Contract Number (FI N°) 96156
Operation Number (Serapis N°) 2011-0650

MOLDOVA ROADS III B

Finance Contract
(Framework Loan from own resources)
(EFSD+ Dedicated Investment Window 1)

between the

Republic of Moldova

and the

European Investment Bank

Luxembourg, 15 December 2022
Chisinau, 15 December 2022

THIS CONTRACT IS MADE BETWEEN:

the **Republic of Moldova**, represented by the Ministry of Finance, having its address at 7, Constantin Tanase Street, MD – 2005, Chisinau, Republic of Moldova and, for the signing of this contract, represented by Mr. Dumitru Budianschi, Minister of Finance of the Republic of Moldova,	(the "**Borrower**")
of the first part, and	
the **European Investment Bank** having its seat at 100 blvd Konrad Adenauer, Luxembourg, L-2950 Luxembourg, represented by _____, _____, and Ms Stella Renita, Senior Loan Officer,	(the "**Bank**")
of the second part.	

The Bank and the Borrower together are referred to as the "**Parties**" and any of them is a "**Party**".

WHEREAS:

(a) On 1 November 2006, the Republic of Moldova and the Bank signed a framework agreement governing the Bank's activities in the territory of the Republic of Moldova (the "**Framework Agreement**"). The Bank makes the Credit (as defined below) available on the basis that the Framework Agreement continues to be in full force and effect during the term of this finance contract (the "**Contract**").

(b) Article 7 of the Framework Agreement provides, *inter alia*, that the Bank shall enjoy, in respect of its activities in the territory of the Republic of Moldova the treatment accorded to the international institution, which is most favoured in respect of any such activity, or, if that is more favourable, the treatment accorded under any international agreement covering such activities. The Bank makes the Credit available to the Borrower on the basis that, as an international financial institution, it has a right to equal treatment with other international financial institutions in accordance with the Framework Agreement.

(c) The Republic of Moldova is a state party to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards done at New York on 10 June 1958 (the "**New York Convention**").

(d) By countersigning this Contract, the Republic of Moldova confirmed that the Project (as defined below) falls within the scope of the Framework Agreement. The Bank makes the Credit available to the Borrower on the basis that such statements continue to be true and correct in all respects during the term of this Contract.

(e) The Borrower has stated that it is undertaking a project to improve the transport conditions including safety on the main corridors by rehabilitating and upgrading several motorway sections as well as constructing several city bypasses (eash a "**Sub-Project**", and together the "**Project**" or the "**Sub-Projects**"), as more particularly described in the technical description (the "**Technical Description**") set out in Schedule A. The Project shall be implemented exclusively in the territory of the Republic of Moldova. The State Roads Administration (*IS Administrația de Stat a Drumurilor*) of the Republic of Moldova (the "**Promoter**") will have general supervision of and responsibility for the implementation of the Project and will be supported by a project implementation unit (the "**PIU**"). The Promoter will implement the Project under the supervision of the Ministry of Infrastructure and Regional Development of the Republic of Moldova ("**MoIRD**") which shall ensure that the Promoter overseas the Project's implementation with due diligence and efficiency. The roles and responsibilities of MoIRD and the Promoter will be set out in a tripartite implementation agreement (the "**Tripartite Implementation Agreement**") to be signed between the Borrower, MoIRD and the Promoter. The Borrower shall make available to the Promoter the proceeds of the Credit. The responsibilities of the PIU will be set out in such Tripartite Implementation Agreement.

(f) The total cost of the Project, as estimated by the Bank, is EUR 500,000,000.00 (five hundred million euros) and the Borrower has stated that it intends to finance the Project as follows:

Source	**Amount (EUR m)**
Credit from the Bank	Facility A: 150.00 Facility B: 100.00
Loan from the EBRD (as defined below)	250.00
TOTAL	**500.00**

(g) The financing under this Contract pertaining to the Facility B is provided pursuant to the European Fund for Sustainable Development Plus ("**EFSD+**"), an integrated financial package supplying financing capacity in the form of grants, budgetary guarantees and financial instruments worldwide; and in particular under the exclusive investment window for operations with sovereign counterparts and non-commercial sub-sovereign counterparts under article 36.1 of the NDICI-GE Regulation ("**EFSD+ DIW1**"). Pursuant to article 36.8 of the NDICI-GE Regulation, on 29 April 2022, the Bank and the European Union, represented by the European Commission, entered into an EFSD+ guarantee agreement (the "**EFSD+ DIW1 Guarantee Agreement**") whereby the European Union granted to the Bank a comprehensive guarantee for eligible financing operations of the Bank in respect of projects carried out in countries within the geographic areas referred to in article 4(2) of the NDICI-GE Regulation (the "**EFSD+ DIW1 Guarantee**"). The Republic of Moldova is an eligible country pursuant to the NDICI-GE Regulation.

(h) The Bank and the Borrower entered into a finance contract (FI 81.723) on 25 June 2013 in Luxembourg in the amount of EUR 150,000,000.00 (one hundred and fifty million euros) for the financing of the Project ("**Facility A**"). Subsequently, the Borrower and the Promoter informed the Bank that the estimated cost of the Project increased and requested an additional credit amount equivalent to EUR 100,000,000.00 (one hundred million euros). The Bank considering that the financing of the Project falls within the scope of its functions, and having regard to the statements and facts cited in these Recitals, has decided to give effect to the Borrower's request providing to it an additional credit in an amount equivalent to EUR 100,000,000.00 (one hundred million euros) under this Contract ("**Facility B**"); provided that the amount of the Bank's loan shall not, in any case, exceed 50% (fifty per cent) of the total cost of the Project set out in Recital (i).

(i) In order to fulfil the financing plan set out in Recital (i), the Borrower has requested from the Bank an additional credit of EUR equivalent to 100,000,000.00 (one hundred million euros) to be made available from the Bank's own resources and pursuant to the NDICI-GE Regulation.

(j) The Government of the Republic of Moldova has authorised the borrowing of the sum of equivalent to EUR 100,000,000.00 (one hundred million euros) represented by this credit on the terms and conditions set out in this Contract.

(k) The Promoter and the Bank have executed or will execute on or about the date of this Contract a project implementation agreement (the "**Project Implementation Agreement**") for the purposes of implementing the Project, and the Borrower shall ensure that the Promoter shall comply with the provisions of the Project Implementation Agreement at all times.

(l) It is envisaged that the Borrower and the European Bank for Reconstruction and Development (the "**EBRD**") will enter into a loan agreement pursuant to which the EBRD will provide an additional loan in a total amount of EUR 100,000,000.00 (one hundred million euros) for the purposes of financing the Project ("**EBRD Loan Agreement**"). It is envisaged that the EBRD will enter into a project implementation agreement with the Promoter in relation to the implementation of the Project (the "**EBRD Project Implementation Agreement**" and, together with the EBRD Loan Agreement, the "**EBRD Loan Documents**").

(m) The Statute of the Bank provides that the Bank shall ensure that its funds are used as rationally as possible in the interests of the European Union; and, accordingly, the terms and conditions of the Bank's loan operations must be consistent with relevant policies of the European Union.

(n) The Bank considers that access to information plays an essential role in the reduction of environmental and social risks, including human rights violations, linked to the projects it finances and has therefore established its transparency policy, the purpose of which is to enhance the accountability of the Bank's group towards its stakeholders.

(o) The Bank supports the implementation of international and European Union standards in the field of anti-money laundering and countering the financing of terrorism and promotes tax good governance standards. It has established policies and procedures to avoid the risk of misuse of its funds for purposes which are illegal or abusive in relation to applicable laws. The Bank's group statement on tax fraud, tax evasion, tax avoidance, aggressive tax planning, money laundering and financing of terrorism is available on the Bank's website and offers further guidance to the Bank's contracting counterparties.[1]

(p) By entering into this Contract the Borrower acknowledges that the Bank may be bound to comply with the Sanctions (as defined below) and that it cannot, therefore, amongst others, make funds available, directly or indirectly, to or for the benefit of a Sanctioned Person (as defined below).

[1] http://www.eib.org/about/compliance/tax-good-governance/index.htm?f=search&media=search

NOW THEREFORE it is hereby agreed as follows:

INTERPRETATION AND DEFINITIONS

Interpretation

In this Contract:

(a) references to Articles, Recitals, Schedules and Annexes are, save if explicitly stipulated otherwise, references respectively to articles of, and recitals, schedules and annexes to this Contract;

(b) references to "law" or "laws" mean:

(i) any applicable law and any applicable treaty, constitution, statute, legislation, decree, normative act, rule, regulation, judgement, order, writ, injunction, determination, award or other legislative or administrative measure or judicial or arbitral decision in any jurisdiction which is binding or applicable case law; and

(ii) EU Law;

(c) references to "applicable law", "applicable laws" or "applicable jurisdiction" mean:

(i) a law or jurisdiction applicable to the Borrower, its rights and/or obligations (in each case arising out of or in connection with this Contract), its capacity and/or assets and/or the Project; and/or, as applicable

(ii) a law or jurisdiction (including in each case the Bank's Statute) applicable to the Bank, its rights, obligations, capacity and/or assets;

(d) references to a provision of law or a treaty are references to that provision as amended or
re-enacted;

(e) references to any other agreement or instrument are references to that other agreement or instrument as amended, novated, supplemented, extended or restated;

(f) words and expressions in plural shall include singular and vice versa; and

(g) references to "month" mean a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that and subject to the definition of Payment Date, Article 5.1 and Schedule B and unless provided otherwise in this Contract:

(i) if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the immediately preceding Business Day; and

(ii) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month.

(h) a reference in this Contract to a page or screen of an information service displaying a rate shall include:

(i) any replacement page of that information service which displays that rate; and

(ii) the appropriate page of such other information service which displays that rate from time to time in place of that information service,

and, if such page or service ceases to be available, shall include any other page or service displaying that rate specified by the Bank.

Definitions

In this Contract:

"**4th AML Directive**" means Directive 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing as amended, supplemented or restated.

"**5th AML Directive**" means Directive 2018/843 of the European Parliament and of the Council of 30 May 2018 on anti-money laundering and terrorist financing as amended, supplemented or restated.

"**Accepted Tranche**" means a Tranche in respect of which a Disbursement Offer has been duly accepted by the Borrower in accordance with its terms on or before the Disbursement Acceptance Deadline.

"**Agreed Deferred Disbursement Date**" has the meaning given to it in Article 1.5.A(2)(b).

"**Allocation**" means the application of the proceeds of the Loan to the financing of eligible Sub-Projects.

"**Allocation Letter**" has the meaning given to it in Article 1.9.B

"**Allocation Procedure**" means the procedure set out in Article 1.9.A.

"**Allocation Request**" means the request submitted to the Bank pursuant Article 1.9.A.

"**AML Directives**" means the 4th AML Directive and the 5th AML Directive.

"**Authorisation**" means an authorisation, permit, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

"**Authorised Signatory**" means a person authorised to sign individually or jointly (as the case may be) Disbursement Acceptances on behalf of the Borrower and named in the most recent List of Authorised Signatories and Accounts received by the Bank prior to the receipt of the relevant Disbursement Acceptance.

"**Beneficial Owner(s)**" has the meaning given to such term in the AML Directives.

"**Business Day**" means a day (other than a Saturday or Sunday) on which the Bank and commercial banks are open for general business in Luxembourg.

"**Cancelled Tranche**" has the meaning given to it in Article 1.6.C(2).

Central Bank Rate" means in respect of amounts payable in GBP, the Bank of England's Bank Rate as published by the Bank of England from time to time, in each case, which shall include any successor rate to, or replacement rate for, that rate, as reasonably determined by the Bank.

"**Central Bank Rate Adjustment**" means, in relation to the Central Bank Rate prevailing at close of business on any Relevant Business Day, the 20% (twenty per cent) trimmed arithmetic mean (calculated by the Bank) of the Central Bank Rate Spreads for the five most immediately preceding Relevant Business Days for which the RFR is available.

"**Central Bank Rate Spread**" means, in relation to any Relevant Business Day, the difference (expressed as a percentage rate per annum) calculated by the Bank between:

(a) the RFR for that Relevant Business Day; and

(b) the Central Bank Rate prevailing at close of business on that Relevant Business Day.

"**Change-of-Law Event**" has the meaning given to it in Article 4.3.A(3).

"**Close Associate(s)**" means "persons known to be close associates" as defined in the AML Directives.

"**Contract**" has the meaning given to it in Recital (a).

"**Contract Number**" means the Bank generated number identifying this Contract and indicated on the cover page of this Contract after the letters "FI N°".

"**Credit**" has the meaning given to it in Article 1.1.

"**Daily Rate**" means for any Relevant Business Day:

(a) the RFR for that Relevant Business Day;

(b) if the RFR is not available for that Relevant Business Day, the percentage rate per annum which is the aggregate of (A) the Central Bank Rate for that Relevant Business Day and (B) the applicable Central Bank Rate Adjustment; or

(c) if subparagraph (b) above applies but the Central Bank Rate for that Relevant Business Day is not available, the percentage rate per annum which is the aggregate of:

(i) the most recently available Central Bank Rate for that Relevant Business Day; and

(ii) the applicable Central Bank Rate Adjustment,

rounded, in each case, to four decimal places for amounts in GBP.

"**Date of Effectiveness**" has the meaning given in Article 12.3.

"**Declaration of Honour**" means the "Declaration of Honour" under EFSD+ signed by the Borrower on 17 November 2022.

"**Deferment Fee**" means a fee calculated on the amount of an Accepted Tranche deferred or suspended at the rate of the higher of:

(a) in respect of a Tranche disbursed in any currency other than GBP:

(i) 0.125% (12.5 basis points), per annum; and

(ii) the percentage rate by which:

(1) the interest rate that would have been applicable to such Tranche had it been disbursed to the Borrower on the Scheduled Disbursement Date, exceeds

(2) the Relevant Interbank Rate (one month rate) less 0.125% (12.5 basis points), unless such rate is less than zero, in which case it shall be set at zero.

(b) in respect of a Fixed Rate Tranche disbursed in GBP:

(i) 0.125% (12.5 basis points) per annum; and

(ii) the percentage rate by which:

(1) the interest rate that would have been applicable to such Tranche had it been disbursed to the Borrower on the Scheduled Disbursement Date, exceeds

(2) the Daily Rate as at the date falling two Relevant Business Days prior to the most recent Frozen Rate Calculation Date less 0.125% (12.5 basis points), unless such rate is less than zero in which case it will be set at zero.

Such fee shall accrue from the Scheduled Disbursement Date to the Disbursement Date or, as the case may be, until the date of cancellation of the Accepted Tranche in accordance with this Contract.

"**Disbursement Acceptance**" means a copy of the Disbursement Offer duly countersigned by the Borrower in accordance with the List of Authorised Signatories and Accounts.

"**Disbursement Acceptance Deadline**" means the date and time of expiry of a Disbursement Offer as specified therein.

"**Disbursement Account**" means, in respect of each Tranche, the bank account to which disbursements may be made under this Contract, as set out in the most recent List of Authorised Signatories and Accounts.

"**Disbursement Date**" means the date on which disbursement of a Tranche is made by the Bank.

"**Disbursement Offer**" means a letter substantially in the form set out in Schedule C.

"**Dispute**" has the meaning given to it in Article 11.2.

"**Disruption Event**" means either or both of:

(a) a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made in connection with this Contract; or

(b) the occurrence of any other event which results in a disruption (of a technical or systems-related nature) to the treasury or payments operations of either the Bank or the Borrower, preventing that Party from:

(i) performing its payment obligations under this Contract; or

(ii) communicating with the other Party,

and which disruption (in either such case as per (a) or (b) above) is not caused by, and is beyond the control of, the Party whose operations are disrupted.

"**EBRD**" has the meaning given to it in Recital (I).

"**EFSD+**" has the meaning given in Recital (g).

"**EFSD+ DIW1**" has the meaning given in Recital (g).

"**EFSD+ DIW1 Guarantee**" has the meaning given in Recital (g).

"**EFSD+ DIW1 Guarantee Agreement**" has the meaning given in Recital (g.

"**EIA**" means an environmental impact assessment.

"**EIB Statement of Environmental and Social Principles and Standards**" means the statement published on EIB's website that outlines the standards that the Bank requires of the projects that it finances and the responsibilities of the various parties.

"**Environment**" means the following, in so far as they affect human health or social well-being:

(a) fauna and flora;

(b) soil, water, air, climate and the landscape;

(c) cultural heritage; and

(d) the built environment.

"**Environmental and Social Impact Assessment Study**" means a study as an outcome of the environmental and social impact assessment identifying and assessing the potential environmental and social impacts associated with the proposed project and recommending measures to avoid, minimise and/or remedy any impacts. This study is subject to public consultation with direct and indirect project stakeholders.

"**Environmental and Social Documents**" means:

(a) the Environmental and Social Impact Assessment Study; and

(b) any other relevant documents as may be required by the Bank in relation to environmental or social aspects of the Project.

"**Environmental and Social Standards**" means:

(a) Environmental Laws and Social Laws applicable to the Project, the Sub-Projects, the Promoter or the Borrower;

(b) the EIB Statement of Environmental and Social Principles and Standards; and

(c) the Environmental and Social Documents.

"**Environmental or Social Approval**" means any Authorisation required by an Environmental Law or a Social Law in connection with the construction or operation of the Project, including without limitations, any applicable planning consents, building regulations certificates, environmental expert determinations and environmental and social impact assessments.

"**Environmental or Social Claim**" means any claim, proceeding, formal notice or investigation by any person in respect of the Environment or Social Matters affecting the Project including any breach or alleged breach of any Environmental and Social Standard.

"**Environmental Law**" means:

(a) EU Law, including principles and standards, to the extent implemented by the laws of the Republic of Moldova;

(b) EU Law as specified by the Bank before the date of signing of this Contract, i.e.:

(i) the Road Safety Directive (Directive 2008/96/EC of the European Parliament and of the Council of 19 November 2008 on road infrastructure safety management) as amended by Directive (EU) 2019/1936;

(ii) the EIA Directive (European Parliament and Council Directive of 13 December 2011 on the assessment of the effects of certain public and private projects on the environment (2011/92/EU), as amended or replaced from time to time;

(iii) the nature protection directives i.e. the Habitats Directive (Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora) and the Birds Directive (Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds), as amended or replaced from time to time;

(c) Moldovan laws and regulations; and

(d) international treaties and conventions signed and ratified by or otherwise applicable and binding on, the Republic of Moldova

of which a principal objective is the preservation, protection or improvement of the Environment.

"**EU Law**" means the acquis communautaire of the European Union as expressed through the Treaties of the European Union, the regulations, directives, delegated acts, implementing acts, and the case law of the Court of Justice of the European Union.

"**EUR**" or "**euro**" means the lawful currency of the Member States of the European Union, which adopt or have adopted it as their currency in accordance with the relevant provisions of the Treaty on European Union and the Treaty on the Functioning of the European Union or their succeeding treaties.

"**EURIBOR**" has the meaning given to it in Schedule B.

"**Event of Default**" means any of the circumstances, events or occurrences specified in Article 10.1.

"**Family Member(s)**" has the meaning given to such term in the AML Directives.

"**Final Availability Date**" means the date falling 24 (twenty four) months from the Date of Effectiveness.

"**Financial Regulation**" means Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EC, Euratom) No 966/2012 (OJ L 193, 30.7.2018, p. 1).

"**Financing of Terrorism**" means the provision or collection of funds, by any means, directly or indirectly, with the intention that they should be used or in the knowledge that they are to be used, in full or in part, in order to carry out any of the offences listed in the Directive (EU) 2017/541 of the European Parliament and of the Council of 15 March 2017 on combating terrorism and replacing Council Framework Decision 2002/475/JHA and amending Council Decision 2005/671/JHA (as amended, replaced or re-enacted from time to time).

"**Fixed Rate**" means an annual interest rate determined by the Bank in accordance with the applicable principles from time to time laid down by the governing bodies of the Bank for loans made at a fixed rate of interest, denominated in the currency of the Tranche and bearing equivalent terms for the repayment of capital and the payment of interest. Such rate shall not be of negative value.

"**Fixed Rate Tranche**" means a Tranche on which the Fixed Rate is applied. For the avoidance of doubt, a Tranche in GBP may only be disbursed on a Fixed Rate basis.

"**Floating Rate**" means a fixed-spread floating annual interest rate, determined by the Bank for each successive Floating Rate Reference Period equal to the Relevant Interbank Rate plus the Spread. If the Floating Rate for any Floating Rate Reference Period is calculated to be below zero, it will be set at zero.

