

## **The Currency of Loans and other Financial Assistance**

The loans and other financial assistance of the Fund are denominated in Kuwaiti Dinars, and this currency is considered the currency of account and also the medium of payment in all transactions relating to such loans and financial assistance.

However, acting as an agent of the borrower or beneficiary of its financial assistance, the Fund may effect disbursement in other currencies according to the requirements of the project or operation subject of financing.

In such case the amount withdrawn from the loan or other financial assistance (technical assistance grant) provided by the Fund, shall be deemed to be equal to the amount of Kuwaiti Dinars required for the purchase of the respective amount of foreign currency, as determined in accordance with the prevailing exchange rate in the market. Likewise, when repayment of principal or payment of interest and other charges on the loan is being made, the Fund, acting as an agent of the Borrower for purchasing the amount of Kuwaiti Dinars required for payment or repayment, as the case may be, may accept payment in another freely convertible currency. In such case the amount deemed to have been paid to the Fund in Kuwaiti Dinars shall be the equivalent in such currency of the amount paid in another freely convertible currency, such equivalent being determined on the basis of the prevailing rate of exchange on the date the Fund actually receives the amount.