess Property. A.I.D. will make arrangements for any necessary inspection of such property by the Borrower or its representative. The costs of inspection

and of acquisition, and all charges incident of the transfer to the Borrower of such Excess Property, may be financed under the Loan. Prior to the procurement of any goods, other than Excess Property, financed under the Loan and after having sought such A.I.D. assistance, the Borrower shall indicate to A.I.D. in writing, on the basis of information then available to it, either that such goods cannot be made available from reconditioned United States Government-owned Excess Property on a timely basis or that the goods that can be made available are not technically suitable for use in the Project.

SECTION 6.12. Information and Marking. Borrower shall give publicity to the Loan and the Project as a program of United States aid in furtherance of the Alliance for Progress, identify the Project site, and mark goods financed under the Loan, as prescribed in Implementation Letters.

ARTICLE VII

Disbursements

SECTION 7.01. Disbursement for United States Dollar Costs - Letters of Commitment to United States Banks. Upon satisfaction of 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 contractors or suppliers, through the use of Letters of Credit or otherwise, for Dollar Costs of goods and services procured for the Project 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 7.02. Disbursement for Local Currency Costs. Upon satisfaction of conditions precedent, the Borrower may, from time to time, request disbursement by A.I.D. of local currency for Local Currency Costs of goods and services procured for the Project in accordance with the terms and conditions of this Agreement by submitting to A.I.D. such supporting documentation as A.I.D. may prescribe in Implementation Letters. A.I.D., at its option, may make such disbursements from local currency of the country of the Borrower owned by the U.S. Government and obtained by A.I.D. with United States dollars, or obtained with United States dollars in accordance with the provisions of the Special Letter of Credit Implementation Memorandum dated December 21, 1965 between Borrower, the Central Bank of the Dominican Republic, and A.I.D. as amended from time to time. The United States dollar amount of the Loan disbursed under this Section will be the United States dollar equivalent of local currency disbursements at the rate of exchange provided for in said Special Letter of Credit Implementation Memorandum prevailing as of the date of each respective disbursement as defined in Section 7.04 (b).

SECTION 7.03. Other Forms of Disbursement. Disbursements of the Loan may also be made through such other means as the Borrower and

A.I.D. may agree to in writing.

SECTION 7.04. Date of Disbursement. Disbursements by A.I.D. shall be deemed to occur, (a) in the case of disbursement pursuant to Section 7.01, 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, and (b) in the case of disbursements pursuant to Section 7.02, on the date on which A.I.D. disburses the local currency to the Borrower or its designee.

SECTION 7.05. Terminal Date for Disbursement. Except as A.I.D. may otherwise agree in writing, no Letter of Commitment, or other commitment documents which may be called for by another form of disbursement under Section 7.03, or amendment thereto shall be issued in response to requests received by A.I.D. after December 31, 1973 and no disbursement shall be made against documentation received by A.I.D. or any bank described in Section 7.01 after June 30, 1974. A.I.D., at its option, may at any time or times after June 30, 1974, reduce the Loan by all or any part thereof for which documentation was not received by such date.

ARTICLE VIII

Cancellation and Suspension

SECTION 8.01. Cancellation by the Borrower. The Borrower may, with the prior written consent of A.I.D., by written notice to A.I.D., cancel any part of the Loan (i) which prior to the giving of such notice, A.I.D. has not disbursed or committed to disburse, or

(ii) which 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 8.02. Events of Default; Acceleration. If any one or more of the following events ("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, including, but without limitation, the obligation to carry out the Project with due diligence and efficiency and the obligation to provide funds and other resources pursuant to Section 4.02;

(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, 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 8.03. Suspension of Disbursement. In the event that at any time:

(a) An Event of Default has occurred;

(b) An event occurs that 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 obligations under this Agreement; or

(c) Any disbursement by A.I.D. would be in violation of the legislation governing A.I.D.;

(d) 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 the Government of the United States or any of its agencies;

then A.I.D. may at its option:

(i) suspend or cancel outstanding commitment documents to the extent that they have not been utilized through the issuance of irrevocable Letters of Credit or through bank payments made other than under irrevocable Letters of Credit, in which event A.I.D. shall give notice to the Borrower promptly thereafter;

(ii) decline to make disbursements other than under outstanding commitment documents;

(iii) decline to issue additional commitment documents;

(iv) at A.I.D.'s expense, direct that title to goods financed under the Loan shall be transferred to A.I.D. if the goods are

from a source outside the country of the Borrower, are in a deliverable state and have not been offloaded in ports of entry of the country of the Borrower. Any disbursement made or to be made under the Loan with respect to such transferred goods shall be deducted from Principal.