"**Floating Rate Reference Period**" means each period from one Payment Date to the next relevant Payment Date; the first Floating Rate Reference Period shall commence on the date of disbursement of the Tranche.

"**Floating Rate Tranche**" means a Tranche on which the Floating Rate is applied. For the avoidance of doubt, Floating Rate Tranche may only be applicable as regards EUR or in USD Tranche(s).

"**Framework Agreement**" has the meaning given in Recital (a).

"**Frozen Rate Calculation Date**" means:

(a) subject to paragraph (b) below, the Scheduled Disbursement Date; and

(b) if the deferment is for more than one month, each date falling monthly after the date in paragraph (a) above, or, if there is no numerically corresponding date falling monthly after the date in paragraph (a) above, the last calendar date in the relevant month.

"**GBP**" means the lawful currency of the United Kingdom.

"**Guide to Procurement**" means the Guide to Procurement published on EIB's website that informs the promoters of projects financed in whole or in part by the EIB of the arrangements to be made for procuring works, goods and services required for the Project.

"**IFRS**" means international accounting standards within the meaning of IAS Regulation 1606/2002 to the extent applicable to the relevant financial statements.

"**Illegality Event**" has the meaning given to it in Article 4.3.A(4).

"**ILO**" means the International Labour Organisation.

"**ILO Standards**" means any treaty, convention or covenant of the ILO signed and ratified by or otherwise applicable and binding on the the Republic of Moldova, and the Core Labour Standards (as defined in the ILO Declaration on Fundamental Principles and Rights at Work).

"**Indemnifiable Prepayment Event**" means a Prepayment Event other than those specified in paragraphs 4.3.A(2) or 4.3.A(4).

"**Interest Revision/Conversion**" means the determination of new financial conditions relative to the interest rate, specifically the same interest rate basis ("**revision**") or a different interest rate basis ("**conversion**") which can be offered for the remaining term of a Tranche or until the next Interest Revision/Conversion Date, if any. No rate conversion may apply as regards a Tranche disbursed in GBP as the case may be.

"**Interest Revision/Conversion Date**" means the date, which shall be a Payment Date, specified by the Bank pursuant to Article 1.2.B in the Disbursement Offer.

"**Interest Revision/Conversion Proposal**" means a proposal made by the Bank under Schedule D.

"**Interest Revision/Conversion Request**" means a written notice from the Borrower, delivered at least 75 (seventy five) days before an Interest Revision/Conversion Date, requesting the Bank to submit to it an Interest Revision/Conversion Proposal. The Interest Revision/Conversion Request shall also specify:

(a) the Payment Dates chosen in accordance with the provisions of Article 3.1;

(b) the amount of the Tranche for which the Interest Revision/Conversion shall apply; and

(c) any further Interest Revision/Conversion Date chosen in accordance with Article 3.1.

"**List of Authorised Signatories and Accounts**" means a list, in form and substance satisfactory to the Bank, setting out:

(a) the Authorised Signatories, accompanied by evidence of signing authority of the persons named on the list and specifying if they have individual or joint signing authority;

(b) the specimen signatures of such persons;

(c) the bank account(s) to which disbursements may be made under this Contract (specified by IBAN code if the country is included in the IBAN Registry published by SWIFT, or in the appropriate account format in line with the local banking practice), BIC/SWIFT code of the bank and the name of the bank account(s) beneficiary, together with evidence that such account(s) have been opened in the name of the beneficiary; and

(d) the bank account(s) from which payments under this Contract will be made by the Borrower (specified by IBAN code if the country is included in the IBAN Registry published by SWIFT, or in the appropriate account format in line with the local banking practice), BIC/SWIFT code of the bank and the name of the bank account(s) beneficiary, together with evidence that such account(s) have been opened in the name of the beneficiary.

"**Loan**" means the aggregate of the amounts disbursed from time to time by the Bank under this Contract.

"**Loan Outstanding**" means the aggregate of the amounts disbursed from time to time by the Bank under this Contract that remains outstanding.

"**Market Disruption Event**" means any of the following circumstances:

(a) there are, in the reasonable opinion of the Bank, events or circumstances adversely affecting the Bank's access to its sources of funding;

(b) in the opinion of the Bank, funds are not available from the Bank's ordinary sources of funding in order to adequately fund a Tranche in the relevant currency and/or for the relevant maturity and/or in relation to the reimbursement profile of such Tranche; or

(c) in relation to a Floating Rate Tranche:

(i) the cost to the Bank of obtaining funds from its sources of funding, as determined by the Bank, for a period equal to the Floating Rate Reference Period of such Tranche (i.e. in the money market) would be in excess of the applicable Relevant Interbank Rate; or

(ii) the Bank determines that adequate and fair means do not exist for ascertaining the applicable Relevant Interbank Rate for the relevant currency of such Tranche.

"**Material Adverse Change**" means, in relation to the Borrower or the Promoter any event or change of condition affecting the Borrower or the Promoter, respectively, which, in the opinion of the Bank:

(a) materially impairs the ability of the Borrower or the ability of the Promoter to perform its obligations under this Contract;

(b) materially impairs the financial condition or prospects of the Borrower or the Promoter;

(c) adversely affects the legality, validity or enforceability of this Contract or the rights or remedies of the Bank under this Contract; or

(d) adversely affects the legality, validity or enforceability of, or the effectiveness or ranking of, or the value of any Security granted to the Bank in connection with this Contract.

"**Maturity Date**" means the last Repayment Date of a Tranche specified pursuant to Article 4.1.A(b)(iv).

"**MoIRD**" has the meaning given to it in Recital (e).

"**Money Laundering**" means:

(a) the conversion or transfer of property, knowing that such property is derived from criminal activity or from an act of participation in such activity, for the purpose of concealing or disguising the illicit origin of the property or of assisting any person who is involved in the commission of such activity to evade the legal consequences of his action;

(b) the concealment or disguise of the true nature, source, location, disposition, movement, rights with respect to, or ownership of property, knowing that such property is derived from criminal activity or from an act of participation in such activity;

(c) the acquisition, possession or use of property, knowing, at the time of receipt, that such property was derived from criminal activity or from an act of participation in such activity; or

(d) participation in, association to commit, attempts to commit and aiding, abetting, facilitating and counselling the commission of any of the actions mentioned in the foregoing points.

"**New York Convention**" has the meaning given to it in Recital (c).

"**NDICI-GE Regulation**" means Regulation (EU) 2021/947 of the European Parliament and of the Council of 9 June 2021 establishing the Neighbourhood, Development and International Cooperation Instrument – Global Europe.

"**Non-EIB Financing**" has the meaning given to it in Article 4.3.A(2).

"**Non-EIB Financing Prepayment Event**" has the meaning given to it in Article 4.3.A(2).

"**Payment Account**" means the bank account from which payments under this Contract will be made by the Borrower, as set out in the most recent List of Authorised Signatories and Accounts.

"**Payment Date**" means the annual, semi-annual or quarterly dates specified in the Disbursement Offer until and including the Interest Revision/Conversion Date, if any, or the Maturity Date, save that, in case any such date is not a Relevant Business Day, it means:

(a) for a Fixed Rate Tranche either:

  (i) the following Relevant Business Day, without adjustment to the interest due under Article 3.1; or

  (ii) the preceding Relevant Business Day with adjustment (but only to the amount of interest due under Article 3.1 that accrued over the last interest period), in case repayment of principal is made in a single instalment in accordance with Schedule D point C; and

(b) for a Floating Rate Tranche, the following Relevant Business Day in that month, or, failing that, the nearest preceding Relevant Business Day, in all cases with corresponding adjustment to the interest due under Article 3.1.

"**PIU**" has the meaning given to it in Recital (e).

"**Prepayment Amount**" means the amount of a Tranche to be prepaid by the Borrower in accordance with Article 4.2.A or Article 4.3.A, as applicable.

"**Prepayment Date**" means the date, as requested by the Borrower and agreed by the Bank or indicated by the Bank (as applicable) on which the Borrower shall effect prepayment of a Prepayment Amount.

"**Prepayment Event**" means any of the events described in Article 4.3.A.

"**Prepayment Indemnity**" means in respect of any principal amount to be prepaid, the amount communicated by the Bank to the Borrower as the present value (calculated as of the Prepayment Date) of the excess, if any, of:

(a) the interest that would accrue thereafter on the Prepayment Amount over the period from the Prepayment Date to the Interest Revision/Conversion Date, if any, or the Maturity Date, if it were not prepaid; over

(b) the interest that would so accrue over that period, if it were calculated at the Redeployment Rate, less 0.19% (nineteen basis points).

The said present value shall be calculated at a discount rate equal to the Redeployment Rate, applied as of each relevant Payment Date.

"**Prepayment Notice**" means a written notice from the Bank to the Borrower in accordance with Article 4.2.C.

"**Prepayment Request**" means a written request from the Borrower to the Bank to prepay all or part of the Loan Outstanding, in accordance with Article 4.2.A.

"**Prohibited Conduct**" means any Financing of Terrorism, Money Laundering or Prohibited Practice.

"**Prohibited Practice**" means any:

(a) Coercive Practice, meaning the impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of a party to influence improperly the actions of a party;

(b) Collusive Practice, meaning an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;

(c) Corrupt Practice, meaning the offering, giving, receiving or soliciting, directly or indirectly, of anything of value by a party to influence improperly the actions of another party;

(d) Fraudulent Practice, meaning any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party in order to obtain a financial (including, for the avoidance of taxation related) or other benefit or to avoid an obligation;

(e) Obstructive Practice, meaning in relation to an investigation into a Coercive, Collusive, Corrupt or Fraudulent Practice in connection with this Loan or the Project, (a) destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to investigators, with the intent to impede the investigation; (b) threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, or (c) acts intending to impede the exercise of the EIB Group's contractual rights of audit or inspection or access to information;

(f) Tax Crime, meaning all offences, including tax crimes relating to direct taxes and indirect taxes and as defined in the national law of the Republic of Moldova, which are punishable by deprivation of liberty or a detention order for a maximum of more than one year;

(g) Misuse of EIB Group Resources and Assets, meaning any illegal activity committed in the use of the EIB Group's resources or assets (including the funds lent under this Contract) knowingly or recklessly; or

(h) any other illegal activity that may affect the financial interests of the European Union, according to the applicable laws.

"**Project**" has the meaning given to it in Recital (e).

"**Project Cost Reduction Event**" has the meaning given to it in Article 4.3.A(1).

"**Project Implementation Agreement**" has the meaning given to it in Recital (k).

"**Promoter**" has the meaning given to it in Recital (e).

"**Redeployment Rate**" means the fixed annual rate determined by the Bank, being a rate which the Bank would apply on the day of the indemnity calculation to a loan that has the same currency the same terms for the payment of interest and the same repayment profile to the Interest Revision/Conversion Date, if any, or the Maturity Date as the Tranche in respect of which a prepayment or cancellation is proposed or requested to be made. Such rate shall not be of negative value.

"**Relevant Business Day**" means:

(a) for EUR, a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007 (TARGET2) is open for settlement of payments in EUR;

(b) for GBP, a day other than Saturday or Sunday on which banks are open for general business in London; and

(c) for USD, a day other than Saturday or Sunday on which banks are open for general business in New York.

"**Relevant Interbank Rate**" means:

(a) EURIBOR for a Tranche denominated in EUR; and

(b) USD Reference Rate for a Tranche denominated in USD.

"**Relevant Party**" has the meaning given to it in Article 8.3.

"**Relevant Person**" means:

(a) with respect to the Borrower any official or representative of any of its ministries, central government departments or sub-divisions, or any other person acting on its behalf or under its control, having the power to give directions and exercise control with respect to the Loan or the Project; and

(b) with respect to the Promoter:

(i) any member of its management or supervisory bodies, or

(ii) any of its officers (not falling within the category of persons referred to in paragraph (i) above); or

(iii) any other person acting on its behalf or under its control, having the power to give directions and exercise control with respect to the Project.

"**Repayment Date**" shall mean each of the Payment Dates specified for the repayment of the principal of a Tranche in the Disbursement Offer, in accordance with Article 4.1.

"**Requested Deferred Disbursement Date**" has the meaning given to it in Article 1.5.A(1)(a)(ii).

"**RFR**" means in respect of amounts payable in GBP, the sterling overnight index average (SONIA) reference rate displayed on the relevant screen of any authorised distributor of that reference rate.

"**Sanctioned Person**" means any individual or entity (for the avoidance of doubt, the term entity includes, but is not limited to, any government, group or terrorist organisation) who is a designated target of, or who is otherwise a subject of, Sanctions (including, without limitation, as a result of being owned or otherwise controlled , directly or indirectly, by any individual or entity, who is a designated target of, or who is otherwise a subject of, Sanctions).

"**Sanctions**" means the economic or financial sanctions laws, regulations, trade embargoes or other restrictive measures (including, in particular, but not limited to, measures in relation to the financing of terrorism) enacted, administered, implemented and/or enforced from time to time by any of the following:

(a) the United Nations, and any agency or person which is duly appointed, empowered or authorised by the United Nations to enact, administer, implement and/or enforce such measures;

(b) the European Union, and any agency or person which is duly appointed, empowered or authorised by the European Union to enact, administer, implement and/or enforce such measures;

(c) the United States Government, and any department, division, agency, or office thereof, including the Office of Foreign Asset Control (OFAC) of the United States Department of the Treasury, the United States Department of State and/or the United States Department of Commerce; and

(d) the United Kingdom, and any UK government department or authority, including, inter alia, The Office of Financial Sanctions Implementation of His Majesty's Treasury and the Department for International Trade.

"**Scheduled Disbursement Date**" means the date on which a Tranche is scheduled to be disbursed in accordance with Article 1.2.C.

"**Security**" means any mortgage, pledge, lien, charge, assignment, hypothecation, or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"**Social Law**" means each of:

(a) any law, rule or regulation applicable in the Republic of Moldova relating to Social Matters;

(b) any ILO Standards; and

(c) any United Nations treaty, convention or covenant on human rights signed and ratified by or otherwise applicable and binding on the Republic of Moldova.

"**Social Matters**" means all, or any of, the following:

(a) labour and employment conditions;

(b) occupational health and safety;

(c) protection and empowerment of rights and interests of indigenous peoples, ethnic minorities and vulnerable groups;

(d) cultural heritage (tangible and intangible);

(e) public health, safety and security;

(f) involuntary physical resettlement and/or economic displacement and loss of livelihood of persons; and

(g) public participation and stakeholder engagement.

"**Spread**" means the fixed spread (being of either positive or negative value) to the Relevant Interbank Rate, as determined by the Bank and notified to the Borrower in the relevant Disbursement Offer or in the Interest Revision/Conversion Proposal.

"**Sub-Project**" has the meaning given to it in Recital (e).

"**Tax**" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

"**Technical Description**" has the meaning given to it in Recital (e).

"**Tranche**" means each disbursement made or to be made under this Contract. In case no Disbursement Acceptance has been received, Tranche shall mean a Tranche as offered under Article1.2.B.

"**USD**" means the lawful currency of the United States of America.

"**USD Reference Rate**" has the meaning given to it in Schedule B.

ARTICLE 1

Credit and Disbursements

1.1 Amount of Credit

By this Contract the Bank establishes in favour of the Borrower, and the Borrower accepts, a credit in an amount equivalent to EUR 100,000,000.00 (one hundred million euros) for the financing of the Project (the "**Credit**").

1.2 Disbursement procedure

1.2.A Tranches

The Bank shall disburse the Credit in up to 20 (twenty) Tranches. The amount of each Tranche shall be in a minimum amount equivalent to EUR 4,000,000.00 (four million euros) or (if less) the entire undrawn balance of the Credit.

1.2.B Disbursement Offer

Upon request by the Borrower and subject to Article 1.4.A, provided that no event mentioned in Article 1.6.B has occurred and is continuing, the Bank shall send to the Borrower within 5 (five) Business Days after the receipt of such request a Disbursement Offer for the disbursement of a Tranche. The latest time for receipt by the Bank of such Borrower's request is 15 (fifteen) Business Days before the Final Availability Date. The Disbursement Offer shall specify:

(i) the currency, amount and EUR equivalent of the Tranche;

(ii) the Scheduled Disbursement Date, which shall be a Relevant Business Day, falling at least 10 (ten) days after the date of the Disbursement Offer and on or before the Final Availability Date;

(iii) the interest rate basis of the Tranche, being: (i) a Fixed Rate Tranche; or (ii) a Floating Rate Tranche, in each case, pursuant to the relevant provisions of Article 3.1;

(iv) the Payment Dates and the first interest Payment Date for the Tranche;

(v) the terms for repayment of principal for the Tranche, in accordance with the provisions of Article 4.1;

(vi) the Repayment Dates and the first and the last Repayment Date for the Tranche;

(vii) the Interest Revision/Conversion Date, if requested by the Borrower, for the Tranche;

(viii) for a Fixed Rate Tranche, the Fixed Rate and for a Floating Rate Tranche the Spread, applicable to the Tranche until the Interest Revision/Conversion Date, if any or until the Maturity Date; and

(ix) the Disbursement Acceptance Deadline.

1.2.C Disbursement Acceptance

The Borrower may accept a Disbursement Offer by delivering a Disbursement Acceptance to the Bank no later than the Disbursement Acceptance Deadline. The Disbursement Acceptance shall be signed by an Authorised Signatory with individual representation right or two or more Authorised Signatories with joint representation right and shall specify the Disbursement Account to which the disbursement of the Tranche should be made in accordance with Article 1.2.D.

If a Disbursement Offer is duly accepted by the Borrower in accordance with its terms on or before the Disbursement Acceptance Deadline, the Bank shall make the Accepted Tranche available to the Borrower in accordance with the relevant Disbursement Offer and subject to the terms and conditions of this Contract.

The Borrower shall be deemed to have refused any Disbursement Offer which has not been duly accepted in accordance with its terms on or before the Disbursement Acceptance Deadline.

The Bank may rely on the information set out in the most recent List of Authorised Signatories and Accounts provided to the Bank by the Borrower. If a Disbursement Acceptance is signed by a person defined as Authorised Signatory under the most recent List of Authorised Signatories and Accounts provided to the Bank by the Borrower, the Bank may assume that such person has the power to sign and deliver in the name and on behalf of the Borrower such Disbursement Acceptance.

1.2.D Disbursement Account

Disbursement shall be made to the Disbursement Account specified in the relevant Disbursement Acceptance provided that such Disbursement Account is acceptable to the Bank.

Notwithstanding Article 5.2(e), the Borrower acknowledges that payments to a Disbursement Account notified by the Borrower shall constitute disbursements under this Contract as if they had been made to the Borrower's own bank account.

Only one Disbursement Account may be specified for each Tranche.

1.3 Currency of disbursement

The disbursement of each Tranche shall be made in EUR or, subject to availability, in USD or GBP.

For the calculation of the sums available to be disbursed in currencies other than EUR , and to determine their equivalent in EUR, the Bank shall apply the rate published by the European Central Bank in Frankfurt am Main, available on or shortly before the date of the Disbursement Offer as the Bank shall decide.

1.4 Conditions of disbursement

1.4.A Condition precedent to the first request for Disbursement Offer

The Bank shall have received from the Borrower in form and substance satisfactory to the Bank:

(a) evidence that the execution of this Contract by the Borrower and the execution of the Project Implementation Agreement by the Promoter have been duly authorised and that the person or persons signing this Contract on behalf of the Borrower and the Project Implementation Agreement on behalf of the Promoter, respectively, is/are duly authorised to do so together with the specimen signature of each such person or persons; and

(b) the List of Authorised Signatories and Accounts,

prior to requesting a Disbursement Offer under Article 1.2.B by the Borrower. Any request for a Disbursement Offer made by the Borrower without the above documents having been received by the Bank and to its satisfaction shall be deemed not made.

