

To : **HON. MATIA KASAIJJA**
Minister, Ministry of Finance, Planning and Economic Development
 Plot 2/12 Apollo Kaggwa Road
 P.O.Box 8147 Kampala, Uganda

Attention to : **Haji Sulaiman Hirome** – Senior Assistant Secretary
Matyama Fredrick – Commissioner, Financial Services Department

Date : October 26, 2016

Subject : **LETTER OF INTENT**

Dear Honourable Minister,

With sincere intention to participate and contribute towards Uganda’s growing economy, AMC by this letter hereby expresses its readiness and willingness to arrange the provision of capital funds for The Republic of Uganda for the best interest thereof, with initial proposal as follows:

Proposed Title of Fund Facility	BoU Capital Funds (subject to amendment/advice by the client)
Breakdown of Proposed Fund Facilities	1. Infrastructure Development - 1,000 Million US Dollars 2. Banks Receivable Trading - 500 Million US Dollars 3. Foreign Exchange - <u>1,000 Million US Dollars</u> TOTAL 2,500 Million US Dollars = 2.5 Billion US Dollars
Fund Category/ Loan Security	Loan Facility - 2.5 Billion US Dollars Loan Security - Sovereign Guarantee issued by BoU
Client	The Republic of Uganda Via Ministry of Finance, Planning and Economic Development
Proposed Terms	<ul style="list-style-type: none"> • Three (3) Years Grace Period, plus • Seventeen (17) Years Repayment Period • TOTAL OF TWENTY (20) YEARS
Proposed Rate	12 month LIBOR + 2.5%



Proposed Disbursement of Funds	Equal Quarterly for three (3) years
Proposed Procedures	<ol style="list-style-type: none"> 1. MoFPED to issue an Acceptance Letter to this LOI. 2. AMC officially request funding from its global bank/financier partners. 3. Lead Bank/Financier to syndicate the loan/fund within the circle of global bank partners. 4. Lead Bank/Financier to issue an official Finance Offer to MoFPED 5. MoFPED to issue an Acceptance Letter re Finance Offer 6. Drafting of Loan Agreement 7. Signing of the Loan Agreement 8. Issuance of Sovereign Guarantee by BoU 9. Disbursement of Funds from Lead Bank Account to BoU Account

Please take note that above proposal is open and subject for any amendment which your esteemed office may still like to incorporate.

Thank you and we remain supporting your objective of achieving Millennium Development Goals for Uganda.



Sincerely yours,


AMANDO M. CABANA
 Executive Chairman