SECTION 8.04. Cancellation by A.I.D. Following any suspension of disbursements pursuant to Section 8.03, if the cause or causes for such suspension of disbursements 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 8.05. 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 until the payment in full of all Principal and any accrued interest hereunder.

SECTION 8.06. Refunds.

(a) 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, A.I.D., notwithstanding the availability or exercise of any of the other remedies provided for under this Agreement, may require the Borrower to refund such amount in United States dollars to A.I.D. within thirty days after receipt of a request therefor. Such

amount shall be made available first for the cost of goods and services procured for the Project hereunder, to the extent justified; the remainder, if any, shall be applied to the installments of Principal in the inverse order of their maturity and the amount of the Loan shall be reduced by the amount of such remainder. Notwithstanding any other provision in this Agreement, A.I.D.'s right to require a refund with respect to any disbursement under the Loan shall continue for five years following the date of such disbursement.

(b) In the event that A.I.D. receives a refund from any contractor, supplier, or banking institution, or from any other third party connected with the Loan, with respect to goods or services financed under the Loan, and such refund relates to an unreasonable price for goods or services, or to goods that did not conform to specifications, or to services that were inadequate, A.I.D. shall first make such refund available for the cost of goods and services procured for the Project hereunder, to the extent justified, the remainder to be applied to the installments of Principal in the inverse order of their maturity and the amount of the Loan shall be reduced by the amount of such remainder.

SECTION 8.07. 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 8.02 may be charged to the Borrower and reimbursed to A.I.D. in such manner as A.I.D. may specify.

SECTION 8.08. Nonwaiver of Remedies. No delays 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 any such rights, powers, or remedies.

ARTICLE IX

Miscellaneous

SECTION 9.01. 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 addresses:

TO BORROWER:

Mail Address: Secretaría de Estado de Salud Pública y Asistencia Social
Santo Domingo, Dominican Republic

TO A.I.D.:

Mail Address: USAID Mission to the Dominican Republic
Santo Domingo, Dominican Republic

Cable Address: USAID Santo Domingo

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 9.02. Representatives. For all purposes relative to this Agreement, the Borrower will be represented by the individual

holding or acting in the office of Secretary of State for Public Health and Social Assistance and A.I.D. will be represented by the individual holding or acting in the office of Mission Director. 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 9.03. Implementation Letters. A.I.D. shall from time to time issue Implementation Letters that will prescribe the procedures applicable hereunder in connection with the implementation of this Agreement.

SECTION 9.04. Promisory Notes. At such time or times as A.I.D. may request, the Borrower shall issue promisory notes or such other evidences 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 9.05. Spanish and English Versions. In the event that the parties hereto also execute this Agreement in the Spanish language, then in cases of ambiguity or conflict between the English and Spanish

versions, the English version of this Agreement shall control.

SECTION 9.06. 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, Borrower and the United States of America, each acting through its respective duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

THE DOMINICAN REPUBLIC

By: _____
Joaquin Balaguer
Title: President

UNITED STATES OF AMERICA

By: John Hugh Crimmins
John H. Crimmins
Title: Ambassador

ANNEX I

Description of the Project

Goal. The purpose of the Loan is to assist Borrower in the creation of the infrastructure necessary to establish a maternal infant care service in those areas of the Dominican Republic where such a service is most critically needed. The service will include pre-nuptial, pre-natal, intrapartum, post-partum, and family planning assistance (herein referred to as "Project Services") to be provided on a voluntary, non-coercive basis.

In order to establish the pre-conditions necessary to provide the Project Services the following activities (herein referred to as "Project Components") may be financed under the Loan:

Project Component	Estimated Cost
Construction	$3,552,800
Equipment	1,900,000
Education and Training	1,034,200
Technical Assistance	395,000
Studies	100,000
Mass Media	118,000
Total	$7,100,000

An itemized breakdown of Project Components shall be furnished in Implementation Letters.

ANNEX II

Minimum Monthly Budgetary Support for Loan Financed Projects

All amounts referred to herein as "Current Amounts" shall be provided by the Government in accordance with Section 4.02 (b) of this Agreement. All amounts referred to herein as "Additional Amounts" shall be provided by the Government in accordance with Section 4.02 (c) of this Agreement.