1.4.B First Tranche

The disbursement of the first Tranche under Article 1.2 is conditional upon receipt by the Bank, in form and substance satisfactory to it, on or before the date falling 7 (seven) Business Days before the Scheduled Disbursement Date (and, in the case of deferment under Article 1.5, the Requested Deferred Disbursement Date or the Agreed Deferred Disbursement Date, respectively), of the following documents or evidence:

(a) evidence that the Borrower has obtained all necessary Authorisations, required in connection with this Contract and the Project;

(b) 2 (two) originals of this Contract duly executed by the Bank and the Borrower;

(c) an original of the legal opinion in the English language issued by the Ministry of Justice of the Republic of Moldova substantially in the form set out in Annex I (Form of the Legal Opinion), supported by copies of the documents evidencing that:

(i) the execution of this Contract by the Borrower has been duly authorised;

(ii) the person or persons signing this Contract on behalf of the Borrower is/are duly authorised to do so, together with the specimen signature of such person or persons;

(iii) this Contract is duly ratified by the Parliament of the Republic of Moldova in accordance with the applicable laws of the Republic of Moldova; and

(iv) the Borrower has obtained all necessary Authorisations required, in connection with this Contract and the Project;

(d) 2 (two) originals of the Project Implementation Agreement duly executed by the Bank and the Promoter;

(e) an original of the legal opinion under Moldovan law in the English language issued by legal counsel acceptable to the Bank and addressed to the Bank with respect to the Project Implementation Agreement confirming, among other things:

(i) the legal capacity and due authorisation of the Promoter to enter into the Project Implementation Agreement;

(ii) the due execution of the Project Implementation Agreement by the Promoter; and

(iii) the legal, valid, binding and enforceable nature of the Project Implementation Agreement,

together with copies of the supporting documents, including documents evidencing that the person or persons signing the Project Implementation Agreement on behalf of the Promoter is/are duly authorised to do so together with the specimen signature of each such person or persons;

(f) evidence that (i) the EBRD Loan Agreement has been duly executed and delivered and all conditions precedent to the disbursement of the first tranche thereunder have been fulfilled or waived and that the Borrower has the right to make drawings under the first tranche thereunder, and (ii) the EBRD Project Implementation Agreement has been duly executed and delivered and all conditions precedent to its effectiveness have been fulfilled or waived;

(g) evidence that neither the Borrower nor the Promoter is in default under any of the EBRD Loan Documents;

(h) evidence that the Promoter has established, to the satisfaction of the Bank, a dedicated Project Implementation Unit, consisting, inter alia, of full time professional staff and experienced consultants in lead positions, to co-ordinate, manage, monitor and evaluate all aspects of the implementation of the Project;

(i) evidence that the Promoter has, to the satisfaction of the Bank, established a Project Implementation Plan including, inter alia, a detailed procurement plan, project audit plan, description of the Project responsibilities and an Environmental and Social Action Plan;

(j) evidence that any exchange control consents specified by the Bank or indicated in the legal opinion given under paragraph (a) above as being necessary have been obtained to permit the Borrower to receive disbursements as provided in this Contract, to repay the Loan and to pay interest and all other amounts due hereunder and to open and operate the Disbursement Account;

(k) evidence demonstrating that the Borrower made amounts to be disbursed under this Contract available to the Promoter for the purpose of financing the Project;

(l) a copy of the resettlement policy framework relating to Components 1, 2 and 3 described in the Schedule A.1 Technical Description; and

(m) the Bank being satisfied that the first disbursement shall not exceed 30% (thirty per cent) of the Credit.

1.4.C Subsequent Tranches

Without prejudice to the conditions precedent required in respect of all Tranches set out in Article 1.4.D (*All Tranches*), the disbursement of each Tranche under Article 1.2, subsequent to the first disbursement, is conditional upon receipt by the Bank, in form and substance satisfactory to it, on or before the date falling 7 (seven) Business Days before the Scheduled Disbursement Date (and, in the case of deferment under Article 1.5, the Requested Deferred Disbursement Date or the Agreed Deferred Disbursement Date, respectively), of evidence in writing demonstrating that; the Bank being satisfied that the subsequent disbursements shall not exceed the higher of either (a) 10% (ten per cent) of the total authorised loan amount or (b) the actual amount allocated by the Bank through the Letter(s) of Allocation.

1.4.D All Tranches

The disbursement of each Tranche under Article 1.2, including the first, is subject to the following conditions:

(a) that the Bank has received, in form and substance satisfactory to it, on or before the date falling 7 (seven) Business Days before the Scheduled Disbursement Date (and, in the case of deferment under Article 1.5, the Requested Deferred Disbursement Date or the Agreed Deferred Disbursement Date, respectively) for the proposed Tranche, of the following documents or evidence:

(i) a certificate from the Borrower in the form of Schedule E signed by an authorised representative of the Borrower and dated no earlier than the date falling 15 (fifteen) days before the Scheduled Disbursement Date (and, in the case of deferment under Article 1.5, the Requested Deferred Disbursement Date or the Agreed Deferred Disbursement Date, respectively);

(ii) evidence demonstrating that, following drawdown of the relevant Tranche, the amount of the Loan will not exceed the aggregate eligible expenditure incurred or forecast to be paid by the Promoter in respect of the Project within six months of the relevant Disbursement Offer;

(iii) evidence that at least 80% (eighty per cent) of the funds of the last Tranche and 100% (one hundred per cenf) of the funds of each previous Tranche have been paid by the Promoter before requesting a new disbursement;

(iv) evidence demonstrating that the EBRD Loan Documents continue to be fully effective, valid and enforceable, all conditions precedent to the disbursement of the relevant tranche for the respective Project component under the EBRD Loan Agreement have been fulfilled;

(v) to the extent not previously provided to the Bank, for any Component of the Project to be financed from the respective tranche, the following documents or evidence:

(A) a resettlement action plan, if such a plan is required pursuant to any relevant resettlement policy framework;

(B) the environmental screening decision by the competent authority concerning the requirement or not of an environmental and social impact assessment and the environmental management plan and, if an environmental and social impact assessment is required, the environmental and social impact assessment and the non-technical summary;

(C) the relevant building and environmental permits as well as written confirmation from the competent authority of the Project's impact on nature conservation sites (Form A/B equivalent);

(D) evidence that the design of the relevant section of road being financed has been submitted to a safety audit in conformity with the prescription of the technical annex of the EU Directive 2008/96/EC and that, to the

maximum extent feasible, all recommendations have been incorporated into the final design; and

(E) certified true copies of a contract or contracts, which contract or contracts shall have been executed on terms satisfactory to the Bank;

(vi) evidence of the authority of the person or persons authorised to sign Disbursement Acceptance and the authenticated specimen signature of such person or persons, unless it has been previously provided;

(vii) evidence that the Promoter has received all necessary authority, permits, approvals, consents and powers to proceed with the stage of the Project being financed by the Loan contemplated by the Disbursement Offer and to operate the Project under all applicable laws;

(viii) a copy of any other authorisation or other document, opinion or assurance which the Bank has notified the Borrower is necessary or desirable in connection with the entry into and performance of, and the transactions contemplated by, the Contract or the validity and enforceability of the same; and

(ix) for the last Tranche only, the Bank being satisfied that the last disbursement shall not exceed 10% (ten per cent) of the Credit.

(b) that on the Scheduled Disbursement Date (and, in the case of deferment under Article 1.5, on the Requested Deferred Disbursement Date or the Agreed Deferred Disbursement Date, respectively) for the proposed Tranche:

(i) the representations and warranties which are repeated pursuant to Article 6.12 are correct in all respects; and

(ii) no event or circumstance which constitutes or would with the passage of time or giving of notice under this Contract constitute:

(1) an Event of Default; or

(2) a Prepayment Event,

has occurred and is continuing unremedied or unwaived or would result from the disbursement of the proposed Tranche.

1.5 Deferment of disbursement

1.5.A Grounds for deferment

1.5.A(1) BORROWER'S REQUEST

(a) The Borrower may send a written request to the Bank requesting the deferral of the disbursement of an Accepted Tranche. The written request must be received by the Bank at least 7 (seven) Business Days before the Scheduled Disbursement Date of the Accepted Tranche and specify:

(i) whether the Borrower would like to defer the disbursement in whole or in part and if in part, the amount to be deferred; and

(ii) the date until which the Borrower would like to defer a disbursement of the above amount (the "**Requested Deferred Disbursement Date**"), which must be a date falling not later than:

(1) 6 (six) months from its Scheduled Disbursement Date;

(2) 30 (thirty) days prior to the first Repayment Date; and

(3) the Final Availability Date.

(b) Upon receipt of such a written request, the Bank shall defer the disbursement of the relevant amount until the Requested Deferred Disbursement Date.

1.5.A(2) FAILURE TO SATISFY CONDITIONS TO DISBURSEMENT

(a) The disbursement of an Accepted Tranche shall be deferred if any condition for disbursement of such Accepted Tranche referred to in Article 1.4 is not fulfilled both:

(i) at the date specified for fulfilment of such condition in Article 1.4; and

(ii) at its Scheduled Disbursement Date (or, where the Scheduled Disbursement Date has been deferred previously, the date expected for disbursement).

(b) The Bank and the Borrower shall agree the date until which the disbursement of such Accepted Tranche shall be deferred (the "**Agreed Deferred Disbursement Date**"), which must be a date falling:

(i) not earlier than 7 (seven) Business Days following the fulfilment of all conditions of disbursement; and

(ii) not later than the Final Availability Date.

(c) Without prejudice to the Bank's right to suspend and/or cancel the undisbursed portion of the Credit in whole or in part pursuant to Article 1.6.B, the Bank shall defer disbursement of such Accepted Tranche until the Agreed Deferred Disbursement Date.

1.5.A(3) DEFERMENT FEE

If disbursement of an Accepted Tranche is deferred pursuant to paragraphs 1.5.A(1) or 1.5.A(2) above, the Borrower shall pay the Deferment Fee.

1.5.B Cancellation of a disbursement deferred by 6 (six) months

If a disbursement has been deferred by more than 6 (six) months in aggregate pursuant to Article 1.5.A, the Bank may notify the Borrower in writing that such disbursement shall be cancelled and such cancellation shall take effect on the date of such written notification. The amount of the disbursement which is cancelled by the Bank pursuant to this Article 1.5.B shall remain available for disbursement under Article 1.2.

1.6 Cancellation and suspension

1.6.A Borrower's right to cancel

(a) The Borrower may send a written notice to the Bank requesting a cancellation of the undisbursed Credit or a portion thereof.

(b) In its written notice, the Borrower:

(i) must specify whether the Credit shall be cancelled in whole or in part and, if in part, the amount of the Credit to be cancelled; and

(ii) must not request any cancellation of an Accepted Tranche, which has a Scheduled Disbursement Date falling within 7 (seven) Business Days of the date of such written notice.

(c) Upon receipt of such written notice, the Bank shall cancel the requested portion of the Credit with immediate effect.

1.6.B Bank's right to suspend and cancel

(a) At any time upon the occurrence of the following events, the Bank may notify the Borrower in writing that the undisbursed portion of the Credit shall be suspended and/or (except upon the occurrence of a Market Disruption Event) cancelled in whole or in part:

(i) a Prepayment Event;

(ii) an Event of Default;

(iii) an event or circumstance which would with the passage of time or giving of notice under this Contract constitute a Prepayment Event or an Event of Default; or

(iv) a Market Disruption Event provided the Bank has not received a Disbursement Acceptance.

(b) On the date of such written notification from the Bank the relevant portion of the Credit shall be suspended and/or cancelled with immediate effect. Any suspension shall continue until the Bank ends the suspension or cancels the suspended amount.

1.6.C Indemnity for suspension and cancellation of a Tranche

1.6.C(1) SUSPENSION

If the Bank suspends an Accepted Tranche upon the occurrence of an Indemnifiable Prepayment Event or an Event of Default or of an event or circumstance which would (with the passage of time or the giving of notice or the making of any determination under this Contract or any combination of the foregoing) constitute an Indemnifiable Prepayment Event or an Event of Default, the Borrower shall pay to the Bank the Deferment Fee calculated on the amount of such Accepted Tranche.

1.6.C(2) CANCELLATION

(a) If an Accepted Tranche which is a Fixed Rate Tranche (the "**Cancelled Tranche**") is cancelled:

(i) by the Borrower pursuant to Article 1.6.A; or

(ii) by the Bank upon an Indemnifiable Prepayment Event or an event or circumstance which would (with the passage of time or the giving of notice or the making of any determination under this Contract or any combination of the foregoing) constitute an Indemnifiable Prepayment Event or pursuant to Article 1.5.B,

the Borrower shall pay to the Bank an indemnity on such Cancelled Tranche.

(b) Such indemnity shall be:

(i) calculated assuming that the Cancelled Tranche had been disbursed and repaid on the same Scheduled Disbursement Date or, to the extent the disbursement of the Tranche is currently deferred or suspended, on the date of the cancellation notice; and

(ii) in the amount communicated by the Bank to the Borrower as the present value (calculated as of the date of cancellation) of the excess, if any, of:

(1) the interest that would accrue thereafter on the Cancelled Tranche over the period from the date of cancellation pursuant to this Article 1.6.C(2), to the Interest Revision/Conversion Date, if any, or the Maturity Date, if it were not cancelled; over

(2) the interest that would so accrue over that period, if it were calculated at the Redeployment Rate, less 0.19% (nineteen basis points).

The said present value shall be calculated at a discount rate equal to the Redeployment Rate applied as of each relevant Payment Date of the applicable Tranche.

(c) If the Bank cancels any Accepted Tranche upon the occurrence of an Event of Default, the Borrower shall indemnify the Bank in accordance with Article 10.3.

1.7 Cancellation after expiry of the Credit

On the day following the Final Availability Date, unless otherwise specifically notified in writing by the Bank to the Borrower, any part of the Credit in respect of which no Disbursement Acceptance has been received in accordance with Article 1.2.C shall be automatically cancelled, without any further notice from the Bank to the Borrower and without any liability arising on the part of either Party.

1.8 Sums due under Articles 1.5 and 1.6

Sums due under Articles 1.5 and 1.6 shall be payable:

(a) in the currency of the Tranche concerned; and

(b) within 15 (fifteen) days of the Borrower's receipt of the Bank's demand or within any longer period specified in the Bank's demand.

1.9 Allocation

1.9.A Allocation Procedure

(a) At any time but in any case no later than 3 (three) months before the Final Availability Date, the Borrower may submit to the Bank a request for allocation (the "**Allocation Request**").

(b) The Loan may solely be allocated to Sub-Projects identified as eligible for financing in the Technical Description. In order for a Sub-Project to qualify for financing hereunder, the Borrower must comply with the Allocation Procedure and the Technical Description.

(c) The Loan shall be allocated to Sub-Projects, which are agreed with the Bank in accordance with the principles of the Bank framework loan allocation review procedure set out in the Technical Description, provided that the Bank is satisfied that there is sufficient information available on such Sub-Projects.

(d) The Bank's funds will be allocated to the eligible Sub-Projects with procedures modulated according to the Sub-Projects size and in line with the Bank's applicable procedures for framework loans, as set out in the Technical Description.

(e) The Borrower shall provide the Bank with any additional information and/or conditions regarding the Sub-Projects as the Bank, at its own discretion, may request.

(f) To be eligible for loan financing from the Bank, the Borrower shall verify the compliance of the Sub-Projects with the relevant and applicable Bank's policies and guidelines. All Sub-Projects shall be technically, economically and financially viable and sustainable, comply with the Bank's environmental and social standards, and be undertaken following the procedures as described in the Bank's Guide to Procurement.

(g) The Borrower shall provide, together with each Allocation Request, a procurement plan for a Sub-Project included in that Allocation Request in form and substance satisfactory to the Bank.

(h) The Borrower shall provide, together with each Allocation Request in relation to each Sub-Project, which is aimed at capital repairs and upgrading along the same alignment, a screening document (decision of the competent authority) that states whether a full EIA is required or not. If such EIA is not required, the screening document shall be submitted together with Environmental and Social Management Plan, as well as a Resettlement Action Plan (in case resettlement is required for the implementation of the Sub-Project). If the screening document indicates the need for a full EIA, the following documents, in form and substance susatisfactory to the Bank, need to be submitted to the Bank together with each Allocation Request in relation to each such Sub-Project:

(i) a copy of the EIA report, including a non-technical summary;

(ii) the Environmental Permit issued by the relevant competent authority/ies of the Republic of Moldova, and should it be necessary, a relevant statement from the competent authority for monitoring of protected sites, confirming the impact of the Project on protected areas;

(iii) final version of the Environmental and Social Management Plan; and

(iv) in case the Sub-Project included in that Allocation Request entails the involuntary resettlement, a final version of the Resettlement Action Plan compiled in accordance with the Resettlement Policy Framework document drafted by the Promoter and approved by the Bank.

(i) The Bank reserves the right to review the Allocation Procedure and may, by notice to the Borrower, amend the Allocation Procedure, to bring it in line with the Bank's policies or to reflect the results of the review(s) of the implementation capacity and performance of the Project. In such case, the Bank shall inform the Borrower thereof and the Borrower shall promptly adapt its internal allocation procedures accordingly.

1.9.B Allocation Letter

The Bank shall have full discretion whether to approve or not the Allocation Request so submitted following such examination of the Sub-Projects as it deems necessary and shall, in the event of confirmation/approval, issue a letter of allocation (the "**Allocation Letter**"), informing the Borrower of its confirmation/approval of the Sub-Projects submitted and of the amount in EUR allocated to such Sub-Project. If the Bank requires additional information and/or conditions regarding the Sub-Project included in the Allocation Request, the period to deliver the Allocation Letter will be suspended until such additional information is provided to the satisfaction of the Bank. In the event the Bank does not approve a submitted Allocation Request, the Bank shall inform the Borrower thereof.

1.10 Reallocation Procedure

1.10.A Reallocation at the request of the Borrower

(a) Prior to 3 (three) months before the Final Availability Date, the Borrower may, by written request to the Bank, which request shall include also the reasons of the request of the Borrower, propose to reallocate in accordance with the provisions of Article 1.10 any part of the Loan Outstanding which has been allocated but not spent on a Sub-Project, or not made available in full, directly or indirectly, by the Borrower to the Promoter.

(b) The Bank may, in its discretion, accept the Borrower's proposal for reallocation and reallocate any portion of the Loan Outstanding in accordance with the provisions of Article 1.10.

(c) If the reallocation is not possible or possible only in part, the Borrower shall, in accordance with Article 4.3.A(5), prepay immediately to the Bank the part of the Loan Outstanding which has been disbursed by the Bank subject to the original Allocation.

1.10.B Reallocation in connection with the ineligibility of a Sub-Project

Upon the Bank's written request, the Borrower shall propose to reallocate any part of the Loan Outstanding which has been allocated, in accordance with the procedures described in Article 1.10, in relation to a Sub-Project if such Sub-Project, in the opinion of the Bank, is ineligible for financing by the Bank under the Bank's Statute, policies or guidelines or under Article 309 of the Treaty on the Functioning of the European Union or if the Sub-Project no longer complies with the requirements of this Contract. If within the timeframe provided for in the Bank's written request the Borrower fails to replace such Sub-Project, the Borrower shall repay all or part of the Loan Outstanding in accordance with Article 4.3.A(5).

ARTICLE 2

The Loan

2.1 Amount of Loan

The Loan shall comprise the aggregate amount of Tranches disbursed by the Bank under the Credit, as confirmed by the Bank pursuant to Article 2.3.

2.2. Currency of payments

The Borrower shall pay interest, principal and other charges payable in respect of each Tranche in the currency in which such Tranche was disbursed.

Other payments, if any, shall be made in the currency specified by the Bank having regard to the currency of the expenditure to be reimbursed by means of that payment.

2.3 Confirmation by the Bank

The Bank shall deliver to the Borrower the amortisation table referred to in Article 4.1, if any, showing the Disbursement Date, the currency, the amount disbursed, the repayment terms and

the interest rate for each Tranche, not later than 10 (ten) calendar days after the Scheduled Disbursement Date for such Tranche.

ARTICLE 3

Interest

3.1 Rate of interest

3.1.A Fixed Rate Tranches

The Borrower shall pay interest on the outstanding balance of each Fixed Rate Tranche at the Fixed Rate quarterly, semi-annually or annually in arrear on the relevant Payment Dates as specified in the Disbursement Offer, commencing on the first such Payment Date following the Disbursement Date of the Tranche. If the period from the Disbursement Date to the first Payment Date is 15 (fifteen) days or less then the payment of interest accrued during such period shall be postponed to the following Payment Date. For the avoidance of doubt, a Tranche in GBP may only be disbursed on a Fixed Rate basis.

Interest shall be calculated on the basis of Article 5.1(a).

3.1.B Floating Rate Tranches

The Borrower shall pay interest on the outstanding balance of each Floating Rate Tranche at the Floating Rate quarterly or semi-annually in arrear on the relevant Payment Dates, as specified in the Disbursement Offer commencing on the first such Payment Date following the Disbursement Date of the Tranche. If the period from the Disbursement Date to the first Payment Date is 15 (fifteen) days or less then the payment of interest accrued during such period shall be postponed to the following Payment Date. For the avoidance of doubt, Floating Rate may only be applicable for Tranches in EUR or USD.

