EXECUTION COPY
(Operation Number 46112)

LOAN AGREEMENT

(Balti District Heating)

between

REPUBLIC OF MOLDOVA

and

EUROPEAN BANK
FOR RECONSTRUCTION AND DEVELOPMENT

Dated 30 October 2014

TABLE OF CONTENTS

ARTICLE I - STANDARD TERMS AND CONDITIONS; DEFINITIONS 2
Section 1.01. Incorporation of Standard Terms and Conditions 2
Section 1.02. Definitions 2
Section 1.03. Interpretation 2

ARTICLE II - PRINCIPAL TERMS OF THE LOAN 2
Section 2.01. Amount and Currency 2
Section 2.02. Other Financial Terms of the Loan 2
Section 2.03. Drawdowns 3
Section 2.04. Prepayment 3

ARTICLE III - EXECUTION OF THE PROJECT 4
Section 3.01. Other Affirmative Project Covenants 4

ARTICLE IV - SUSPENSION; ACCELERATION; CANCELLATION 5
Section 4.01. Suspension 5
Section 4.02. Acceleration of Maturity 6

ARTICLE V - EFFECTIVENESS 6
Section 5.01. Conditions Precedent to Effectiveness 6
Section 5.02. Legal Opinions 7
Section 5.03. Termination for Failure to Become Effective 7

ARTICLE VI - MISCELLANEOUS 7
Section 6.01. Notices 7

SCHEDULE 1 - DESCRIPTION OF THE PROJECT 1

SCHEDULE 2 - CATEGORIES AND DRAWDOWNS 1

LOAN AGREEMENT

AGREEMENT dated 30 October 2014 between **REPUBLIC OF MOLDOVA** (the "Borrower") and **EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT** (the "Bank").

PREAMBLE

WHEREAS, the Bank has been established to provide financing for specific projects to foster the transition towards open market-oriented economies and to promote private and entrepreneurial initiative in the Central and Eastern European countries committed to and applying the principles of multiparty democracy, pluralism and market economics;

WHEREAS, the Borrower intends to implement the Project as described in Schedule 1 which is designed to assist in the improvement of the district heating infrastructure of the Project Entity (as defined below);

WHEREAS, the Project will be carried out by CET-Nord JSC (the "Project Entity") with assistance from the Borrower and, as part of such assistance, the Borrower will make available proceeds of the Loan in accordance with the Subsidiary Loan Agreements;

WHEREAS, the Borrower has requested assistance from the Bank in financing part of the Project;

WHEREAS, the Bank is in the process of arranging technical cooperation funds on a grant basis to assist in implementing the Project;

WHEREAS, the Borrower intends to obtain a co-financing grant to be made available by the Bank from the resources of the Eastern Europe Energy Efficiency and Environment Partnership Fund (the "E5P Fund") in the amount of up to EUR 3 million to assist in financing the Project, subject the terms and conditions to be set forth in an agreement (the "Grant Agreement") between the Borrower and the Bank;

WHEREAS, the City of Balti (the "City") shall enter into a project support agreement (the "Project Support Agreement") with the Bank to support the implementation of the Project; and

WHEREAS, the Bank has agreed on the basis of, *inter alia*, the foregoing to make a loan to the Borrower in the amount of up to EUR 7,000,000, subject to the terms and conditions set forth or referred to in this Agreement and in the project agreement dated the date hereof between the Project Entity and the Bank (the "Project Agreement" as defined in the Standard Terms and Conditions).

NOW, THEREFORE, the parties hereby agree as follows:

ARTICLE I - STANDARD TERMS AND CONDITIONS; DEFINITIONS

Section 1.01. Incorporation of Standard Terms and Conditions

All of the provisions of the Bank's Standard Terms and Conditions dated 1 December 2012 are hereby incorporated into and made applicable to this Agreement with the same force and effect as if they were fully set forth herein (such provisions are hereinafter called the "Standard Terms and Conditions").

