Loan Assumption Agreement

(Regional Potable Water Supply Systems Project)

between

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

and

OFFICE NATIONAL DE L'ÉLECTRICITE ET DE L'EAU POTABLE

Dated September 18, 2013
LOAN NUMBER 7922-MA

LOAN ASSUMPTION AGREEMENT

AGREEMENT, dated September 18, 2013 between the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (the Bank) and OFFICE NATIONAL DE L’ELECTRICITE ET DE L’EAU POTABLE (the Borrower).

WHEREAS: (A) by a loan agreement between the Bank and OFFICE NATIONAL DE L’EAU POTABLE (ONEP), dated August 19, 2010 (the Loan Agreement), the Bank made a loan (the Loan) to ONEP in an amount equal to one hundred five million two hundred thousand Euros (EUR 105,200,000), and thirty five million Dollars (US$35,000,000), on the terms and conditions set forth in the Loan Agreement;

(B) by a guarantee agreement between the Kingdom of Morocco (the Guarantor) and the Bank, dated August 19, 2010 (the Guarantee Agreement), the Guarantor guaranteed the obligations of ONEP contained or referred to in the Loan Agreement on the terms and conditions set forth in the Guarantee Agreement;

(C) by Law No. 40-09 of the Guarantor regarding Office National de l’Electricité et de l’Eau Potable, promulgated by Dahir No. 1-11-160 of the Guarantor dated September 29, 2011, the Borrower was created and assumed ONEP’s assets, rights and obligations;

(D) by a letter from the Guarantor dated July 4, 2013, and a legal opinion from the General Secretariat of the Government dated September 24, 2012, both the Guarantor and the General Secretariat of the Government have indicated that, as per the provisions of Law No. 40-09 of the Guarantor, the guarantees provided by the Guarantor for loans contracted by ONEP, are still valid following the establishment of the Borrower and the Borrower’s assumption of ONEP’s assets, rights and obligations; on the basis of such letter and such legal opinion, the Bank has agreed that there is no need for the Bank to enter into an agreement with the Guarantor to amend the Guarantee Agreement;

(E) the Borrower has agreed to assume the Loan and the Borrower has requested the Bank to agree to the undertaking by the Borrower of the obligations in respect of the Loan as provided in this Loan Assumption Agreement;

(F) the Bank has agreed to the request of the Borrower and the Guarantor;

and

(G) this Loan Assumption Agreement supersedes the Loan Agreement.
WHEREAS the Bank has agreed, on the basis of the foregoing to enter into this Loan Assumption Agreement on the terms and conditions hereinafter set forth.

NOW THEREFORE the parties hereto hereby agree as follows:

ARTICLE I

General Conditions; Definitions

Section 1.01. The General Conditions (as defined in the Loan Agreement) constitute an integral part of this Loan Assumption Agreement.

Section 1.02. Wherever used in this Loan Assumption Agreement, unless the context otherwise requires, the terms defined in the Preamble to this Loan Assumption Agreement and in the Loan Agreement have the respective meanings therein set forth.

ARTICLE II

Assumption

Section 2.01. The Borrower hereby accepts the rights and benefits, and assumes the obligations, of ONEP set forth or referred to in the Loan Agreement, including the obligations to make payment of principal, interest, service, and other charges, and to carry out of the activities set forth or referred to in the Loan Agreement.

Section 2.02. All actions taken, rights acquired or obligations incurred under the Loan Agreement by ONEP shall be valid and binding upon the Borrower.

ARTICLE III

Effectiveness

Section 3.01. The following event is a specified condition to the effectiveness of this Loan Assumption Agreement: the execution and delivery of this Loan Assumption Agreement on behalf of the Borrower has been duly authorized or ratified by all necessary governmental and corporate action.

Section 3.02. As part of the evidence to be furnished pursuant to Section 3.01, there shall be furnished to the Bank an opinion or opinions satisfactory to the Bank of legal counsel acceptable to the Bank showing: that this Loan Assumption Agreement has been duly authorized or ratified by, and executed and delivered on behalf of, the
Borrower and is legally binding upon the Borrower in accordance with its terms.

Section 3.03. Except as the Bank and the Borrower shall otherwise agree, this Loan Assumption Agreement shall enter into effect on the date on which the Bank dispatches to the Borrower a notice of its acceptance of evidence required pursuant to Sections 3.01 and 3.02 of this Loan Assumption Agreement.

ARTICLE IV

Representative of the Borrower; Addresses

Section 4.01. The Director General of the Borrower is designated as representative of the Borrower for the purposes of Section 11.03 of the General Conditions.

Section 4.02. The following addresses are specified for the purposes of Section 11.01 of the General Conditions:

For the Borrower:

Office National de l'Electricité et de l'Eau Potable
Avenue Mohamed Belhassan El Ouazzani
10220 Rabat
Kingdom of Morocco

Facsimile:
537-75-91-06

For the Bank:

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

248423 (MCI) or
64145 (MCI)

IN WITNESS WHEREOF, the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names in the city of Rabat, Kingdom of Morocco, as of the day and year first above written.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By

[Signature]

Authorized Representative

Name: Simon Gray
Title: Country Director

OFFICE NATIONAL DE L'ELECTRICITE ET DE L'EAU POTABLE

By

[Signature]

Authorized Representative

Name: Mr. Ali FASSI FIHRI
Title: General Director