The Bank shall notify the Borrower of the Floating Rate within 10 (ten) days following the commencement of each Floating Rate Reference Period.

If pursuant to Articles 1.5 and 1.6 disbursement of any Floating Rate Tranche takes place after the Scheduled Disbursement Date the Relevant Interbank Rate applicable to the first Floating Rate Reference Period shall be determined in accordance with Schedule B for the Floating Rate Reference Period commencing on the Disbursement Date and note on the Scheduled Disbursement Date.

Interest shall be calculated in respect of each Floating Rate Reference Period on the basis of Article 5.1(b).

3.1.C Revision or Conversion of Tranches

Where the Borrower exercises an option to revise or convert the interest rate basis of a Tranche, it shall, from the effective Interest Revision/Conversion Date (in accordance with the procedure set out in Schedule D) pay interest at a rate determined in accordance with the provisions of Schedule D. For the avoidance of doubt, no rate conversion may apply as regards a Tranche disbursed in GBP as the case may be.

3.2 Interest on overdue sums

Without prejudice to Article 10 and by way of exception to Article 3.1 yet subject to Article 3.2 last paragraph, if the Borrower fails to pay any amount payable by it under this Contract on its due date, interest shall accrue on any overdue amount payable under the terms of this Contract from the due date to the date of actual payment at an annual rate equal to:

(a) for overdue sums related to Floating Rate Tranches, the applicable Floating Rate plus 2% (200 basis points);

(b) for overdue sums related to Fixed Rate Tranches, the higher of:

(i) the applicable Fixed Rate plus 2% (200 basis points); or

(ii) the Relevant Interbank Rate (one month) plus 2% (200 basis points); and

(c) for overdue sums other than under (a) or (b) above, the Relevant Interbank Rate (one month) plus 2% (200 basis points),

and shall be payable in accordance with the demand of the Bank. For the purpose of determining the Relevant Interbank Rate in relation to this Article 3.2 (b) and (c), the relevant periods within the meaning of Schedule B shall be successive periods of one (1) month commencing on the due date. Any unpaid but due interest may be capitalised in conformity with article 1154 of the Luxembourg Civil Code. For the avoidance of doubt, capitalisation of interest shall occur only for interest due but unpaid for a period of more than one year. The Borrower hereby agrees in advance to have the unpaid interest due for a period of more than one year compounded and that as of the capitalisation, such unpaid interest will in turn produce interest at the interest rate set out in this Article 3.2.

Notwithstanding Article 3.2 (c) above, if the overdue sum is in a currency for which no Relevant Interbank Rate is specified in this Contract, the relevant interbank rate, or as determined by the Bank, the relevant risk-free rate that is generally retained by the Bank for transactions in that currency, shall apply plus 2% (200 basis points), calculated in accordance with the market practice for such rate.

As regards any overdue sum payable in GBP currency under this Contract, any reference to the Relevant Interbank Rate under 3.2 (b) and (c) above shall, notwithstanding anything to the contrary, be deemed to be a reference to the Daily Rate as at the date falling two Relevant Business Days prior to the due date for the relevant overdue sum, provided that, if the relevant sum remains overdue for more than one month, the Daily Rate shall be reset as at the date falling two Relevant Business Days prior to each date falling monthly after the due date for the relevant overdue sum.

3.3. Market Disruption Event

If at any time:

(a) from the receipt by the Bank of a Disbursement Acceptance in respect of a Tranche; and

(b) until the date falling either:

(i) 30 (thirty) calendar days prior to the Scheduled Disbursement Date for Tranches to be disbursed in EUR; or

(ii) 2 (two) Business Days prior to the Scheduled Disbursement Date for Tranches to be disbursed in a currency other than EUR,

a Market Disruption Event occurs, the Bank may notify the Borrower that this Article 3.3 has come into effect.

Irrespective of the currency of disbursement accepted by the Borrower originally for the Tranche, the Bank shall notify to the Borrower the EUR equivalent to be disbursed on the Scheduled Disbursement Date. The rate of interest applicable to such Accepted Tranche until the Maturity Date or the Interest Revision/Conversion Date if any, shall be the rate (expressed as a percentage rate per annum) which is determined by the Bank to be the all-inclusive cost to the Bank for the funding of the relevant Tranche based upon the then applicable internally generated Bank reference rate or an alternative rate determination method reasonably determined by the Bank.

The Borrower shall have the right to refuse in writing such disbursement within the deadline specified in the notice and shall bear charges incurred as a result, if any, in which case the Bank shall not effect the disbursement and the corresponding portion of the Credit shall remain available for disbursement under Article 1.2. If the Borrower does not refuse the disbursement in time, the Parties agree that the disbursement in EUR and the conditions thereof shall be fully binding for all Parties.

The Spread or Fixed Rate previously accepted by the Borrower shall no longer be applicable.

ARTICLE 4

Repayment

4.1 Normal repayment

4.1.A Repayment by instalments

(a) The Borrower shall repay each Tranche by instalments on the Repayment Dates specified in the relevant Disbursement Offer in accordance with the terms of the amortisation table delivered pursuant to Article 2.3.

(b) Each amortisation table shall be drawn up on the basis that:

(i) in the case of a Fixed Rate Tranche without an Interest Revision/Conversion Date, repayment shall be made quarterly, semi-annually or annually by equal instalments of principal or constant instalments of principal and interest;

(ii) in the case of a Fixed Rate Tranche with an Interest Revision/Conversion Date or a Floating Rate Tranche, repayment shall be made by equal quarterly, semi-annual or annual instalments of principal;

(iii) the first Repayment Date of each Tranche shall fall not earlier than 30 (thirty) days from the Scheduled Disbursement Date and not later than the Repayment Date immediately following the 5th (fifth) anniversary of the Scheduled Disbursement Date of the Tranche; and

(iv) the last Repayment Date of each Tranche shall fall not earlier than 4 (four) years and not later than 18 (eighteen) years from the Scheduled Disbursement Date.

4.2 Voluntary prepayment

4.2.A Prepayment option

Subject to Articles 4.2.B, 4.2.C and 4.4, the Borrower may prepay all or part of any Tranche, together with accrued interest and indemnities if any, upon giving a Prepayment Request with at least 30 (thirty) calendar days' prior notice specifying:

(a) the Prepayment Amount;

(b) the Prepayment Date, which shall be a Payment Date;

(c) if applicable, the choice of application method of the Prepayment Amount in line with Article 5.5.C(a); and

(d) the Contract Number.

The Prepayment Request shall be irrevocable.

4.2.B Prepayment indemnity

4.2.(B)(1) FIXED RATE TRANCHE

Subject to Article 4.2.B(3) below, if the Borrower prepays a Fixed Rate Tranche, the Borrower shall pay to the Bank on the Prepayment Date the Prepayment Indemnity in respect of the Fixed Rate Tranche which is being prepaid.

4.2.(B)(2)FLOATING RATE TRANCHE

Subject to Article 4.2.B(3) below, the Borrower may prepay a Floating Rate Tranche without indemnity.

4.2.B(3) REVISION/CONVERSION

Prepayment of a Tranche on its Interest Revision/Conversion Date may be effected without indemnity except if the Borrower has accepted pursuant to Schedule D a Fixed Rate under an Interest Revision/Conversion Proposal.

4.2.C Prepayment mechanics

Upon presentation by the Borrower to the Bank of a Prepayment Request, the Bank shall issue a Prepayment Notice to the Borrower, not later than 15 (fifteen) days prior to the Prepayment Date. The Prepayment Notice shall specify the Prepayment Amount, the accrued interest due thereon, the Prepayment Indemnity payable under Article 4.2.B or, as the case may be, that no indemnity is due, the method of application of the Prepayment Amount and, if a Prepayment Indemnity is applicable, the deadline by which the Borrower may accept the Prepayment Notice.

If the Borrower accepts the Prepayment Notice no later than by the deadline (if any) specified in the Prepayment Notice, the Borrower shall effect the prepayment. In any other case, the Borrower may not effect the prepayment.

The Borrower shall accompany the payment of the Prepayment Amount by the payment of accrued interest, the Prepayment Indemnity due on the Prepayment Amount, as specified in the Prepayment Notice, and the fee under Article 4.2.D, if any.

4.2.D Administrative Fee

If the Borrower prepays a Tranche on a date other than a relevant Payment Date, or if the Bank exceptionally accepts, solely upon the Bank's discretion, a Prepayment Request with prior notice of less than 30 (thirty) calendar days, the Borrower shall pay to the Bank an administrative fee in such amount as the Bank shall notify to the Borrower.

4.3 <u>Compulsory prepayment and cancellation</u>

4.3.A Prepayment Events

4.3.A(1) PROJECT COST REDUCTION EVENT

(a) The Borrower shall promptly inform the Bank if a Project Cost Reduction Event has occurred or is likely to occur. At any time after the occurrence of a Project Cost Reduction Event the Bank may, by notice to the Borrower, cancel the undisbursed portion of the Credit and/or demand prepayment of the Loan Outstanding up to the amount by which the Credit exceeds the limit referred to in paragraph (c) below together with accrued interest and all other amounts accrued and outstanding under this Contract in relation to the proportion of the Loan Outstanding to be prepaid.

(b) The Borrower shall effect payment of the amount demanded on the date specified by the Bank, such date falling not less than 30 (thirty) days from the date of the demand.

(c) For the purpose of this Article, "**Project Cost Reduction Event**" means that the total cost of the Project falls below the figure stated in Recital (i) so that the amount of the Bank's financing of the Project exceeds 50% (fifty per cent) of such total cost of the Project.

4.3.A(2) NON-EIB FINANCING PREPAYMENT EVENT

(a) The Borrower shall promptly inform the Bank if a Non-EIB Financing Prepayment Event has occurred or is likely to occur. At any time after the occurrence of a Non-EIB Financing Prepayment Event the Bank may, by notice to the Borrower, cancel the undisbursed portion of the Credit and demand prepayment of the Loan Outstanding, together with accrued interest and all other amounts accrued and outstanding under this Contract in relation to the proportion of the Loan Outstanding to be prepaid.

(b) The proportion of the Credit that the Bank may cancel and the proportion of the Loan Outstanding that the Bank may require to be prepaid shall be the same as the proportion that the prepaid amount of the Non-EIB Financing bears to the aggregate outstanding amount of all Non-EIB Financing.

(c) The Borrower shall effect payment of the amount demanded on the date specified by the Bank, such date being a date falling not less than 30 (thirty) days from the date of the demand.

(d) Paragraph (a) does not apply to any voluntary prepayment (or repurchase or cancellation, as the case may be) of a Non-EIB Financing:

(i) made with a prior written consent of the Bank;

(ii) made within a revolving credit facility; or

(iii) made out of the proceeds of any financial indebtedness having a term at least equal to the unexpired term of such Non-EIB Financing prepaid.

(e) For the purposes of this Article:

(i) "**Non-EIB Financing Prepayment Event**" means any case where the Borrower voluntarily prepays (for the avoidance of doubt, such prepayment shall include a voluntary repurchase or cancellation of any creditor's commitment, as the case may be) a part or the whole of any Non-EIB Financing; and

(ii) "**Non-EIB Financing**" means any financial indebtedness (save for the Loan and any other direct financial indebtedness from the Bank to the Borrower), or any other obligation for the payment or repayment of money originally made available to the Borrower for a term of more than 3 (three) years.

4.3.A(3) CHANGE OF LAW EVENT

The Borrower shall promptly inform the Bank if a Change-of-Law Event has occurred or is likely to occur. In such case, or if the Bank has reasonable cause to believe that a Change-of-Law Event has occurred or is about to occur, the Bank may request that the Borrower consult with it. Such consultation shall take place within 30 (thirty) days from the date of the Bank's request. If, after the lapse of 30 (thirty) days from the date of such request for consultation, the Bank is of the opinion that:

(a) such Change-of-Law Event would materially impair the Borrower's or the Promoter's ability to perform their obligations under this Contract; and

(b) the effects of such Change-of-Law Event cannot be mitigated to its satisfaction,

the Bank may by notice to the Borrower, cancel the undisbursed portion of the Credit and/or demand prepayment of the Loan Outstanding, together with accrued interest and all other amounts accrued and outstanding under this Contract.

The Borrower shall effect payment of the amount demanded on the date specified by the Bank, such date being a date falling not less than 30 (thirty) days from the date of the demand.

For the purposes of this Article "**Change-of-Law Event**" means the enactment, promulgation, execution or ratification of or any change in or amendment to any law, rule or regulation (or in the application or official interpretation of any law, rule or regulation), or the imposition of any Sanctions, that occurs after the date of this Contract and which could impair the Borrower's ability to perform its obligations under this Contract or the Promoter's ability to perform its obligations under the Project Implementation Agreement.

4.3.A(4) ILLEGALITY EVENT

Upon becoming aware of an Illegality Event:

(i) the Bank shall promptly notify the Borrower, and

(ii) the Bank may immediately (A) suspend or cancel the undisbursed portion of the Credit, and/or (B) demand prepayment of the Loan Outstanding, together with accrued interest and all other amounts accrued and outstanding under this Contract on the date indicated by the Bank in its notice to the Borrower.

For the purposes of this Article, "**Illegality Event**" means that:

(a) it becomes unlawful in any applicable jurisdiction, or it becomes or is likely to become contrary to any Sanctions, for the Bank to perform any of its obligations as contemplated in this Contract or to fund or maintain the Loan;

(b) the Framework Agreement is or is likely to be:

(i) repudiated or terminated by the Republic of Moldova or not binding on Republic of Moldova in any respect;

(ii) not effective in accordance with its terms or alleged by the Republic of Moldova to be ineffective in accordance with its terms;

(iii) breached by the Republic of Moldova in that any obligation assumed by the Republic of Moldova under the Framework Agreement ceases to be fulfilled as regards any financing made to any borrower in the territory of the Republic of Moldova from the resources of the Bank, or the EU; or

(iv) not applicable to the Project or the rights of the Bank under the Framework Agreement cannot be enforced in respect of the Project.

(c) in respect of the EFSD+ DIW1 Guarantee:

(i) it is no longer valid or in full force and effect;

(ii) the conditions for cover thereunder are not fulfilled;

(iii) it is not effective in accordance with its terms or is alleged to be ineffective in accordance with its terms; or

(iv) the Republic of Moldova ceases to be an eligible country pursuant to the NDICI-GE Regulation, or any other applicable law or instrument governing EFSD+.

4.3.A(5) FAILURE TO REALLOCATE

The Borrower shall immediately prepay any part of the Loan Outstanding, which has not been reallocated in accordance with Article 1.10, together with accrued interest and all other amounts accrued or outstanding under this Contract on the date specified by the Bank, such date being a date falling not less than 30 (thirty) days from the date of the demand.

4.3.B Prepayment mechanics

Any sum demanded by the Bank pursuant to Article 4.3.A, together with any interest or other amounts accrued or outstanding under this Contract including, without limitation, any indemnity due under Article 4.3.C, shall be paid on the Prepayment Date indicated by the Bank in its notice of demand.

4.3.C Prepayment indemnity

4.3.C(1) FIXED RATE TRANCHE

If the Borrower prepays a Fixed Rate Tranche in case of an Indemnifiable Prepayment Event, the Borrower shall pay to the Bank on the Prepayment Date the Prepayment Indemnity in respect of the Fixed Rate Tranche that is being prepaid.

4.3.C(2) FLOATING RATE TRANCHE

The Borrower may prepay the Floating Rate Tranches without the Prepayment Indemnity.

4.4 General

4.4.A No prejudice to Article 10

This Article 4 shall not prejudice Article 10.

4.4.B No reborrowing

A repaid or prepaid amount may not be reborrowed.

ARTICLE 5
Payments

5.1 Day count convention

Any amount due by way of interest, indemnity or the Deferment Fee from the Borrower under this Contract, and calculated in respect of a fraction of a year, shall be determined on the following respective conventions:

(a) under a Fixed Rate Tranche, a year of 360 (three hundred and sixty) days and a month of 30 (thirty) days; and

(b) under a Floating Rate Tranche, a year of 360 (three hundred and sixty) days and the number of days elapsed.

5.2 Time and place of payment

(a) Unless otherwise specified in this Contract or in the Bank's demand, all sums other than sums of interest, indemnity and principal are payable within 15 (fifteen) days of the Borrower's receipt of the Bank's demand.

(b) Each sum payable by the Borrower under this Contract shall be paid to the relevant account notified by the Bank to the Borrower. The Bank shall notify the account not less than 15 (fifteen) days before the due date for the first payment by the Borrower and shall notify any change of account not less than 15 (fifteen) days before the date of the first payment to which the change applies. This period of notice does not apply in the case of payment under Article 10.

(c) The Borrower shall indicate the Contract Number in the payment details for each payment made hereunder.

(d) A sum due from the Borrower shall be deemed paid when the Bank receives it.

(e) Any disbursements by and payments to the Bank under this Contract shall be made using the Disbursement Account (for disbursements by the Bank) and the Payment Account (for payments to the Bank).

5.3 No set-off by the Borrower

All payments to be made by the Borrower under this Contract shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

5.4 Disruption to Payment Systems

If either the Bank determines (in its discretion) that a Disruption Event has occurred or the Bank is notified by the Borrower that a Disruption Event has occurred:

(a) the Bank may, and shall if requested to do so by the Borrower, consult with the Borrower with a view to agreeing with the Borrower such changes to the operation or administration of this Contract as the Bank may deem necessary in the circumstances;

(b) the Bank shall not be obliged to consult with the Borrower in relation to any changes mentioned in paragraph (a) if, in its opinion, it is not practicable to do so in the circumstances and, in any event, shall have no obligation to agree to such changes; and

(c) the Bank shall not be liable for any damages, costs or losses whatsoever arising as a result of a Disruption Event or for taking or not taking any action pursuant to or in connection with this Article 5.4.

5.5 Application of sums received

5.5.A General

Sums received from the Borrower shall only discharge its payment obligations if received in accordance with the terms of this Contract.

5.5.B Partial payments

If the Bank receives a payment that is insufficient to discharge all the amounts then due and payable by the Borrower under this Contract, the Bank shall apply that payment, in the order set out below, in or towards:

(a) pro rata to each of any unpaid fees, costs, indemnities and expenses due under this Contract;

(b) any accrued interest due but unpaid under this Contract;

(c) any principal due but unpaid under this Contract; and

(d) any other sum due but unpaid under this Contract.

5.5.C Allocation of sums related to Tranches

(a) In case of:

(i) a partial voluntary prepayment of a Tranche that is subject to a repayment in several instalments, the Prepayment Amount shall be applied pro rata to each outstanding instalment, or, at the request of the Borrower, in inverse order of maturity; or

(ii) a partial compulsory prepayment of a Tranche that is subject to a repayment in several instalments, the Prepayment Amount shall be applied in reduction of the outstanding instalments in inverse order of maturity.

(b) Sums received by the Bank following a demand under Article 10.1 and applied to a Tranche, shall reduce the outstanding instalments in inverse order of maturity. The Bank may apply sums received between Tranches at its discretion.

(c) In case of receipt of sums which cannot be identified as applicable to a specific Tranche, and on which there is no agreement between the Bank and the Borrower on their application, the Bank may apply these between Tranches at its discretion.

ARTICLE 6

Borrower undertakings and representations

The undertakings in this Article 6 remain in force from the date of this Contract for so long as any amount is outstanding under this Contract or the Credit is in force.

A. PROJECT UNDERTAKINGS

6.1 Use of Loan and availability of other funds

The Borrower shall, and shall procure that the Promoter shall, use all amounts borrowed by the Borrower under this Contract, for the execution of the Project through the financing of Sub-Projects, which are subject of Allocation Requests approved by the Bank.

Upon written request by the Bank, the Borrower shall, and shall procure that the Promoter shall, provide to the Bank evidence of the use of the amounts borrowed by the Borrower under this Contract.

The Borrower shall make the proceeds of the disbursed Tranches available to the Promoter pursuant on terms and conditions acceptable to the Bank.

The Borrower shall ensure that it has sufficient funds (including the funds listed in Recital (i)) available to it to complete the Project in accordance with this Contract and the Project Implementation Agreement, and that such funds are expended, to the extent required, on the financing of the Project.

6.2 Completion of Project

The Borrower shall carry out the Project in accordance with the Technical Description as may be modified from time to time with the approval of the Bank, and complete the Project by the final date specified therein.