Section 1.02. Definitions

Wherever used in this Agreement (including the Preamble and Schedules), unless stated otherwise or the context otherwise requires, the terms defined in the Preamble have the respective meanings given to them therein, the terms defined in the Standard Terms and Conditions have the respective meanings given to them therein and the following terms have the following meanings:

"Borrower's Authorised Representative"	means the Minister of Finance of the Borrower.
"Fiscal Year"	means the Project Entity's fiscal year commencing on 1 January of each year.
"Subsidiary Loan Agreement"	means the loan agreement to be entered into between the Project Entity and the Borrower pursuant to Section 3.01(a), as such loan agreement may be amended from time to time.

Section 1.03. Interpretation

In this Agreement, a reference to a specified Article, Section or Schedule shall, except where stated otherwise in this Agreement, be construed as a reference to that specified Article or Section of, or Schedule to, this Agreement.

ARTICLE II - PRINCIPAL TERMS OF THE LOAN

Section 2.01. Amount and Currency

The Bank agrees to lend to the Borrower, on the terms and conditions set forth or referred to in this Agreement, the amount of up to EUR 7,000,000.

Section 2.02. Other Financial Terms of the Loan

(a) The Minimum Drawdown Amount shall be EUR 50,000.

(b) The Minimum Prepayment Amount shall be EUR 1,000,000.

(c) The Minimum Cancellation Amount shall be EUR 1,000,000.

(d) The Interest Payment Dates shall be 25 February and 25 August of each year.

(e) (1) The Borrower shall repay the Loan in 24 equal (or as nearly equal as possible) semi-annual instalments on 25 February and 25 August of each year, starting on the first such Interest Payment Date to occur after the third anniversary of the signing of this Agreement and ending on the first such Interest Payment date falling on, or immediately after, the fifteenth anniversary of the signing of this Agreement.

(2) Notwithstanding the foregoing, in the event that (i) the Borrower does not draw down the entire Loan amount prior to the first Loan Repayment Date specified in this Section 2.02.(e), and (ii) the Bank extends the Last Availability Date specified in Section 2.02.(f) below to a date which falls after such first Loan Repayment Date, then the amount of each drawdown made on or after the first Loan Repayment Date shall be allocated for repayment in equal amounts to the several Loan Repayment Dates which fall after the date of such drawdown (with the Bank adjusting the amounts so allocated as necessary so as to achieve whole numbers in each case). The Bank shall, from time to time, notify the Borrower of such allocations.

(f) The Last Availability Date shall be 31 December 2017, or such later date that the Bank may in its discretion establish and notify to the Borrower.

(g) The rate of the Commitment Charge shall be 0.5% per annum.

(h) The Loan is subject to a Variable Interest Rate.

Section 2.03. Drawdowns

(a) The Available Amount may be drawn down from time to time in accordance with the provisions of Schedule 2 to finance (1) expenditures made (or, if the Bank so agrees, to be made) in respect of the reasonable cost of goods, works and services required for the Project, and (2) the Front-end Commission.

Section 2.04. Prepayment

Notwithstanding Section 3.07 of the Standard Terms and Conditions, the Borrower shall, unless the Bank otherwise agrees, upon receipt of a prepayment from the Project Entity pursuant to Section 3.02(a)(5) of the Project Agreement, make a prepayment of the Loan in the amount of such prepayment from the Project Entity.

