**Contractor Finance – Water and Sewerage Projects 11 islands**

**Payment Terms:**

* The Bidding Price shall include both **construction** and **financing cost** of the project (inclusive of all costs and taxes).
* The grace period shall be equivalent to the period of construction.
* The repayment period shall not be less than 3 years and payment for each year should not exceed 25% of the total payment. The repayment period shall start at the end of grace period.
* Sovereign guarantee shall not be granted. Contractor shall be responsible for securing finance for the project.
* The Government’s payment obligation towards the contractor shall be within five (5) years inclusive of grace period.

**Proposed Repayment Plan:**

Proposed Repayment plan shall include the following minimum information, but not limited to:

1. Principal Amount.
2. Tabulation of cumulative amount proposed for the number of years.
3. Annual Repayment amount.
4. Letter from Financial Institution for securing finance for the proposed price
5. Proposal for early settlement plan (if any).