6.3 Increased cost of Project

If the total cost of the Project exceeds the estimated figure set out in Recital (i), the Borrower shall obtain the finance to fund the excess cost without recourse to the Bank, so as to enable the Project to be completed in accordance with the Technical Description. The plans for funding the excess cost shall be communicated by the Borrower to the Bank without delay.

6.4 Procurement procedure

The Borrower undertakes to, and to procure that the Promoter undertakes to, purchase equipment, secure services and order works for the Project by open international tender or other acceptable procurement procedure complying, to the Bank's satisfaction, with its policy as described in its Guide to Procurement in force at the date of this Contract.

6.5 Continuing Project undertakings

The Borrower shall, and ensure that the Promoter shall:

(a) **Maintenance:** maintain, repair, overhaul and renew all property forming part of the Project as required to keep it in good working order;

(b) **Project assets**: unless the Bank has given its prior consent in writing retain title to and possession of all or substantially all the assets comprising each Sub-Project or, as appropriate, replace and renew such assets and maintain each Sub-Project in substantially continuous operation in accordance with its original purpose; the Bank may withhold its consent only where the proposed action would prejudice the Bank's interests as lender to the Borrower or would render the Project ineligible for financing by the Bank under its Statute or under article 309 of the Treaty on the Functioning of the European Union;

(c) **Insurance**: insure all works and property forming part of the Project in accordance with the most comprehensive relevant industry practice in the Republic of Moldova;

(d) **Rights and Permits**: maintain in force all rights of way or use and all Authorisations necessary for the execution and operation of the Project and each Sub-Project;

(e) **Environment and Social Standards:**

(i) implement and operate the Project and each Sub-Project in compliance with Environmental and Social Standards;

(ii) comply with ILO Standards and occupational health and safety standards;

(iii) obtain, maintain and comply with Environmental and Social Approvals required in connection with the Project or any Sub-Project;

(iv) ensure that all contracts relating to the Project and each Sub-Project include necessary provisions obliging the relevant contractors to comply, or to ensure compliance, with the requirements referred to in paragraphs (i) to (iii) above; and the Promoter shall actively monitor the respect by the contractors of such compliance requirement;

(f) **EU Law**

(i) execute, operate and verify the compliance of each Sub-Project in accordance with the standards of EU Law, including, but not limited to, the field of environment, road safety, state aid and public procurement, to the extent implemented by the laws of the Republic of Moldova or specified by the Bank in this Contract; and

(ii) ensure and verify that contractors engaged in Sub-Projects observe the provisions mentioned in Article 6.5(e)(i) above;

(g) **PIU:** maintain an adequately staffed PIU in the Promoter, throughout the project cycle to the satisfaction of the Bank;

(h) **Land acquisition**: not award any contracts for works unless all necessary land acquisition has been completed in accordance with the relevant resettlement action plan; and

(i) **Road Safety Audit:** perform or procure a road safety audit report in accordance with the principles of the Road Safety Directive 2008/96/EC as amended by Directive (EU) 2019/1936 for each Sub-Project and duly incorporate the findings of such road safety audit into the final design of the works for each Sub-Project; and

(j) **Other undertakings:**

(i) procure that there is no double financing of the Sub-Project with other funds made available by the Bank, whether under this Contract or otherwise, or by other donors. For the avoidance of doubt, this undertaking shall not:

(1) prohibit any co-financing of Sub-Project by other donors or funding by the Borrower of other components of Sub-Project; or

(2) apply to the blending of grants from donors with funds from the Bank of which the Bank has been notified and which have been justified to the satisfaction of the Bank;

(ii) procure that the Bank is promptly notified of the suspension of the implementation of any Sub-Project allocated Sub-Project or the Sub-Project is cancelled; and

(iii) confirm to the Bank that the Promoter has complied with all applicable policies and guidelines of the Bank, including (without limitation) the Environmental and Social Standards and the Bank's Guide to Procurement.

B. GENERAL UNDERTAKINGS

6.6 Compliance with laws

The Borrower shall, and shall procure that the Promoter will, comply in all respects with all laws and regulations to which it or each Sub-Project is subject.

6.7 Disbursement Account

The Borrower shall designate the Disbursement Account for the purpose of receiving disbursements of the Loan, which account shall be a separate sub-account of the treasury single account of the Borrower maintained at the National Bank of the Republic of Moldova.

The Borrower shall ensure that at all times:

(a) the Disbursement Account is separated from any other assets of the Borrower;

(b) the Disbursement Account is insolvency remote and no other creditor of the Borrower has any access to, or rights to receive, monies held in that account; and

(c) payments from the Disbursement Account are made only for the purpose of implementing the Project in accordance with this Contract and other relevant agreements, if any.

6.8 Books and records

The Borrower shall procure that the Promoter maintains financial control procedures, accounting systems and other management systems to ensure that:

(a) it keeps proper books and records of account, in which full and correct entries shall be made of all financial transactions, expenditures and assets relating to the Project;

(b) the financial statements of the Promoter are prepared in accordance with IFRS as in effect from time to time; and

(c) it keeps records of contracts financed with the proceeds of the Loan (including a true and complete copy of the contract itself and material documents relating to that contract and its procurement) throughout the implementation of the Project and for a minimum period of 6 (six) years following the completion of the Project.

6.9 Integrity

(a) **Prohibited Conduct:**

(i) The Borrower shall not (and shall ensure that the Promoter shall not) engage in (and neither the Borrower nor the Promoter shall authorise or permit any person acting on its behalf to engage in) any Prohibited Conduct in connection with the Project, any tendering procedure for the Project, or any transaction contemplated by the Contract or the Project Implementation Agreement.

(ii) The Borrower undertakes (and shall procure that the Promoter shall undertake) to take such action as the Bank shall reasonably request to investigate or terminate any alleged or suspected occurrence of any Prohibited Conduct in connection with the Project and any Sub-Project.

(iii) The Borrower undertakes (and shall procure that the Promoter shall undertake) to ensure that contracts financed by this Loan include the necessary provisions to enable the Borrower to investigate or terminate any alleged or suspected occurrence of any Prohibited Conduct in connection with the Project.

(b) **Sanctions**: The Borrower shall not (and shall ensure that the Promoter shall not) directly or indirectly:

(i) maintain or enter into a business relationship with, and/or make any funds and/or economic resources available to, or for the benefit of, any Sanctioned Person in connection with the Project,

(ii) use all or part of the proceeds of the Loan or lend, contribute or otherwise make available such proceeds to any person, in any manner that would result in a breach by the Borrower and/or by the Bank of any Sanctions; or

(iii) fund all or part of any payment under this Contract out of proceeds derived from activities or businesses with a Sanctioned Person, a person in breach of the Sanctions or in any manner that would result in a breach by the Borrower and/or by the Bank of any Sanctions.

It is acknowledged and agreed that the undertakings set out in this Article 6.9(b) are only sought by and given to the Bank to the extent that to do so would be permissible pursuant to any applicable anti-boycott rule of the EU such as Regulation (EC) 2271/96.

(c) **Relevant Persons:**

The Borrower undertakes (and shall procure that the Promoter shall undertake) to take within a reasonable timeframe appropriate measures in respect of any Relevant Person who:

(1) becomes a Sanctioned Person; or

(2) is the subject of a final and irrevocable court ruling in connection with Prohibited Conduct perpetrated in the course of the exercise of their professional duties;

in order to ensure that such Relevant Person is suspended, dismissed or in any case excluded from any of the Borrower or Promoter's activities (as applicable) in relation to the Loan and to the Project.

6.10 Conflict of Interest

Pursuant to the general duty under the Guide to Procurement for the Promoter to effectively prevent, identify and remedy conflicts of interest, the Borrower shall and shall procure that the Promoter shall ensure that prior to the award of any contract financed under the Project:

(a) the Beneficial Owners of the successful bidder (including joint venture partners and subcontractors) who are Close Associates or Family Members of the representative(s), member(s) of the management bodies or senior officer(s) of the Borrower or the Promoter are identified and promptly communicated to the Bank; and

(b) adequate measures are adopted to address any potential conflicts of interest such as a financial, economic or other personal interest between the identified Beneficial Owner(s) and any member(s) of the Borrower's or the Promoter's management bodies, representative(s) or senior officer(s).

6.11 Data Protection

(a) When disclosing information (other than mere contact information relating to the Borrower's personnel involved in the management of this Contract ("**Contact Details**")) to the Bank in connection with this Contract, the Borrower shall redact or otherwise amend that information (as necessary) so that it does not contain any information relating to identified or identifiable individuals ("**Personal Information**"), except where this Contract specifically requires, or the Bank specifically requests in writing, to disclose such information in the form of Personal Information.

(b) Before disclosing any Personal Information (other than Contact Details) to the Bank in connection with this Contract, the Borrower shall ensure that each individual to whom such Personal Information relates:

(i) has been informed of the disclosure to the Bank (including the categories of Personal Information to be disclosed); and

(ii) has been advised on the information contained in (or has been provided with an appropriate link to) the Bank's privacy statement in relation to its lending and investment activities as set out from time to time at https://www.eib.org/en/privacy/lending (or such other address as the Bank may notify to the Borrower in writing from time to time).

6.12 General Representations and Warranties

The Borrower represents and warrants to the Bank that:

(a) it has the power to execute, deliver and perform its obligations under this Contract and all necessary action has been taken to authorise the execution, delivery and performance of the Contract by it;

(b) the Promoter is duly established and validly existing as a state agency under the laws of the Republic of Moldova and, has power to carry on its activities as it is now being conducted and to own its property and other assets;

(c) the Promoter is a 100% (one hundred per cent) state owned entity;

(d) this Contract constitutes its legally valid, binding and enforceable obligations;

(e) the execution and delivery of, the performance of its obligations under and compliance with the provisions of this Contract do not and will not contravene or conflict with:

(i) any applicable law, statute, rule or regulation, or any judgement, decree or permit to which it is subject or any restrictions on the incurring of indebtedness to which the Borrower is subject;

(ii) any agreement or other instrument binding upon it which might reasonably be expected to have a material adverse effect on its ability to perform its obligations under this Contract;

(iii) any provision of its constitutional laws;

(f) there has been no Material Adverse Change since 22 November 2022;

(g) no event or circumstance which constitutes an Event of Default has occurred and is continuing unremedied or unwaived;

(h) no litigation, arbitration, administrative proceedings or investigation is current or to its knowledge is threatened or pending before any court, arbitral body or agency which has resulted or if adversely determined is reasonably likely to result in a Material Adverse Change, nor is there subsisting against it or the Promoter any unsatisfied judgement or award;

(i) it and the Promoter have obtained all necessary Authorisations in connection with this Contract and the Project in order to lawfully comply with its obligations hereunder, and the Project and all such Authorisations are in full force and effect and admissible in evidence;

(j) its payment obligations under this Contract rank not less than pari passu in right of payment with all other present and future unsecured and unsubordinated obligations under any of its debt instruments except for obligations mandatorily preferred by law applying to companies generally;

(k) it is in compliance with Article 6.5(f) and to the best of its knowledge and belief (having made due and careful enquiry) no Environmental or Social Claim has been commenced or is threatened against it or the Promoter;

(l) it is in compliance with all undertakings under this Article 6;

(m) the Borrower is a state part to the New York Convention and any arbitral award obtained in an arbitration proceeding conducted in accordance with the requirements of the arbitration provisions of this Contract will be recognised and enforced in the Republic of Moldova;

(n) to the best of its knowledge, no funds invested in the Project by the Borrower or the Promoter are of illicit origin, including products of Money Laundering or linked to the Financing of Terrorism;

(o) neither the Borrower, the Promoter, nor any Relevant Person has committed (i) any Prohibited Conduct in connection with the Project or any transaction contemplated by the Contract or the Project Implementation Agreement; or (ii) any illegal activity related to the Financing of Terrorism or Money Laundering;

(p) the Project (including without limitation, the negotiation, award and performance of contracts financed or to be financed by the Loan) has not involved or given rise to any Prohibited Conduct;

(q) none of the Borrower, the Promoter and/or any Relevant Person:

(i) is a Sanctioned Person, or

(ii) is in breach of any Sanctions;

It is acknowledged and agreed that the representations set out in this paragraph (q) are only sought by and given to the Bank to the extent that to do so would be permissible pursuant to any applicable anti-boycott rule of the EU such as Regulation (EC) 2271/96; and

(r) the Declaration of Honour is true in all respects.

The representations and warranties set out above are made on the date of this Contract and on the Date of Effectiveness and are, with the exception of the representations set out in paragraph (g) and (r) above, deemed repeated with reference to the facts and circumstances then existing on date of each Disbursement Acceptance, each Disbursement Date and each Payment Date.

ARTICLE 7

Security

The undertakings in this Article 7 remain in force from the date of this Contract for so long as any amount is outstanding under this Contract or the Credit is in force.

7.1 *Pari passu* ranking

The Borrower shall ensure that its payment obligations under this Contract rank, and will rank, not less than *pari passu* in right of payment with all other present and future unsecured and unsubordinated obligations under any of its External Debt Instruments except for obligations mandatorily preferred by laws of general application.

In particular, if the Bank makes a demand under Article 10.1 or if an event or potential event of default under any unsecured and unsubordinated External Debt Instrument of the Borrower or of any of its agencies or instrumentalities has occurred and is continuing, the Borrower shall not make (or authorise) any payment in respect of any other such External Debt Instrument (whether

regularly scheduled or otherwise) without simultaneously paying, or setting aside in a designated account for payment on the next Payment Date a sum equal to, the same proportion of the debt outstanding under this Contract as the proportion that the payment under such External Debt Instrument bears to the total debt outstanding under that instrument. For this purpose, any payment of an External Debt Instrument that is made out of the proceeds of the issue of another instrument, to which substantially the same persons as hold claims under the External Debt Instrument have subscribed, shall be disregarded.

In this Contract, "**External Debt Instrument**" means:

(a) an instrument, including any receipt or statement of account, evidencing or constituting an obligation to repay a loan, deposit, advance or similar extension of credit (including without limitation any extension of credit under a refinancing or rescheduling agreement);

(b) an obligation evidenced by a bond, debenture or similar written evidence of indebtedness; or

(c) a guarantee granted by the Borrower for an obligation of a third party; provided in each case that such obligation is:

(i) governed by the law of a jurisdiction other than the Republic of Moldova;

(ii) payable in a currency other than the currency of the Republic of Moldova; or

(iii) payable to a person incorporated, domiciled, resident or with its head office or principal place of business outside the Republic of Moldova.

7.2 Additional security

Should the Borrower grant to a third party any security for the performance of any External Debt Instrument or any preference or priority in respect thereof, the Borrower shall, if so required by the Bank, provide to the Bank equivalent security for the performance of its obligations under this Contract or grant to the Bank equivalent preference or priority.

7.3 Clauses by inclusion

If the Borrower concludes with any other medium or long term financial creditor a financing agreement that includes a loss-of-rating clause and/or a cross default clause and/or *parri passu* clause, if applicable, that is not provided for in this Contract or is more favourable to the relevant financial creditor than any equivalent provision of this Contract is to the Bank, the Borrower shall promptly inform the Bank and shall, at the request of the Bank, promptly execute an agreement to amend this Contract so as to provide for an equivalent provision in favour of the Bank.

ARTICLE 8

Information and Visits

8.1 Information concerning the Project

The Borrower shall, and shall procure that the Promoter shall (as applicable):

(a) deliver to the Bank:

(i) the information in content and in form, and at the times, specified in Schedule A.2 and the Project Implementation Agreement or otherwise as agreed from time to time by the Parties to this Contract;

(ii) any such information or further document concerning the financing, procurement, implementation, operation of the Project and related matters of Environment or Social Matters, or any information or further document required by the Bank to comply with its obligations under the NDICI-GE Regulation or the Financial Regulation, as the Bank may reasonably require within a reasonable time,

provided always that if such information or document is not delivered to the Bank on time, and the Borrower does not rectify the omission within a reasonable time set by the Bank in writing, the Bank may remedy the deficiency, to the extent feasible, by employing its own staff or a consultant or any other third party, at the Borrower's expense and the Borrower shall provide such persons with all assistance necessary for the purpose;

(b) submit for the approval of the Bank without delay any material change to the Project or any Sub-Project, also taking into account the disclosures made to the Bank in connection with the Project and/or each Sub-Project prior to the signing of this Contract, in respect of, inter alia, the price, design, plans, timetable or to the expenditure programme or financing plan for the Project and/or each Sub-Project;

(c) promptly inform the Bank of:

(i) any action or protest initiated or any objection raised by any third party or any genuine complaint received by the Borrower or the Promoter or any Environmental or Social Claim that is to its knowledge commenced, pending or threatened against it or the Promoter with regard to environmental, social or other matters affecting the Project or any Sub-Project;

(ii) any fact or event known to the Borrower or the Promoter, which may substantially prejudice or affect the conditions of execution or operation of the Project or any Sub-Project;

(iii) any non-compliance by it or the Promoter with any Environmental and Social Standard;

(iv) any suspension, revocation or modification of any Environmental or Social Approval,

(v) a genuine allegation or complaint with regard to any Prohibited Conduct or Sanction related to the Promoter, the Loan, the Project or any Sub-Project;

(vi) any measure taken by the Promoter pursuant to Article 6.9 of this Contract;

(vii) any changes to the initial procurement plan(s);

(viii) any fact or event which results in the Promoter, or any Relevant Person or any other of the Promoter's duly authorised agents or representatives having direct decision and control powers in relation to each Sub-Project being or becoming a Sanctioned Person; and

(ix) should it become aware of any fact or information confirming or reasonably suggesting that (a) any Prohibited Conduct or any violation of any Sanction has occurred in connection with the Loan, the Project or any Sub-Project, or (b) any of the funds invested in the Project was derived from an illicit origin;

and set out the action to be taken with respect to such matters; and

(d) deliver to the Bank, in form and substance satisfactory to the Bank:

(i) semi-annual progress reports with respect to the implementation of the Project in the form specified in Schedule A.2;

(ii) at least semi-annually an updated disbursement schedule together with an updated procurement plan, on the basis of approved Allocation Requests and associated funding requirements of the Sub-Projects; and

(iii) a completion report with respect to the completion of the Project in the form and within the timeframe specified in Schedule A.2;

(e) provide to the Bank, if so requested:

(i) an insurance certificate showing fulfilment of the requirements of Article 6.5(c);

(ii) annually, a list of policies in force covering the insured property forming part of the Project, together with confirmation of payment of the current premiums; and

(iii) true copies of contracts financed with the proceeds of the Loan and evidence of expenditures relating to disbursements.

8.2 Information concerning the Borrower and the Promoter

The Borrower shall:

(a) deliver to the Bank such further information, evidence or document concerning:

(i) its general financial situation or such certificates of compliance with the undertakings of Article 6; and

(ii) the compliance with due diligence requirements of the Bank for the Borrower and the Promoter, including, but not limited to "know your customer" (KYC) or similar identification and verification procedures,

when requested and within a reasonable time;

(b) ensure that it maintains procedures and records adequate to fully reflect the operations relating to the financing, execution and operation of the Project;

(c) inform the Bank immediately of:

(i) any material alteration to any laws, statutes, by-laws, memoranda and articles of association with a bearing on the Project after the date of this Contract;

(ii) any fact which obliges it to prepay any financial indebtedness or any European Union funding;

(iii) any event or decision that constitutes or may result in a Prepayment Event;

(iv) any intention on its part to grant any Security over any of its assets in favour of a third party;

(v) any event or decision that constitutes or may result in the events described in Article 7.3;

(vi) any intention on its part, or on the part of the Promoter, to relinquish ownership of any material component of the Project or any Sub-Project;

(vii) any fact or event that is reasonably likely to prevent the substantial fulfilment of any obligation of the Borrower under this Contract, or any obligation of the Promoter under the Loan Funds Transfer Agreement and the Project Implementation Agreement;

(viii) any Event of Default having occurred or being threatened or anticipated;

(ix) any fact or event which results in:

(1) the Borrower or any Relevant Person in respect of the Borrower; or

(2) the Promoter or any Relevant Person in respect of the Promoter

being a Sanctioned Person;

(x) any fact or event which results in any investigations concerning the integrity of any Relevant Person, or otherwise any member of the Promoter's management, coordinating or administrative bodies;

(xi) unless prohibited by law, any material litigation, arbitration, administrative proceedings or investigation carried out by a court, administration or similar public authority, which, to the best of its knowledge and belief (or to the best knowledge and belief of the Promoter that informs the Borrower to that effect), is current, imminent or pending against the Borrower, the Promoter, any Relevant Person or the Promoter's management, coordinating or administrative bodies in connection with Prohibited Conduct related to the Loan, the Project or any Sub-Project;

(xii) any measure taken by the Borrower pursuant to Article 6.9 of this Contract;

(xiii) any litigation, arbitration or administrative proceedings or investigation which is current, threatened or pending and which might if adversely determined result in a Material Adverse Change; and

(xiv) the due ratification of this Contract by the Republic of Moldova in accordance with the laws of the Republic of Moldova.