ARTICLE III - EXECUTION OF THE PROJECT

Section 3.01. Other Affirmative Project Covenants

In addition to the general undertakings set forth in Articles IV and V of the Standard Terms and Conditions, the Borrower shall, unless the Bank otherwise agrees:

(a) Make available to the Project Entity, pursuant to a loan agreement in form and substance satisfactory to the Bank, the proceeds of the Loan on terms and conditions acceptable to the Bank;

(b) Exercise its rights under the Subsidiary Loan Agreement in such manner as to protect the interests of the Borrower and the Bank, to comply with the provisions of this Agreement and to accomplish the purposes for which the Loan is made;

(c) Not, except as the Bank otherwise agrees, assign, amend, abrogate or waive any provision of the Subsidiary Loan Agreement;

(d) Cause the Project Entity to perform all of its obligations under the Project Agreement, including without limitation its obligations relating to:

(1) establishment and operation of a project implementation unit as provided for in Section 2.03 of the Project Agreement;

(2) procurement of goods, works and services from the Project as provided for in Section 2.04 of the Project Agreement;

(3) environmental and social matters as provided for in Section 2.05 of the Project Agreement;

(4) employment and use of consultants to assist in the implementation of the Project as provided for in Section 2.06 of the Project Agreement;

(5) preparation and submission of reports on matters relating to the Project and to the Project Entity's operations as provided for in Section 2.07 of the Project Agreement;

(7) maintenance of procedures, records and accounts, preparation, auditing and submission to the Bank of financial statements and furnishing to the Bank any other relevant information relating to the Project or the Project Entity's operations as provided for in Section 3.01 of the Project Agreement; and

(8) compliance with all covenants regarding financial and operational aspects of the Project and the Project Entity as provided for in Sections 3.02, 3.03, 3.04 and 3.05 of the Project Agreement;

(e) Take all action necessary to achieve that the Grant Agreement becomes effective no later than 31 March 2015 or such other date as the Bank has established in writing (the "Grant Deadline");

(f) Take, or cause to be taken, all additional action necessary to provide adequate funds for the completion of the Project;

(g) Not amend, suspend, abrogate, repeal or waive its legislation so as to affect materially and adversely the ability of the Project Entity to perform any of its obligations under the Project Agreement;

(h) Enter into a management contract with the Project Entity, regulating (i) the responsibilities of the Government of Moldova (represented by the Ministry of Economy) and the Project Entity and (ii) the governance of the Project Entity;

(i) Through its authorised bodies, support the adoption of sufficient tariff adjustments to enable the Project Entity to implement district heating tariffs that allow full cost recovery, including the costs for servicing its obligations under the Subsidiary Loan Agreement, by 31 December 2017. Without limiting the generality of the foregoing, such tariff adjustments to full cost recovery shall be gradually implemented on an annual basis starting from 2015. After reaching full cost recovery level in 2017 such full cost recovery level (including the costs for servicing its obligations under the Subsidiary Loan Agreement) shall be maintained for the duration of this Agreement.

(j) Not, without the prior written consent of the Bank, claim, make, recover, receive or retain (or seek to claim, make, recover, receive or retain) any dividend or other form of distribution (including by means of any charge, fee, the repayment of any loan or otherwise and whether in cash or in kind) from the Project Entity; and

(k) Not instruct or otherwise direct the Project Entity to use its profits, or any significant portion thereof, for the making of investments that could jeopardise in any way the successful implementation of the Project and the successful and punctual repayment of the indebtedness under the Subsidiary Loan Agreement;

ARTICLE IV - SUSPENSION; ACCELERATION; CANCELLATION

Section 4.01. Suspension

The following are specified for purposes of Section 7.01(a)(xvii) of the Standard Terms and Conditions:

(a) The legislative and regulatory framework applicable to the district heating sector in the territory of the Borrower shall have been amended, suspended, abrogated, repealed or waived in a manner other than as approved by the Bank in writing;

(b) Control of the Project Entity shall have been transferred to a party other than the Borrower; or

(c) The Project Entity shall have failed to perform any of its obligations under the Subsidiary Loan Agreement.

Section 4.02. Acceleration of Maturity

The following are specified for purposes of Section 7.06(f) of the Standard Terms and Conditions:

(a) any event specified in Section 4.01 shall have occurred and shall have continued for thirty (30) days after notice thereof shall have been given by the Bank to the Borrower.