A. Rural Clinics

Forty-five (45) rural clinics shall be constructed under the Loan, thirty-five (35) shall be completed in calendar year ("CY") 1970 and ten (10) in CY 1971. The minimum monthly budgetary support for each clinic shall be:

Salaries	RD$248.00
Non-Personal Services	66.00
Subsidies	120.00
Additional Amounts	RD$434.00

Each clinic shall have a minimum staff of one auxiliary nurse, one practical nurse, one visiting physician, and one visiting graduate nurse. The visiting physician and graduate nurse will visit five clinics a week and will spend a minimum of six hours at each community visited. Non-personal services include: per diem for the visiting personnel, the cost of gasoline, oil, minor repairs, etc. The monthly subsidy shall be used to purchase medicines and

related supplies necessary to provide Project Services as well as for routine maintenance of the building. The types and amounts of medicines and related supplies shall be more fully described in the Implementation Letters referred to in Section 9.03 of this Agreement. The subsidy for rural clinics has been calculated on the basis of an average monthly clinic attendance of 1250 patients. In the event that clinic attendance exceeds this level, the subsidy shall be adjusted accordingly.

B. Maternity-Health Sub-Center

Fourteen (14) maternity-health sub-centers shall be constructed and/or remodeled under the Loan, ten (10) shall be completed in CY 1970 and four (4) in CY 1971. The minimum monthly budgetary support for sub-centers shall be:

For new sub-centers:

Salaries	RD$1,140
Subsidies	700
Additional Amounts	RD$1,840

For remodeled sub-centers:

Salaries	RD$1,140		
Subsidies	500	Additional Subsidies	RD$200
Current Amounts	RD$1,640	Additional Amounts	RD$200

Each sub-center shall have a minimum staff of one medical director, one medical assistant, one administrative nurse, one nursing midwife, two nurses, one laboratory technician, one servant, and one office clerk. The monthly subsidy shall be utilized to purchase medicines and related supplies necessary to provide Project Services, as well as for routine maintenance of the building and repair of equipment. The types and amounts of medicines and related supplies shall be more fully described in the Implementation Letters referred to in Section 9.03 of this Agreement. The subsidy for sub-centers has been calculated on the basis of an average monthly clinic attendance of 3000 patients. In the event that sub-center attendance exceeds this level, the subsidy shall be adjusted accordingly.

C. Hospitals

Thirteen (13) hospitals shall be constructed and/or remodeled under the Loan. Work shall be completed on the first five (5) hospitals in CY 1970, two (2) in CY 1971, four (4) in CY 1972, and the remaining two (2) in CY 1973. The minimum monthly budgetary support for each hospital shall be as stated in Table I.

TABLE I

Hospital	Salaries RD$		Subsidies RD$		Total RD$	
	Current Amounts	Additional Amounts	Current Amounts	Additional Amounts	Current Amounts	Additional Amounts
Jaime Mota Hospital	7,740	- 0 -	2,225	1,095	9,965	1,095
Monte Cristi Hospital	8,390	1,000	2,300	1,320	10,690	2,320
Nagua Hospital	8,945	1,000	1,000	1,020	9,945	2,020
Juan P. Pina Hospital	25,315	2,000	9,400	2,020	34,715	4,020
Sto. Domingo Maternity Hospital	25,490	650	8,400	920	33,890	1,570
Jose M. Cabral Hospital	22,775	2,500	9,000	3,320	31,775	5,820
Dr. Moscoso Puello Hospital	19,145	6,000	7,000	5,320	26,145	11,320
Santomé Hospital	12,750	2,000	4,200	1,670	16,950	3,670
San Vicente de Paul Hospital	14,590	2,000	7,000	1,320	21,590	3,320
Dajabón Hospital	5,050	800	1,440	920	6,490	1,720
Robert Reid Cabral Hospital	28,280	1,000	9,000	1,320	37,280	2,320
Dr. Luis E. Aybar Hospital	14,930	6,000	6,000	3,720	20,930	9,720
Padre Billini Hospital	15,805	4,000	6,000	2,320	21,805	8,320

TOTALS

Current Amounts RD$282,170

Additional Amounts RD$ 57,235

Salaries shall be utilized to employ personnel in accordance with the final architectural plans and the new services to be offered. Each hospital shall provide a full-time maternal-infant care service including all Project Services with a minimum staff of two physicians, two nurses, and one clerk-statistician. The monthly subsidy shall be used to purchase appropriate hospital supplies including medicines and medical supplies as well as for routine maintenance of the building and repair of equipment. The types and amounts of such hospital supplies shall be more fully described in the Implementation Letters referred to in Section 9.03 of this Agreement. Hospital salaries and subsidies shall be reviewed from time to time to determine whether such amounts are appropriate in view of the patient load; based upon such reviews hospital salaries and subsidies shall be adjusted accordingly.