8.3 Visits, Right of Access and Investigation

(a) The Borrower shall, and shall procure in the Loan Funds Transfer Agreement the Promoter shall, allow the Bank, and when either required by the relevant mandatory provisions of EU law or pursuant to the NDICI-GE Regulation or the Financial Regulation, as applicable, the European Court of Auditors, the European Commission, the European Anti-Fraud Office and the European Public Prosecutor's Office, as well as persons designated by the foregoing (each a **"Relevant Party"**), to:

(i) visit the sites, installations and works comprising the Project and to conduct such checks as they may wish for purposes connected with this Contract and the financing of the Project,

(ii) interview representatives of the Borrower and the Promoter, and not obstruct contacts with any other person involved in or affected by the Project; and

(iii) conduct such investigations, inspections, on-the-spot audits and checks as they may wish and review the Borrower's and the Promoter's books and records in relation to the Loan, the Contract and the execution of the Project and to be able to take copies of related documents to the extent permitted by the law.

(b) The Borrower shall provide the Bank and any Relevant Party, or ensure that the Bank and the Relevant Parties are provided, with access to information, facilities and documentation, as well as with all necessary assistance, for the purposes described in this Article.

(c) Additionally, the Borrower shall and shall procure that in the Loan Funds Transfer Agreement the Promoter undertakes to, allow the European Commission and the EU Delegation of the Republic of Moldova to participate in any monitoring missions organised by the Bank related to this Contract, the Loan or the Project.

(d) In the case of a genuine allegation, complaint or information with regard to a Prohibited Conduct related to the Loan and/or the Project, the Borrower shall consult with the Bank in good faith regarding appropriate actions. In particular, if it is proven that a third party committed a Prohibited Conduct in connection with the Loan and/or the Project with the result that the Loan was misapplied, the Bank may, without prejudice to the other provisions of this Contract, inform the Borrower if, in its view, the Borrower should take appropriate recovery measures against such third party. In any such case, the Borrower shall in good faith consider the Bank's views and keep the Bank informed.

(e) The Borrower shall, and shall procure that in the Loan Funds Transfer Agreement the Promoter undertakes to, facilitate investigations by the Bank and by other competent European Union institutions or bodies in connection with any alleged or suspected occurrence of a Prohibited Conduct and shall provide the Bank, or ensure that the Bank is provided, with all necessary assistance for the purposes described in this Article.

8.4 Disclosure and Publication

(a) The Borrower acknowledges and agrees that:

(i) the Bank may be obliged to communicate information and materials relating to the Borrower, the Loan, the Contract and/or the Project to any institution or body of the European Union, including the European Court of Auditors, the European Commission, any relevant EU Delegation, the European Anti-Fraud Office and the European Public Prosecutor's Office, as may be necessary for the performance of their tasks in accordance with EU Law (including the NDICI-GE Regulation and the Financial Regulation); and

(ii) the Bank may publish on its website and/or on social media, and/or produce press releases, containing information related to the financing provided pursuant to this Contract with the support of the EFSD+ DIW1 Guarantee, including the name, address and country of establishment of the Borrower, the purpose of the financing, and the type and amount of financial support received under this Contract.

(b) The Borrower:

(i) acknowledges the origin of the EU financial support under the EFSD+ DIW1 Guarantee Agreement;

(ii) shall ensure the visibility of the EU financial support under the EFSD+ DIW1 Guarantee Agreement, in particular when promoting or reporting on the Borrower, this Contract, the Loan or the Project, and their results, in a visible manner on communication material related to the Borrower, this Contract, the Loan or the Project, and by providing coherent, effective and proportionate targeted information to multiple audiences, including the media and the public, provided that the content of the communication material has been previously agreed with the Bank; and

(iii) shall consult with the Bank, the Commission and the EU Delegation of the Republic of Moldova on communication about the signature of this Finance Contract.

ARTICLE 9

Charges and expenses

9.1 Taxes, duties and fees

(a) The Borrower shall pay all Taxes, duties, fees and other impositions of whatsoever nature, including stamp duty and registration fees, arising out of the execution or implementation of this Contract or any related document and in the creation, perfection, registration or enforcement of any Security for the Loan to the extent applicable.

(b) The Borrower shall pay all principal, interest, indemnities and other amounts due under this Contract gross without any withholding or deduction of any national or local impositions whatsoever required by law or under an agreement with a governmental authority or otherwise. If the Borrower is obliged to make any such withholding or deduction, it shall gross up the payment to the Bank so that after withholding or deduction, the net amount received by the Bank is equivalent to the sum due.

9.2 Other charges

The Borrower shall bear all charges and expenses, including professional, banking or exchange charges incurred in connection with the preparation, execution, implementation, enforcement and termination of this Contract or any related document, any amendment, supplement or waiver in respect of this Contract or any related document, and in the amendment, creation, management, enforcement and realisation of any security for the Loan.

9.3 Increased costs, indemnity and set-off

(a) The Borrower shall pay to the Bank any costs or expenses incurred or suffered by the Bank as a consequence of the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation or compliance with any law or regulation which occurs after the date of signature of this Contract, in accordance with or as a result of which:

(i) the Bank is obliged to incur additional costs in order to fund or perform its obligations under this Contract; or

(ii) any amount owed to the Bank under this Contract or the financial income resulting from the granting of the Credit or the Loan by the Bank to the Borrower is reduced or eliminated.

(b) Without prejudice to any other rights of the Bank under this Contract or under any applicable law, the Borrower shall indemnify and hold the Bank harmless from and against any loss incurred as a result of any full or partial discharge that takes place in a manner other than as expressly set out in this Contract.

(c) The Bank may set off any matured obligation due from the Borrower under this Contract (to the extent beneficially owned by the Bank) against any obligation (whether or not matured) owed by the Bank to the Borrower regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Bank may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off. If either obligation is unliquidated or unascertained, the Bank may set off in an amount estimated by it in good faith to be the amount of that obligation.

ARTICLE 10

Events of Default

10.1 Right to demand repayment

The Borrower shall repay all or part of the Loan Outstanding (as requested by the Bank) forthwith, together with accrued interest and all other accrued or outstanding amounts under this Contract, upon written demand being made by the Bank in accordance with the following provisions.

10.1.A Immediate demand

The Bank may make such demand immediately without prior notice (*mise en demeure préalable*) or any judicial or extra judicial step:

(a) if the Borrower does not pay on the due date any amount payable pursuant to this Contract at the place and in the currency in which it is expressed to be payable, unless:

(i) its failure to pay is caused by an administrative or technical error or a Disruption Event; and

(ii) payment is made within 3 (three) Business Days of its due date;

(b) if any information or document given to the Bank by or on behalf of the Borrower or any representation, warranty or statement made or deemed to be made by the Borrower in, pursuant to or for the purposes of entering into this Contract or in connection with the negotiation or performance of this Contract is or proves to have been incorrect, incomplete or misleading in any material respect;

(c) if, following any default of the Borrower in relation to any loan, or any obligation arising out of any financial transaction, other than the Loan:

(i) the Borrower is required or is capable of being required or will, following expiry of any applicable contractual grace period, be required or be capable of being required to prepay, discharge, close out or terminate ahead of maturity such other loan or obligation; or

(ii) any financial commitment for such other loan or obligation is cancelled or suspended;

(d) if the Borrower is unable to pay its debts as they fall due, or suspends its debts, or makes or seeks to make a composition with its creditors;

(e) if the Borrower defaults in the performance of any obligation in respect of any other loan granted by the Bank or financial instrument entered into with the Bank, or of any other loan or financial instrument made to it from the resources of the Bank or the European Union;

(f) if any expropriation, attachment, arrestment, distress, execution, sequestration or other process is levied or enforced upon the property of the Borrower or any property forming part of the Project and is not discharged or stayed within 14 (fourteen) days;

(g) if a Material Adverse Change occurs, as compared with the Borrower's condition at the date of this Contract;

(h) if it is or becomes unlawful for the Borrower to perform any of its obligations under this Contract or this Contract is not effective in accordance with its terms or is alleged by the Borrower to be ineffective in accordance with its terms;

(i) if any event occurs which is likely to jeopardise the servicing of all or part of any Tranche or adversely affect any security therefore;

(j) if any obligation assumed by the Borrower as stated in the Framework Agreement ceases to be fulfilled as regards any loan made to any borrower in the territory of the Republic of Moldova from the resources of the Bank, or the European Union; or

(k) if the Promoter default in the performance of any of their obligations under the Project Implementation Agreement.

10.1.B Demand after notice to remedy

The Bank may also make such demand without prior notice (*mise en demeure préalable*) or any judicial or extra judicial step (without prejudice to any notice referred to below):

(a) if the Borrower fails to comply with any provision of this Contract (other than those referred to in Article 10.1.A; or

(b) if any fact related to the Borrower, the Promoter or the Project stated in the Recitals materially alters and is not materially restored and if the alteration either prejudices the interests of the Bank as lender to the Borrower or adversely affects the implementation or operation of the Project,

unless the non-compliance or circumstance giving rise to the non-compliance is capable of remedy and is remedied within a reasonable period of time specified in a notice served by the Bank on the Borrower.

10.2 Other rights at law

Article 10.1 shall not restrict any other right of the Bank at law to require prepayment of the Loan Outstanding.

10.3 Indemnity

10.3.A Fixed Rate Tranches

In case of demand under Article 10.1 in respect of any Fixed Rate Tranche, the Borrower shall pay to the Bank the amount demanded together with the indemnity on any amount of principal due to be prepaid. Such indemnity shall (i) accrue from the due date for payment specified in the Bank's notice of demand and be calculated on the basis that prepayment is effected on the date so specified, and (ii) be for the amount communicated by the Bank to the Borrower as the present value (calculated as of the date of the prepayment) of the excess, if any, of:

(a) the interest that would accrue thereafter on the amount prepaid over the period from the date of prepayment to the Interest Revision/Conversion Date, if any, or the Maturity Date, if it were not prepaid; over

(b) the interest that would so accrue over that period, if it were calculated at the Redeployment Rate, less 0.19% (nineteen basis points).

The said present value shall be calculated at a discount rate equal to the Redeployment Rate, applied as of each relevant Payment Date of the applicable Tranche.

10.3.B Floating Rate Tranches

In case of demand under Article 10.1 in respect of any Floating Rate Tranche, the Borrower shall pay to the Bank the amount demanded together with a sum equal to the present value of

0.19% (nineteen basis points) per annum calculated and accruing on the amount of principal due to be prepaid in the same manner as interest would have been calculated and would have accrued, if that amount had remained outstanding according to the applicable amortisation schedule of the Tranche, until the Interest Revision/Conversion Date, if any, or the Maturity Date.

The value shall be calculated at a discount rate equal to the Redeployment Rate applied as of each relevant Payment Date.

10.3.C General

Amounts due by the Borrower pursuant to this Article 10.3 shall be payable on the date specified in the Bank's demand.

10.4 Non-Waiver

No failure or delay or single or partial exercise by the Bank in exercising any of its rights or remedies under this Contract shall be construed as a waiver of such right or remedy. The rights and remedies provided in this Contract are cumulative and not exclusive of any rights or remedies provided by law.

ARTICLE 11

Law and dispute resolution, miscellaneous

11.1 Governing Law

This Contract and any non-contractual obligations arising out of or in connection with it shall be governed by the laws of Luxembourg.

11.2 Dispute Resolution

(a) This Article 11.2 shall be governed by Dutch law.

(b) Any dispute, claim, difference or controversy arising out of, relating to or having any connection with this Contract, including any dispute as to its existence, validity, interpretation, performance, breach or termination or the consequences of its nullity and any dispute relating to any non-contractual obligations arising out of or in connection with it (for the purpose of this Article, a Dispute), shall be referred to and finally resolved by arbitration under the Rules of Arbitration of the International Chamber of Commerce (for the purpose of this Article, the "**Rules**").

(c) The Rules are incorporated by reference into this Article and capitalised terms used in this Article which are not otherwise defined in this Contract have the meaning given to them in the Rules.

(d) The number of arbitrators shall be three. The arbitrators nominated by the parties shall jointly nominate the third arbitrator who, subject to confirmation by the ICC Court, will act as president of the arbitral tribunal.

(e) The seat or legal place of arbitration shall be Amsterdam.

(f) The language used in the arbitral proceedings shall be English. All documents submitted in connection with the proceedings shall be in the English language, or, if in another language, accompanied by an English translation. Each arbitrator shall be English law qualified and have 10 years practicing experience.

(g) Service by the Secretariat of any Request for Arbitration made pursuant to this Article shall be at the address given for the sending of notices under this Contract at Article 12 and in a manner provided for in that Article.

(h) If, at the case management conference, it appears to the Arbitral Tribunal that there is or may be no real prospect of succeeding on any or all of the claims made in the

arbitration or of successfully defending any or all of the claims made in the arbitration, the Arbitral Tribunal may determine such claim(s) by a summary procedure if it considers that it is in the interests of justice to do so. The parties may make submissions about whether this is an appropriate procedure. In the event that a summary procedure is adopted, the Arbitral Tribunal shall proceed to determine such claim(s) as soon as reasonably practicable. The Arbitral Tribunal may call for further short written submissions in relation to such claim(s) and shall only hold an oral hearing to determine by way of award such claim(s) if it feels that it is necessary to do so. The Arbitral Tribunal may decide to determine in its award only certain claims advanced in the arbitration by the summary procedure.

(i) Nothing in this Article 11 shall interfere with, override or otherwise erode Bank's privileges and immunities as set out in the European Union treaties including, without limitation, the inviolability of its archives and the Bank expressly reserved its rights in this regard.

11.3 Place of performance

Unless otherwise specifically agreed by the Bank in writing, the place of performance under this Contract shall be the seat of the Bank.

11.4 Evidence of sums due

In any legal action arising out of this Contract the certificate of the Bank as to any amount or rate due to the Bank under this Contract shall, in the absence of manifest error, be prima facie evidence of such amount or rate.

11.5 Waiver of immunity

To the extent that the Borrower may in any jurisdiction claim for itself or any of its assets immunity from suit, enforcement, attachment or other legal process on the grounds of sovereignty or otherwise, the Borrower hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity to the full extent permitted by the laws of such jurisdiction in respect of its obligations arising under or in connection with this Contract.

11.6 Entire Agreement

This Contract constitutes the entire agreement between the Bank and the Borrower in relation to the provision of the Credit hereunder, and supersedes any previous agreement, whether express or implied, on the same matter.

11.7 Invalidity

If at any time any term of this Contract is or becomes illegal, invalid or unenforceable in any respect, or this Contract is or becomes ineffective in any respect, under the laws of any jurisdiction, such illegality, invalidity, unenforceability or ineffectiveness shall not affect:

(a) the legality, validity or enforceability in that jurisdiction of any other term of this Contract or the effectiveness in any other respect of this Contract in that jurisdiction; or

(b) the legality, validity or enforceability in other jurisdictions of that or any other term of this Contract or the effectiveness of this Contract under the laws of such other jurisdictions.

11.8 Amendments

Any amendment to this Contract shall be made in writing and shall be signed by the Parties. Such amendments shall become effective to amend this Contract upon ratification by the Parliament of the Republic of Moldova in accordance with the applicable laws of the Republic of Moldova.

11.9 Counterparts

This Contract may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument.

ARTICLE 12
Final clauses

12.1 Notices

12.1.A Form of Notice

(a) Any notice or other communication given under this Contract must be in writing and, unless otherwise stated, may be made by letter or electronic mail.

(b) Notices and other communications for which fixed periods are laid down in this Contract or which themselves fix periods binding on the addressee, may be made by hand delivery, registered letter or by electronic mail. Such notices and communications shall be deemed to have been received by the other Party:

(i) on the date of delivery in relation to a hand-delivered or registered letter; and

(ii) in the case of any electronic mail only when such electronic mail is actually received in readable form and only if it is addressed in such a manner as the other Party shall specify for this purpose.

(c) Any notice provided by the Borrower to the Bank by electronic mail shall:

(i) mention the Contract Number in the subject line; and

(ii) be in the form of a non-editable electronic image (pdf, tif or other common non editable file format agreed between the Parties) of the notice signed by an authorised signatory with individual representation right or by two or more authorised signatories with joint representation right of the Borrower as appropriate, attached to the electronic mail.

(d) Notices issued by the Borrower pursuant to any provision of this Contract shall, where required by the Bank, be delivered to the Bank together with satisfactory evidence of the authority of the person or persons authorised to sign such notice on behalf of the Borrower and the authenticated specimen signature of such person or persons.

(e) Without affecting the validity of electronic mail notices or communication made in accordance with this Article 12.1, the following notices, communications and documents shall also be sent by registered letter to the relevant Party at the latest on the immediately following Business Day:

(i) Disbursement Acceptance;

(ii) any notices and communication in respect of the deferment, cancellation and suspension of a disbursement of any Tranche, interest revision or conversion of any Tranche, Market Disruption Event, Prepayment Request, Prepayment Notice, Event of Default, any demand for prepayment; and

(iii) any other notice, communication or document required by the Bank.

(f) The Parties agree that any above communication (including via electronic mail) is an accepted form of communication, shall constitute admissible evidence in court and shall have the same evidential value as an agreement under hand *(sous seing privé)*.

12.1.B Addresses

The address and electronic mail address (and the department for whose attention the communication is to be made) of each Party for any communication to be made or document to be delivered under or in connection with this Contract is:

For the Bank	Attention: EIB Global, NC-2/Public East Division 98-100 boulevard Konrad Adenauer L-2950 Luxembourg E-mail address: Ops-nc2-projects@eib.org
For the Borrower	Attention: Ministry of Finance of the Republic of Moldova, Public Debt Department 7, Constantin Tănase Street MD–2005, Chisinau The Republic of Moldova E-mail address: cancelaria@mf.gov.md

12.1.C Notification of communication details

The Bank and the Borrower shall promptly notify the other Party in writing of any change in their respective communication details.

12.2 English language

(a) Any notice or communication given under or in connection with this Contract must be in English.

(b) All other documents provided under or in connection with this Contract must be:

(i) in English; or

(ii) if not in English, and if so required by the Bank, accompanied by a certified English translation and, in this case, the English translation will prevail.

12.3 Effectiveness of this Contract

Other than this Article 12.3, which will become legally effective and enter into full force and effect upon the date of signature of this Contract, this Contract will become effective on the date (the "**Date of Effectiveness**") specified in a letter from the Bank to the Borrower confirming that the Bank has received the legal opinion of the Minister of Justice of the Republic of Moldova referred to in Article 1.4.B(b) in form and substance satisfactory to the Bank and such letter shall be conclusive evidence that this Contract has become effective.

If the Date of Effectiveness does not occur on or prior to the date falling 12 (twelve) months after the date of this Contract, this Contract shall not enter into force and no further action shall be necessary or required.

12.4 Recitals, Schedules and Annexes

The Recitals and following Schedules form part of this Contract:

Schedule A	Technical Descripion, Project Information and Reporting
Schedule B	Definition of Relevant Interbank Rate
Schedule C	Form of Disbursement Offer/Acceptance (Articles 1.2.B and 1.2.C)
Schedule D	Interest Rate Revision and Conversion
Schedule E	Certificates to be provided by the Borrower

The following Annexes are attached hereto:

Annex I	Agreed form legal opinion
Annex II	Authority of Signatory

The Parties have caused this Contract to be executed in four (4) originals in the English language.

At Chisinau, this 15 December 2022, and

At Luxembourg, this 15 December 2022.

Signed for and on behalf of

THE REPUBLIC OF MOLDOVA as Borrower

Dumitru BUDIANSCHI

Minister of Finance of the
Republic of Moldova

Signed for and on behalf of

EUROPEAN INVESTMENT BANK as Bank

Maria-Teresa MASSARO

Head of Division

Stella RENITA

Senior Loan Officer

Schedule A

A.1. TECHNICAL DESCRIPTION

Purpose, Location

The project aims at improving transport conditions on the main corridors by rehabilitating and upgrading several sections, as well as constructing city bypasses. The main parameters consist in strengthening the pavement, removing bottlenecks and enhancing traffic safety.