ARTICLE V - EFFECTIVENESS

Section 5.01. Conditions Precedent to Effectiveness

The following are specified for purposes of Section 9.02(c) of the Standard Terms and Conditions as additional conditions to the effectiveness of this Agreement and the Project Agreement:

(a) The Subsidiary Loan Agreement, in form and substance satisfactory to the Bank, has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Project Entity to make drawings thereunder, except only the effectiveness of this Agreement, have been fulfilled;

(b) The Grant Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Borrower to make drawings thereunder, except only the effectiveness of this Agreement, have been fulfilled;

(c) The Project Support Agreement has been executed and delivered and all conditions precedent to its effectiveness, except only the effectiveness of this Agreement, have been fulfilled, and the Bank shall have received an opinion in form and substance satisfactory to it an opinion of legal counsel in form and substance satisfactory to it, in respect of such matters as shall be reasonably requested by the Bank and showing that on behalf of the City, the Project Support Agreement has been duly authorised or ratified by, and executed and delivered on behalf of, the City and constitutes a valid and legally binding obligation of the City, enforceable in accordance with its terms;

(d) The Project Implementation Unit shall have been established and adequately staffed in accordance with the provisions of Section 2.03 of the Project Agreement;

(e) The Project Entity shall have fulfilled its obligations under a debt restructuring agreement to be reached with Moldova-Gaz for past unpaid gas debts, or in the absence of such agreement the Project Entity shall be proceeding with repayments of past unpaid gas debt in a manner acceptable to the Bank; and

(f) A heating tariff adjustment in compliance with Section 3.01 (i) and otherwise acceptable to the Bank shall have been implemented.

Section 5.02. Legal Opinions

(a) For purposes of Section 9.03(a) of the Standard Terms and Conditions, the opinion or opinions of counsel shall be given on behalf of the Borrower by the Minister of Justice and the following are specified as additional matters to be included in the opinion or opinions to be furnished to the Bank:

(1) the Subsidiary Loan Agreement has been duly authorised or ratified by, and delivered on behalf of, the Borrower and constitutes a valid and legally binding obligation of the Borrower, enforceable in accordance with its terms.

(b) For purposes of Section 9.03(c) of the Standard Terms and Conditions, the opinion or opinions of counsel shall be given on behalf of the Project Entity by the chief legal officer of the Project Entity and the following are specified as additional matters to be included in the opinion or opinions to be furnished to the Bank:

(1) the Subsidiary Loan Agreement has been duly authorised or ratified by, and executed and delivered on behalf of, the Project Entity and constitutes a valid and legally binding obligation of the Project Entity, enforceable in accordance with its terms.

Section 5.03. Termination for Failure to Become Effective

The date 365 days after the date of this Agreement is specified for purposes of Section 9.04 of the Standard Terms and Conditions.

ARTICLE VI - MISCELLANEOUS

Section 6.01. Notices

The following addresses are specified for purposes of Section 10.01 of the Standard Terms and Conditions:

For the Borrower:

Republic of Moldova
Ministry of Finance
7 Cosmonautilor Street
Chisnau, MD 2005
Moldova

Attention: Minister of Finance

Fax: +373-(22)-22-53-93

For the Bank:

European Bank for Reconstruction and Development
One Exchange Square
London EC2A 2JN
United Kingdom

Attention: Operation Administration Department

Fax: +44-20-7338-6100

IN WITNESS WHEREOF, the parties hereto, acting through their duly authorised representatives, have caused this Agreement to be signed in four copies and delivered at Balti, Moldova as of the day and year first above written.

REPUBLIC OF MOLDOVA

By: _____
Name: Iurie Leanca
Title: Prime Minister

EUROPEAN BANK
FOR RECONSTRUCTION AND DEVELOPMENT

By: _____
Name: Lin O'Grady
Title: Deputy Director

SCHEDULE 1 - DESCRIPTION OF THE PROJECT

1. The purpose of the Project is to assist the Project Entity in implementing a Priority Investment Programme with the aim to improve energy efficiency, reduce operating costs and improve the delivery of district heating services in the City of Balti.