Description

The main parameters consist in construction of two lane roads, enlargements, strengthening the pavement and enhancing traffic safety.

Initially selected road sections are:

Component 1: Chisinau South-Western bypass on R6, 6.6 km, consisting in upgrading a section of the existing Chisinau bypass from a four-lane interurban road with no lane separation and in poor condition to a 2x2 expressway standard road. The project works will comprise pavement strengthening, junctions and drainage improvements and construction of a median separation. The new road will be a rehabilitated 4x3.5 m wide road with a 2 m wide median and 2.5 m shoulders for a total platform width of 21 m and a design speed of 100 km/h.

Component 2: Improve the North-South M3 axis between Chisinau and Cimislia, comprising improvements of the safety on the existing 4-lane road between Chisinau and Porumbrei (33.5 km) and the construction of the Porumbrei to Cimislia connection (19.1 km)

The 4-lane road section from Chisinau to Porumbrei will be partially rehabilitated mainly to reconstruct some localised pavement failures and, above all, will be made safer through the installation of a carriageway separation, improved signing and safety devices. The Porumbrei to Cimislia section will be a new 2-lane 7 m wide interurban road with a design speed of 100km/h and will include some preparatory works in view of possible future enlargement to 2x2 when traffic levels will require.

Component 3: Comrat bypass on M3, 17.9 km, consisting in the construction of a new bypass to relieve this 25,000 inhabitants city, which is the capital of the autonomous Gagauzia region, of transit traffic. The new Comrat bypass will be a 2-lane 7 m wide interurban road with a design speed of 100km/h. Part of the bypass alignment has some earthworks and structures already built.

Further sections will be selected from the Transport and Logistics Strategy 2013-2022 subject to allocation due diligence.

The project will be co-financed with EBRD which will have a similar approach in selection of road sections, up to an equal investment cost. The components selected by EBRD for financing in the first phase are the rehabilitations of a 37km section on R33 Hancesti – Lapusna and a 32km section on R14 Balti – Sarateni (some EUR 50m).

Calendar

The project is expected to be completed before end of 2025.

A.2. PROJECT INFORMATION TO BE SENT TO THE BANK AND METHOD OF TRANSMISSION

1. Dispatch of information: designation of the person responsible

The information below has to be sent to the Bank under the responsibility of:

Company	State Road Administration SOE
Contact person	Iulian Mornealo
Title	Mr
Function / Department	Deputy Director
Address	mun. Chișinău, str. Bucuriei, 12A MD 2004, Republic of Moldova
Phone	+37322740750
Fax	+37322740750
Email	mornealo@asd.md

The above-mentioned contact person(s) is (are) the responsible contact(s) for the time being.

The Borrower shall inform the Bank immediately in case of any change.

2. Information on specific subjects

The Borrower shall deliver to the Bank the following information at the latest by the deadline indicated below.

Document / information	**Deadline**
Feasibility, environmental and any other relevant studies concerning the proposed sections in sufficient details to allow the Bank's services to assess their eligibility for financing	With allocation request

3. Information on the project's implementation

The Borrower shall deliver to the Bank the following information on project progress during implementation at the latest by the deadline indicated below.

Document/ information	**Deadline**	**Frequency of reporting**
Project Progress Report - A brief update on the technical description, explaining the reasons for significant changes vs. initial scope; - Update on the date of completion of each of the main project's components, explaining reasons for any possible delay; - Update on the cost of the project, explaining reasons for any possible cost increases vs. initial budgeted cost; - A description of any major issue with impact on the environment; - Update on procurement procedures (outside EU); - Update on the project's demand or usage and comments; - Any significant issue that has occurred and any significant risk that may affect the project's operation; - Any legal action concerning the project that may be on-going.		Quarterly

4. Information on the end of works and first year of operation

The Borrower shall deliver to the Bank the following information on project completion and initial operation at the latest by the deadline indicated below.

Document / information	Date of delivery to the Bank
Project Completion Report, including: - A brief description of the technical characteristics of the project as completed, explaining the reasons for any significant change; - The date of completion of each of the main project's components, explaining reasons for any possible delay; - The final cost of the project, explaining reasons for any possible cost increases vs. initial budgeted cost; - The number of new jobs created by the project: both jobs during implementation and permanent new jobs created; - A description of any major issue with impact on the environment; - Update on procurement procedures; - Update on the project's demand or usage and comments; - Any significant issue that has occurred and any significant risk that may affect the project's operation; - Any legal action concerning the project that may be on-going. Update of the actual values for the indicators of the project: • Length of road built or upgraded (lane x km); • Road fatalities saved (lives / year); • Beneficieries (AADT).	15 months after completion

5. Information required 3 years after the Project Completion Report

The Borrower shall deliver to the Bank the following information 3 years after the project completion report at the latest by the deadline indicated below.

Document / information	Date of delivery to the Bank
Project Completion Report, including: Update of the actual values for the indicators of the project: • Length of road built or upgraded (lane x km); • Road fatalities saved (lives / year); • Beneficieries (AADT).	51 months after completion

Language of reports	English

A.1.3. TEMPLATE FOR ALLOCATION REQUEST

Template for sub-projects with cost below EUR 5m

DATE: *DD/MM/YYYY*

Name of EIB Operation: Moldova Roads IV
Number of EIB Operation: 20200537

Currency: EUR

ALLOCATION and MONITORING TABLE (FOR ALL SCHEMES INCLUDED IN EIB OPERATION) - Individual schemes

No. (order)	Scheme name (brief)	Scheme description (main features, objectives) and location	Implementation dates		Total cost of the scheme (EUR)	Financing Sources (EUR)		Environmental compliance		Procurement	Indicator	
			start mm/yyyy	end mm/yyyy		EIB Funds Allocated	Other	EIA	Nature conservation area	Type of tender (thresholds)	Output	Outcome
(1)	(3)	(4)	(6)	(7)	(8)	(9)	(11)	(13)	(14)	(15)	(16)	(17)
				Total								

Explanatory notes:

Project name
Brief project description of the project (description, justification) and location
Please indicate the latest estimated dates for start and completion of the project
Financial Sources (EU grants, National, other, etc.)
EIB funds allocated
Please indicate: (A): Subject to EIA: Annex I of the EIA Directive. Please, provide copy of NTS or a link to a public version of it on a relevant public entity's official web site at allocation or as soon as available. (B): Subject to EIA: Annex II "screened in" of the EIA Directive: Please, provide copy of NTS or a link to a public version of it on a relevant public entity's official web site at allocation or as soon as available. (C) Sreenned out project: no EIA required. The promoter shall ensure that a screening procedure taking into account the criteria listed in Annex III of EU EIA Directive was carried out by the environmental competent authority. The screening decision can be common for several schemes. A copy of this decision might be requested by the EIB. (D) Other
It refers to Natura 2000 or other habitats areas of international or national importance. Please indicate: (A) No significant impact, potential or likely, on a conservation site (Natura 2000 or otherwise). In that case a declaration signed by the Competent Authority Form A - or its equivalent - has to be provided. (B) A significant impact, potential or likely, on a conservation site. In that case Form B - or its equivalent - has to be signed by the Competent Authority and submited to the Bank toguether with the justification of overriding public interest as well as the opinion of the
Please indicate the tender procedure - "I" International Open Tendre, "N" National Open Tender, "Ne" Negotiation procedure, "D"Direct Attribution, "Em" Emergency Procedure and,
Sector indicators

A.1.4. Project Fiche Template for Allocation Request

Project Fiche for sub-projects with cost below EUR 50 m.

PROJECT fiche

MOLDOVA ROADS III B
2011-0650

Sub-project Name: Sub-project reference number: Contact Person: Contact (e-mail, telephone):		Sub-project promoter: Location: Sector: Type: new project/ extension/ rehabilitation Date: Signature of the promoter

1. Sub-project

1.1 Background

1.2 Reasons for undertaking the Project and key objectives

1.3 Technical description of the project including relevant key dimensions and capacities

1.4 Entity(ies) responsible for project design, construction and supervision

1.5 Investment cost (total) in EUR

Engineering and supervision	-
Land	-
Civil works	-
Equipment	-
Miscellaneous	-
Technical contingencies	-
Price contingencies (...% escalation p.a.), if applicable	-
Interest during construction	-
Total	-

1.5.1 Financial plan of requested allocation

Sources of financing	EUR
EIB	-
EU grant	
National budget	
Other	
TOTAL	

1.6 Expected expenditure schedule (in EUR, excluding VAT)

year	Before 2022	2022	...	n	Total
EUR					

1.7 Expected technical/ economical life-span (years)

1.8 Implementation period (dates: month, year)

a) Start:
b) Completion:

1.9 Authorisation required to implement/operate the project

Please provide the name(s) of the authority(ties) issuing the relevant permit(s) and whether or not the authorisation(s) has (have) been issued. If permits are not issued, please indicate the expected date.

1.10 Jobs affected by the investment

Number of jobs that will be created, secured or lost as a consequence of the project

a) during construction:	
b) post construction (operation and maintenance) – secured:	

1.11 Physical indicators

Please indicate (quantify) planned physical output/result of the project.

Indicator name and definition	Baseline (year)	Target value (year
a)		
b)		
c)		

1.12 Procurement

A Procurement Plan should be submitted, including as a minimum: number of contracts/lots envisaged, procurement procedures (as described in EIB GtP), media of publication, envisaged timetable, possible eligibility restrictions, public opening procedures, envisaged selection criteria, award notice and recourse mechanisms.
Type and specifics on tender(s):

Contracts/ lots name	Type of contract: e.g. design, design-build, supply, services	Tender procedure	Start (publication date)	End (contrac signatur date)	Publication reference (OJEU or national journal)	Contract value (EUR	Company awarded (if available)

1.13 Environmental and Social impacts

a) Please explain briefly the effects of the project on the environment.

b) Does the Project have any particular environmental or social risks or benefits?

c) Compliance with environmental requirements (local, national, EU) and summary description of mitigating measures adopted, if any; indicate if an EIA or Resettlement Action Plan (RAP) are required and if the project is located within/impacts a Natura 2000 (or similar) sites. In the affirmative cases, please provide information on the relevant assessment and administrative decisions for such projects, the Bank services will require further information (such as a copy of the RAP; the EIA and an analysis of impact on Natura 2000 sites).

For sub-projects which fall under Annex II of the EIA Directive or equivalent and not requiring an EIA: The Promoter shall ensure that a screening procedure taking into account the criteria listed in Annex III of EU EIA Directive was carried out by the environmental competent authority. The screening decision can be common for several sub-projects. A copy of this decision shall be sent to EIB.

Compliance with the EU Habitats and Birds Directives (92/43/EEC and 79/409/EEC) or equivalent:
- For sub-projects with potential or likely significant effects on a Site of Community Importance (SCI) (Natura 2000 or likewise) and subject to a screening under the principles of EU Habitats and Birds Directives (or equivalent): The Promoter shall provide the Form A or an equivalent statement signed by the competent authority responsible for the monitoring of conservation sites (Natura 2000 or similar). This declaration should confirm that the required assessments under the EU Habitats and Birds Directives have been carried out (if necessary), that the sub-project will have no significant impact on any protected site and that the appropriate mitigation measures have been identified.
- For sub-projects with a significant impact, potential or likely, on a SCI, requiring an assessment under Article 6(4) of the Habitats Directive: The Promoter shall provide the Form B or its equivalent - signed by the competent authority responsible for monitoring of conservation sites (Natura 2000 or similar), together with the justification of overriding public interest.

Templates of Forms A and B included as the APPENDICE A.1.5.

1.1 Operation and maintenance of the facilities:

a) Organisation in charge of the operation and maintenance of the Sub-project:

b) Operating and maintenance costs and available budget for operation and maintenance:

1.2 Economic and financial aspects

Population served by the Sub-project, or other pertinent demand analysis (e.g. traffic). For road sub-project actual and forecast traffic flows shall be included. If applicable, a summary of cost-benefit or economic feasibility analysis.

1.3 Overall conclusions and recommendations

Place:
Date:
Promoter:
Responsible person:

A.1.5 Form A/B according to the EU Habitats and Birds Directives (or equivalent)

Form A – No Appropriate Assessment required by Article 6(3) was required

DECLARATION BY THE AUTHORITY RESPONSIBLE FOR MONITORING SITES OF NATURE CONSERVATION IMPORTANCE[2]

Responsible Authority:

Having examined the project application[3]

Which is to be located at:

Declares that the project is not likely to have significant effect on a national or international conservation area on the following grounds:

Therefore an appropriate assessment required by Article 6(3) was not deemed necessary.

A map at scale of 1:100.000 (or nearest possible scale) is attached, indicating the location of the project as well as the national or international conservation areas concerned, if any.

Date (dd/mm/yyyy):

Signed:

Name:

Position:

Organisation:
(Authority responsible for monitoring national or international conservation areas)

Official Seal:

---

[1]This includes sites protected as part of the Natura 2000 network (including Special Areas of Conservation and Special Protection Areas), potential Natura 2000 sites, Ramsar sites, Important Bird Areas, sites of the Emerald Network, or others as relevant.
[2]Taking into account the requirements of Art. 6(3) of Directive 92/43/EEC on the conservation of natural habitats and of wild fauna and flora.

Form A – Assessment of effects on national or international conservation areas - No risk of significant effect

DECLARATION BY THE AUTHORITY RESPONSIBLE FOR MONITORING SITES OF NATURE CONSERVATION IMPORTANCE[4]

Responsible Authority
Having examined the project application[5]
Which is to be located at
Declares that following an appropriate assessment required by Article 6(3) of Directive 92/43/EEC, the project will not have significant effects on a site of nature conservation importance.
Please provide a summary of the conclusions of the appropriate assessment carried out according to Article 6(3) of Directive 92/43/EEC:

Please provide a summary of the mitigation measures required for the project:

A map at scale of 1.100.000 (or the nearest possible scale) is attached, indicating the location of the project as well as the sites of nature conservation importance.
Signed:
Name and Position:
Organisation (Authority responsible for monitoring national or international conservation areas)
Official Seal:

[3] This includes sites protected as part of the Natura 2000 network (including Special Areas of Conservation and Special Protection Areas), potential Natura 2000 sites, Ramsar sites, Important Bird Areas, sites of the Emerald Network, or others as relevant.
[4] Taking into account the requirements of Art. 6(3) of Directive 92/43/EEC on the conservation of natural habitats and of wild fauna and flora.

Form B - Risk of significant effect

INFORMATION FROM THE AUTHORITY RESPONSIBLE FOR MONITORING SITES OF NATURE CONSERVATION IMPORTANCE[6]

Responsible Authority
Having examined[7] the project application
Which is to be located at

provides the following information and documentation to be sent to the European Commission for (tick the appropriate box):

information (Art. 6(4).1) ☐ opinion (Art. 6(4).2) ☐

Member State:

Competent National Authority:

Address:

Contact person:

Tel., fax, e-mail:

Date:

Is the notification containing sensitive information? If yes, please specify and justify:

[5]This includes sites protected as part of the Natura 2000 network (including Special Areas of Conservation and Special Protection Areas), potential Natura 2000 sites, Ramsar sites, Important Bird Areas, sites of the Emerald Network, or others as relevant.
[6]Taking into account the requirements of Art. 6(4) of Directive 92/43/EEC on the conservation of natural habitats and of wild fauna and flora.

1. PLAN OR PROJECT

Name of the plan/project: Promoted by: Summary of the plan or project having an effect on the site: Description and location of the elements and actions of the project having potential impacts and identification of the areas affected (include maps):

2. ASSESSMENT OF NEGATIVE EFFECTS[8]

Name and code of Natura 2000 site(s) affected:

Please tick as appropriate

☐ A SPA under the Birds Directive

☐ A SCI/SAC under the Habitats Directive

☐ Hosting a priority habitat/species

☐ Priority habitats/species are affected

☐ A wetland of international importance designated under the Ramsar Convention or qualifyi for such protection

☐ A site listed in the latest inventory on Important Bird Areas (IBA) or (if available) in an equivale more detailed scientific inventory endorsed by national authorities

☐ A site to which the Bern Convention on the conservation of European Wildlife and Natur Habitats (Art.4), in particular a site meeting the criteria of the Emerald Network

☐ Areas protected under national nature conservation legislation

Site's conservation objectives and key features contributing to the site integrity:

Habitats and species that will be adversely affected (e.g. indicate their representativity, if applicab their conservation status according to Art.17 on national and biogeographic level and degree isolation, their roles and functions in the site concerned).

Importance of the site for the habitats and species that will be affected (e.g. explain the role of th site within the national and biogeographical region and in the coherence of the Natura 200 network).

Description of adverse effects expected (loss, deterioration, disturbance, direct and indirect effect etc.); extent of the effects (habitat surface and species numbers or areas of occurrence affecte by the project); importance and magnitude (e.g. considering the affected area or population relation to the total area and population in the site, and possibly in the country) and location (includ maps).

Potential cumulative impacts and other impacts likely to arise as a result of the combined action the plan or project under assessment and other plans or projects.

[8] NB: focus on the adverse effects expected on the habitats and species for which the site has been proposed for the Natura 2000 network. Include all the information that may be relevant in each case, depending on the impacts identified for the species and habitats affected.

Mitigation measures included in the project (indicate how these will be implemented and how the will avoid or reduce negative impacts on the site).

3. ALTERNATIVE SOLUTIONS

Identification and description of possible alternative solutions, including the zero option (indica how they were identified, procedure, methods).
Evaluation of alternatives considered and justification of the alternative chosen (reasons why th competent national authorities have concluded that there is absence of alternative solutions).

4. IMPERATIVE REASONS OF OVERRIDING PUBLIC INTEREST

Reason to carry out this plan or project in spite of its negative effects:

☐ Imperative reasons of overriding public interest, including those of a social or econom nature (in the absence of priority habitat/species)

☐ human health

☐ public safety

☐ beneficial consequences of primary importance for the environment

☐ other imperative reasons of overriding public interest

Description and justification and why they are overriding[9]:

[9] Different level of detail may be required depending on whether the notification is submitted for information or for opinion.

5. COMPENSATORY MEASURES[10]
Objectives, target features (habitats and species) and ecological processes/functions to b compensated (reasons, why these measures are suitable to compensate the negative effects)
Extent of the compensatory measures (surface areas, population numbers)
Identification and location of compensation areas (including maps)
Former status and conditions in the compensation areas (existing habitats and their status, typ of land, existing land uses, etc.)
Expected results and explanation of how the proposed measures will compensate the advers effects on the integrity of the site and will allow preserving the coherence of the Natura 200 network.
Time schedule for the implementation of the compensatory measures (including long-ter implementation), indicating when the expected results will be achieved.
Methods and techniques proposed for the implementation of the compensatory measure evaluation of their feasibility and possible effectiveness.
Costs and financing of the proposed compensatory measures.
Responsibility for implementation of compensatory measures.
Monitoring of the compensatory measures, where envisaged (e.g. if there are uncertainti concerning the effectiveness of the measures), assessment of results and follow-up

[10] Different level of detail may be required depending on whether the notification is submitted for information or for opinion.

Schedule B

Definitions of Relevant Interbank Rate

A. USD REFERENCE RATE

"**SOFR**" means the secured overnight financing rate (SOFR) administered by the Federal Reserve Bank of New York (or any other person which takes over the administration of that rate) published by the Federal Reserve Bank of New York (or any other person which takes over the publication of that rate).

"**Term SOFR Administrator**" means CME Group Benchmark Administration Limited (CBA) or any other person which takes over the administration of the Term SOFR rate.

"**Term SOFR Index Cessation Effective Date**" means, in respect of the Term SOFR and a Term SOFR Index Cessation Event, the first date on which the Term SOFR would ordinarily have been provided and is no longer provided.

"**Term SOFR Index Cessation Event**" means, in respect of the Term SOFR:

(a) a public statement or publication of information by or on behalf of the Term SOFR Administrator announcing that it has ceased or will cease to provide the Term SOFR permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Term SOFR; or

(b) a public statement or publication of information by the regulatory supervisor for the Term SOFR Administrator, the central bank for the currency of the Term SOFR, an insolvency official with jurisdiction over the Term SOFR Administrator, a resolution authority with jurisdiction over the Term SOFR Administrator or a court or an entity with similar insolvency or resolution authority over the Term SOFR Administrator, which states that the Term SOFR Administrator has ceased or will cease to provide the Term SOFR permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Term SOFR.

"**Term SOFR Fixing Day**" means, in respect of the Term SOFR and a USD Reset Date, the day that is two US Government Securities Business Days preceding that USD Reset Date (or any amended publication day for the Term SOFR, as specified by the Term SOFR Administrator in the Term SOFR benchmark methodology).

"**Term SOFR Recommended Rate**" means the rate (inclusive of any spreads or adjustments) recommended as the replacement for the Term SOFR by (a) the Term SOFR Administrator, or (b) if the Term SOFR Administrator does not make a recommendation, a committee officially endorsed or convened by the Federal Reserve Board or the Federal Reserve Bank of New York or the supervisor for the Term SOFR Administrator for the purpose of recommending a replacement for the Term SOFR (which rate may be produced by the Term SOFR Administrator or another administrator) and as provided by the administrator of that rate (or a successor administrator) or, if that rate is not provided by the administrator thereof (or a successor administrator), published by an authorised distributor, provided that such rate is available for use in the European Union in accordance with applicable law, including the EU Regulation 2016/1011.

"**Term SOFR Recommended Rate Fixing Day**" means, in respect of the Term SOFR Recommended Rate and a USD Reset Date, the publication day specified by the administrator of the Term SOFR Recommended Rate for the Term SOFR Recommended Rate in its benchmark methodology.

"**Term SOFR Recommended Rate Index Cessation Effective Date**" means, in respect of the Term SOFR Recommended Rate and a Term SOFR Recommended Rate Index Cessation Event, the first date on which the Term SOFR Recommended Rate would ordinarily have been provided and is no longer provided;

"**Term SOFR Recommended Rate Index Cessation Event**" means, in respect of the Term SOFR Recommended Rate:

(a) a public statement or publication of information by or on behalf of the administrator of the Term SOFR Recommended Rate announcing that it has ceased or will cease to provide the Term SOFR Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Term SOFR Recommended Rate; or

(b) a public statement or publication of information by the regulatory supervisor for the administrator of the Term SOFR Recommended Rate, the central bank for the currency of the Term SOFR Recommended Rate, an insolvency official with jurisdiction over the administrator of the Term SOFR Recommended Rate, a resolution authority with jurisdiction over the administrator of the Term SOFR Recommended Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the Term SOFR Recommended Rate, which states that the administrator of the Term SOFR Recommended Rate has ceased or will cease to provide the Term SOFR Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Term SOFR Recommended Rate.

"**Term SOFR**" means the forward looking term SOFR as such rate is published by the Term SOFR Administrator (before any correction, recalculation or republication by the Term SOFR Administrator).

"**USD Reference Rate**" means the Term SOFR for the relevant period, on the day (such day, the "**USD Reset Date**") which falls two (2) US Government Securities Business Days prior to the first day of the relevant period, provided, however, that:

(a) subject to the below, if the Term SOFR for the applicable period in respect of the USD Reset Date is not published by the Term SOFR Administrator or an authorised distributor and is not otherwise provided by the Term SOFR Administrator by either (i) the USD Reset Date or (ii) such other date on which the Term SOFR is required, then the rate for that USD Reset Date will be the last provided or published Term SOFR for the applicable period;

(b) if a Term SOFR Index Cessation Event occurs, the rate for a Term SOFR Fixing Day occurring on or after the Term SOFR Index Cessation Effective Date will be the Term SOFR Recommended Rate for the applicable tenor;

(c) subject to the below, if there is a Term SOFR Recommended Rate before the end of the first US Government Securities Business Day following the Term SOFR Index Cessation Effective Date but neither the administrator nor authorised distributors provide or publish the Term SOFR Recommended Rate for the relevant period then, in respect of any day for which the Term SOFR Recommended Rate is required, references to the Term SOFR Recommended Rate for the relevant period, will be deemed to be references to the last provided or published Term SOFR Recommended Rate for the relevant period. However, if there is no last provided or published Term SOFR Recommended Rate for a period equal in length to the relevant period, then in respect of any day for which the Term SOFR Recommended Rate is required, references to the Term SOFR Recommended Rate for a period equal in length to the relevant period will be deemed to be references to the last provided or published Term SOFR for a period equal in length to the relevant period; and

(d) If:

  (i) there is no Term SOFR Recommended Rate before the end of the first US Government Securities Business Day following the Term SOFR Index Cessation Effective Date; or

  (ii) there is a Term SOFR Recommended Rate and a Term SOFR Recommended Rate Index Cessation Effective Date subsequently occurs,

then the rate for a (A) Term SOFR Fixing Day occurring on or after the Term SOFR Index Cessation Effective Date or (B) Term SOFR Recommended Rate Fixing Day occurring on or after the Term SOFR Recommended Rate Index Cessation Effective Date (as applicable) will be the rate (expressed as a percentage rate per annum) which is determined by the Bank to be the all-inclusive cost to the Bank for the funding of the relevant Tranche based upon the then applicable internally generated Bank reference rate or an alternative rate determination method reasonably determined by the Bank.

"**US Government Securities Business Day**" means any day other than:

(a) a Saturday or a Sunday; and

(b) a day on which the Securities Industry and Financial Markets Association (or any successor organisation) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in US Government securities.

B. EURIBOR

"**EURIBOR**" means:

(a) in respect of a relevant period of less than one month, the Screen Rate (as defined below) for a term of one month;

(b) in respect of a relevant period of one or more months for which a Screen Rate is available, the applicable Screen Rate for a term for the corresponding number of months; and

(c) in respect of a relevant period of more than one month for which a Screen Rate is not available, the rate resulting from a linear interpolation by reference to two Screen Rates, one of which is applicable for a period next shorter and the other for a period next longer than the length of the relevant period,

(the period for which the rate is taken or from which the rates are interpolated being the "**Representative Period**").

For the purposes of paragraphs (a) to (c) above:

(i) "**available**" means the rates, for given maturities, that are calculated and published by Global Rate Set Systems Ltd (GRSS), or such other service provider selected by the European Money Markets Institute (EMMI), or any successor to that function of EMMI, as determined by the Bank; and

(ii) "**Screen Rate**" means the rate of interest for deposits in EUR for the relevant period as published at 11:00 a.m., Brussels time, or at a later time acceptable to the Bank on the day (the "**Reset Date**") which falls 2 (two) Relevant Business Days prior to the first day of the relevant period, on Reuters page EURIBOR 01 or its successor page or, failing which, by any other means of publication chosen for this purpose by the Bank.

If such Screen Rate is not so published, the Bank shall request the principal offices of four major banks in the euro-zone, selected by the Bank, to quote the rate at which EUR deposits in a comparable amount are offered by each of them, as at approximately 11:00 a.m., Brussels time on the Reset Date to prime banks in the euro-zone interbank market for a period equal to the Representative Period. If at least 2 (two) quotations are provided, the rate for that Reset Date will be the arithmetic mean of the quotations. If no sufficient quotations are provided as requested, the rate for that Reset Date will be the arithmetic mean of the rates quoted by major banks in the euro-zone, selected by the Bank, at approximately 11:00 a.m., Brussels time, on the day which falls 2 (two) Relevant Business Days after the Reset Date, for loans in EUR in a comparable amount to leading European banks for a period equal to the Representative Period. The Bank shall inform the Borrower without delay of the quotations received by the Bank.

All percentages resulting from any calculations referred to in this Schedule will be rounded, if necessary, to the nearest one thousandth of a percentage point, with halves being rounded up.

If any of the foregoing provisions becomes inconsistent with provisions adopted under the aegis of EMMI (or any successor to that function of EMMI as determined by the Bank) in respect of EURIBOR, the Bank may by notice to the Borrower amend the provision to bring it into line with such other provisions.

If the Screen Rate becomes permanently unavailable, the EURIBOR replacement rate will be the rate (inclusive of any spreads or adjustments) formally recommended by (i) the working group on euro risk-free rates established by the European Central Bank (ECB), the Financial Services and Markets Authority (FSMA), the European Securities and Markets Authority (ESMA) and the European Commission, or (ii) the European Money Market Institute, as the administrator of EURIBOR, or (iii) the competent authority responsible under Regulation (EU) 2016/1011 for supervising the European Money Market Institute, as the administrator of the EURIBOR, or (iv) the national competent authorities designated under Regulation (EU) 2016/1011, or (v) the European Central Bank.

If no Screen Rate and/or the EURIBOR replacement rate is available as provided above, EURIBOR shall be the rate (expressed as a percentage rate per annum) which is determined by the Bank to be the all-inclusive cost to the Bank for the funding of the relevant Tranche based upon the then applicable internally generated Bank reference rate or an alternative rate determination method reasonably determined by the Bank.

Schedule C

Form of Disbursement Offer/Acceptance (Articles 1.2.B and 1.2.C.)

To:	the Republic of Moldova
From:	European Investment Bank
Date:	
Subject:	Disbursement Offer/Acceptance for the Finance Contract between European Investment Bank and the Republic of Moldova dated _____ December 2022 (the "**Finance Contract**")
Project name:	Moldova Roads III B
	Contract Number: 96156 Operation Number: 2011-0650

Dear Sirs,

We refer to the Finance Contract. Terms defined in the Finance Contract have the same meaning when used in this letter.

Following your request for a Disbursement Offer from the Bank, in accordance with Article 1.2.B of the Finance Contract, we hereby offer to make available to you the following Tranche:

(a) Currency and amount to be disbursed and its EUR equivalent:

(b) Scheduled Disbursement Date:

(c) Interest rate basis:

(d) Interest payment periodicity:

(e) Payment Dates:

(f) Terms for repayment of principal:

(g) The Repayment Dates and the first and the last Repayment Date for the Tranche:

(h) The Interest Revision/Conversion Date:

(i) The Fixed Rate or Spread, applicable until the Interest Revision/Conversion Date if any, or until the Maturity Date.

To make the Tranche available subject to the terms and conditions of the Finance Contract, the Bank must receive a Disbursement Acceptance in the form of a copy of this Disbursement Offer duly signed on your behalf, to the following e-mail [__] no later than the Disbursement Acceptance Deadline of [time] Luxembourg time on [date].

The Disbursement Acceptance below must be signed by an Authorised Signatory and must be fully completed as indicated, to include the details of the Disbursement Account.

If not duly accepted by the above stated time, the offer contained in this document shall be deemed to have been refused and shall automatically lapse.

If you do accept the Tranche as described in this Disbursement Offer, all the related terms and conditions of the Finance Contract shall apply, in particular, the provisions of Article 1.4.

Yours faithfully,

EUROPEAN INVESTMENT BANK

We hereby accept the above Disbursement Offer for and on behalf of the Borrower:

Date:

IMPORTANT NOTICE TO THE BORROWER:

BY SIGNING BELOW YOU CONFIRM THAT THE LIST OF AUTHORISED SIGNATORIES AND ACCOUNTS PROVIDED TO THE BANK WAS DULY UPDATED PRIOR TO THE PRESENTATION OF THE ABOVE DISBURSEMENT OFFER BY THE BANK.

IN THE EVENT THAT ANY SIGNATORIES OR ACCOUNTS APPEARING IN THIS DISBURSEMENT ACCEPTANCE ARE NOT INCLUDED IN THE LATEST LIST OF AUTHORISED SIGNATORIES AND ACCOUNTS (AS DISBURSEMENT ACCOUNT) RECEIVED BY THE BANK, THE ABOVE DISBURSEMENT OFFER SHALL BE DEEMED AS NOT HAVING BEEN MADE.

Disbursement Account (as defined in the Finance Contract) to be credited:

Disbursement Account N°: .....

Disbursement Account Holder/Beneficiary: .....

(please, provide IBAN format if the country is included in IBAN Registry published by SWIFT, otherwise an appropriate format in line with the local banking practice should be provided)

Bank name and address: .....

Bank identification code (BIC): .....

Payment details to be provided: .....

Please transmit information relevant to:

Name(s) of the Borrower's Authorised Signatory(ies) (as defined in the Finance Contract):

.....

Signature(s) of the Borrower's Authorised Signatory(ies) (as defined in the Finance Contract):

Schedule D

Interest Rate Revision and Conversion

If an Interest Revision/Conversion Date has been included in the Disbursement Offer for a Tranche, the following provisions shall apply.

A. Mechanics of Interest Revision/Conversion

Upon receiving an Interest Revision/Conversion Request the Bank shall, during the period commencing 60 (sixty) days and ending 30 (thirty) days before the Interest Revision/Conversion Date, deliver to the Borrower an Interest Revision/Conversion Proposal stating:

(a) the Fixed Rate and/or Spread that would apply to the Tranche, or of its part indicated in the Interest Revision/Conversion Request pursuant to Article 3.1; and

(b) that such rate shall apply until the Maturity Date or until a new Interest Revision/Conversion Date, if any, and that interest is payable quarterly, semi-annually or annually in accordance with Article 3.1, in arrear on designated Payment Dates.

The Borrower may accept in writing an Interest Revision/Conversion Proposal by the deadline specified therein.

Any amendment to this Contract requested by the Bank in this connection shall be effected by an agreement to be concluded not later than 15 (fifteen) days prior to the relevant Interest Revision/Conversion Date.

Fixed Rates and Spreads are available for periods of not less than 4 (four) years or, in the absence of a repayment of principal during that period, not less than 3 (three) years.

B. Effects of Interest Revision/Conversion

If the Borrower duly accepts in writing a Fixed Rate or a Spread in respect of an Interest Revision/Conversion Proposal, the Borrower shall pay accrued interest on the Interest Revision/Conversion Date and thereafter on the designated Payment Dates.

Prior to the Interest Revision/Conversion Date, the relevant provisions of this Contract and Disbursement Offer and Disbursement Acceptance shall apply to the Tranche in its entirety. From and including the Interest Revision/Conversion Date onwards, the provisions contained in the Interest Revision/Conversion Proposal relating to the new Fixed Rate or Spread shall apply to the Tranche (or any part thereof, as indicated in the Interest Revision/Conversion Request) until the new Interest Revision/Conversion Date, if any, or until the Maturity Date.

C. Partial or no Interest Revision/Conversion

In case of a partial Interest Revision/Conversion, the Borrower will repay, without indemnity, on the Interest Revision/Conversion Date the part of the Tranche that is not covered by the Interest Revision/Conversion Request and which is therefore not subject to the Interest Revision/Conversion.

If the Borrower does not submit an Interest Revision/Conversion Request or does not accept in writing the Interest Revision/Conversion Proposal for the Tranche or if the Parties fail to effect an amendment requested by the Bank pursuant to paragraph A above, the Borrower shall repay the Tranche in full on the Interest Revision/Conversion Date, without indemnity.

Schedule E

Certificates to be provided by the Borrower

A.1 **Form of Certificate from Borrower (Article 1.4.D)**

To:	European Investment Bank
From:	the Republic of Moldova
Date:	
Subject:	Certificate for the Finance Contract between European Investment Bank and the Republic of Moldova dated _____ December 2022 (the "**Finance Contract**")
Project Name:	Moldova Roads III B
	Contract Number: 96156 Operation Number: 2011-0650

Dear Sirs,

Terms defined in the Finance Contract have the same meaning when used in this letter.

For the purposes of Article 1.4 of the Finance Contract we hereby certify to you as follows:

(a) there has been no material change to any aspect of the Project or in respect of which we are obliged to report under Article 8.1, save as previously communicated by us;

(b) we have sufficient funds available to ensure the timely completion and implementation of the Project in accordance with Schedule A;

(c) no event or circumstance which constitutes or would with the passage of time or giving of notice under the Finance Contract constitute a Prepayment Event or an Event of Default has occurred and is continuing unremedied or unwaived;

(d) no litigation, arbitration administrative proceedings or investigation is current or to our knowledge is threatened or pending before any court, arbitral body or agency which has resulted or if adversely determined is reasonably likely to result in a Material Adverse Change, nor is there subsisting against us or any of our subsidiaries any unsatisfied judgement or award;

(e) the representations and warranties to be made or repeated by us under Article 6.12 are true in all respects;

(f) no Material Adverse Change has occurred, as compared with the situation at the date of the Finance Contract, and

(g) the most recent List of Authorised Signatories and Accounts provided to the Bank by the Borrower is up-to-date and the Bank may rely on the information set out therein.

(h) We undertake to immediately notify the Bank if any the above fails to be true or correct as of the Disbursement Date for the proposed Tranche.

Yours faithfully,

For and on behalf of the Republic of Moldova

Date:

Annex I

Agreed form legal opinion

European Investment Bank

98-100 Bd. Konrad Adenauer

L-2950 Luxembourg

Luxembourg

To the attention of the Legal Directorate

[*date*]

Re: Moldova Roads III B – the Finance Contract between the Republic of Moldova and the European Investment Bank dated _____ December 2022

(Operation number 2011-0650, Contract number 96156)

Dear Sirs,

I, the undersigned, Minister of Justice of the Republic of Moldova, am giving this opinion pursuant to Article 1.4.B(c) of the finance contract dated _____ (the "**Finance Contract**") between the Republic of Moldova (the "**Borrower**") and the European Investment Bank (the "**Bank**") pursuant to which the Bank has agreed to provide a credit to the Borrower in an amount equivalent to EUR 100,000,000 (one hundred million euros) for the purpose of financing the Moldova Roads III B project.

All terms used herein and not otherwise defined shall have the same meaning as in the Finance Contract.

I have examined the original of the Finance Contract and I have examined such laws, documents and other matters, as I have deemed necessary or appropriate for the purpose of giving this opinion.

Subject to the foregoing, I am of the opinion that:

1. The Finance Contract has been duly executed on behalf of the Borrower by [*Name*], [*Position*] as lawful representative of the Borrower.
2. The execution of the Finance Contract by [*Name*], [*Position*] as lawful representative of the Borrower has been made pursuant to and in accordance with the provisions of [*insert details of relevant laws*].
3. Under the laws of the Republic of Moldova, it is not necessary that the Finance Contract be filed, recorded, registered or enrolled with any court or other authority in order to ensure the legality, validity or enforceability of the Finance Contract.
4. The choice of Luxembourgish law as the law governing the Finance Contract (other than Article 11.2) is valid and enforceable.
5. None of the following:
   (i) the entry into the Finance Contract by the Borrower;
   (ii) the performance by the Borrower of its obligations under the Finance Contract;
   (iii) the transactions contemplated by the Finance Contract;
   (iv) the acceptance of the Credit by the Borrower; and
   (v) the countersigning of a Disbursement Acceptance and the acceptance of a disbursement of a Tranche under the Finance Contract,

   in any way conflicts, or is in breach of, any restrictions on the incurring of financial indebtedness by the Borrower, including without limitation any such restrictions imposed by any international financial institution or international bank.

6. The arbitration agreement contained in the Finance Contract to settle any dispute between the Borrower and the Bank by an arbitral tribunal with its seat in Amsterdam in accordance with the Rules of Arbitration of the International Chamber of Commerce is a valid, binding and effective agreement by the Borrower to submit to arbitration. The choice of Dutch law as the law governing Article 11.2 of the Finance Contract is valid and enforceable. Any award obtained in an arbitration proceeding conducted in accordance with the arbitration provisions of the Finance Contract against the Borrower in relation to a dispute under or in connection with the Finance Contract would be recognised and enforced in the Republic of Moldova.

7. No taxes, duties, fees or other charges, including, without limitation, any registration or transfer tax, stamp duty or similar levy, imposed by the Republic of Moldova, or any of its political subdivision or tax authority, are payable in connection with the execution of the Finance Contract, nor in connection with any payment to be made by the Borrower to the Bank pursuant to the Finance Contract.

8. The Borrower has obtained all necessary Authorisations required in connection with the Finance Contract.

9. All necessary exchange control consents, which may be necessary to receive disbursements, to repay the same, to pay interest and all other amounts due under the Finance Contract and to open and operate the Disbursement Account are in effect.

10. The waiver of immunity under Article 11.5 of the Finance Contract is a legally valid and binding obligation of the Borrower.

11. The Finance Contract has been duly ratified by the Parliament of the Republic of Moldova in accordance with the laws of the Republic of Moldova.

12. No Authorisations pursuant to any exchange control laws and regulations applicable in the Republic of Moldova are necessary to permit the Borrower to receive disbursements as provided in the Finance Contract, to repay the disbursed Tranches in accordance with the Finance Contract, to pay interest and all other amounts due under the Finance Contract and to open and operate the Disbursement Account.

Based on the foregoing, I am of the opinion that all requirements currently applicable to the Borrower, the Promoter, and/or the Finance Contract under the laws of the Republic of Moldova have been complied with, and that the Finance Contract constitutes valid and binding obligations of the Borrower, enforceable in accordance with their terms.

Yours faithfully,

_____

[Name]

Minister of Justice of the Republic of Moldova

Annex II

Authority of Signatory