2. The Project consists of the following Parts, subject to such modifications thereof as the Bank and the Borrower may agree upon from time to time:

The Project consists of the following Parts, subject to such modifications thereof as the Bank, the Borrower and the Project Entity may agree upon from time to time:

Part A: Installation of approximately 170 Individual Heating Sub-stations ("IHS") in buildings connected to the district heating network of the Project Entity. These IHSs will improve regulation and measurement of heat delivery and improve energy efficiency.

Part B: Installation of three gas engines for combined heat and electricity generation at the central production facility of the Project Entity. This will improve energy efficiency and increase electricity generation capacity.

Part C: Replacement of district heating network pumps and fans, and installation of frequency converters at the central production facility of the Project Entity, improving energy efficiency and reducing electricity and gas consumption in the production process.

Part D: Replacement of a coal-fired boiler with a boiler for biomass pellet fuel in the "Molodova" production facility of the Project Entity. This will reduce CO_2 emissions and reduce operational costs.

3. The Project is expected to be completed by 30 September 2017.

SCHEDULE 2 - CATEGORIES AND DRAWDOWNS

1. The table attached to this Schedule sets forth the Categories, the amount of the Loan allocated to each Category and the percentage of expenditures to be financed in each Category.

2. Notwithstanding the provisions of paragraph 1 above, no Drawdown shall be made in respect of expenditures incurred prior to the date of the Loan Agreement.

Attachment to Schedule 2

Category	Amount of the Loan Allocated in the Loan Currency	Percentage of Expenditures to be Financed
(1) Supply and installation of (a) 170 HISs, (b) 3 gas engine CHPs and (c) biopellet boiler.	EUR 6.13 million	68% of contract value excluding any Taxes
(2) Supply of goods: pumps, fans and frequency converters.	EUR 0.8 million	70% of contract value excluding any Taxes
(3) Front-End Commission	**EUR 70,000**	**100%**
Total	**EUR 7.0 million**	**70%**

European Bank
for Reconstruction and Development

STANDARD TERMS AND CONDITIONS

1 December 2012

This document reflects existing Bank policies and practices and may be revised from time to time

TABLE OF CONTENTS

ARTICLE I - APPLICATION OF STANDARD TERMS AND CONDITIONS 1

SECTION 1.01. APPLICATION OF STANDARD TERMS AND CONDITIONS 1
SECTION 1.02. INCONSISTENCY WITH LOAN AGREEMENTS AND GUARANTEE AGREEMENTS 1

ARTICLE II - REFERENCES AND HEADINGS; DEFINITIONS 1

SECTION 2.01. INTERPRETATION 1
SECTION 2.02. DEFINITIONS 2

ARTICLE III - DRAWDOWNS; REIMBURSEMENT COMMITMENTS; INTEREST AND OTHER CHARGES; REPAYMENT 13

SECTION 3.01. DRAWDOWNS 13
SECTION 3.02. CONDITIONAL AND UNCONDITIONAL REIMBURSEMENT COMMITMENTS 14
SECTION 3.03. REALLOCATION 14
SECTION 3.04. INTEREST 15
SECTION 3.05. COMMITMENT CHARGE AND FRONT-END COMMISSION 17
SECTION 3.06. PAYMENTS BY THE BORROWER 18
SECTION 3.07. PREPAYMENT 18
SECTION 3.08. CANCELLATION 18
SECTION 3.09. DEFAULT INTEREST 19
SECTION 3.10. UNWINDING COSTS 20
SECTION 3.11. CURRENCY, FORM, AND DETERMINATION OF PAYMENTS 21
SECTION 3.12. FEES AND COSTS 22
SECTION 3.13. MARKET DISRUPTION 22

ARTICLE IV - EXECUTION OF THE PROJECT 23

SECTION 4.01. COOPERATION AND INFORMATION 23
SECTION 4.02. RESPONSIBILITIES RELATING TO PROJECT EXECUTION 23
SECTION 4.03. PROCUREMENT 24
SECTION 4.04. PROJECT RECORDS AND REPORTS 24

ARTICLE V - FINANCIAL AND OPERATIONAL COVENANTS 26

SECTION 5.01. NEGATIVE PLEDGE 26
SECTION 5.02. REPORTING 26

ARTICLE VI - TAXES; RESTRICTIONS ON PAYMENT 27

SECTION 6.01. TAXES 27
SECTION 6.02. RESTRICTIONS ON PAYMENT 28

ARTICLE VII - SUSPENSION AND CANCELLATION; ACCELERATION OF MATURITY 28

SECTION 7.01. SUSPENSION 28
SECTION 7.02. CANCELLATION BY THE BANK 31
SECTION 7.03. UNCONDITIONAL REIMBURSEMENT COMMITMENT UNAFFECTED BY SUSPENSION OR CANCELLATION 31
SECTION 7.04. OBLIGATIONS OF THE BORROWER AND THE GUARANTOR 32
SECTION 7.05. CANCELLATION OF GUARANTEE 32
SECTION 7.06. EVENTS OF ACCELERATION 32

ARTICLE VIII - ENFORCEABILITY; DISPUTE RESOLUTION 33

SECTION 8.01. ENFORCEABILITY 33
SECTION 8.02. OBLIGATIONS OF THE GUARANTOR 33
SECTION 8.03. FAILURE TO EXERCISE RIGHTS 33
SECTION 8.04. DISPUTE RESOLUTION 34

ARTICLE IX - EFFECTIVENESS; TERMINATION 35

SECTION 9.01. EFFECTIVE DATE 35
SECTION 9.02. CONDITIONS PRECEDENT TO EFFECTIVENESS 35
SECTION 9.03. LEGAL OPINION 36
SECTION 9.04. TERMINATION FOR FAILURE TO BECOME EFFECTIVE 36
SECTION 9.05. TERMINATION ON PERFORMANCE 36

ARTICLE X - NOTICES; AUTHORISED REPRESENTATIVES; AMENDMENT 37

SECTION 10.01. NOTICES 37
SECTION 10.02. AUTHORITY TO ACT 37
SECTION 10.03. AMENDMENT 37
SECTION 10.04. ENGLISH LANGUAGE 38

ARTICLE I - APPLICATION OF STANDARD TERMS AND CONDITIONS

Section 1.01. Application of Standard Terms and Conditions

(a) Any agreement of the Bank in connection with a loan, guarantee or other financial accommodation for, or guaranteed by, a member of the Bank may provide that the parties to that agreement accept the provisions of these Standard Terms and Conditions. To the extent so provided in any such agreement, these Standard Terms and Conditions shall apply thereto with the same force and effect as if they were fully set forth therein. No revocation or amendment of these Standard Terms and Conditions shall be effective in respect of any such agreement unless the parties to that agreement shall so agree.

(b) In a case in which:

(i) the Loan Agreement is between the Bank and a member of the Bank, references in these Standard Terms and Conditions to the "Guarantor", the "Guarantee Agreement" and the "Guarantor's Authorised Representative" shall be disregarded;

(ii) there is no Project Agreement, references in these Standard Terms and Conditions to the "Project Agreement" shall be disregarded; and

(iii) the entire Project is to be carried out by the Borrower, references in these Standard Terms and Conditions to the "Project Entity" shall be disregarded.

Section 1.02. Inconsistency with Loan Agreements and Guarantee Agreements

If a provision of an agreement referred to in Section 1.01(a) is inconsistent with a provision of these Standard Terms and Conditions, the provision of such agreement shall govern.

ARTICLE II - REFERENCES AND HEADINGS; DEFINITIONS

Section 2.01. Interpretation

(a) References in these Standard Terms and Conditions to Articles or Sections are to Articles or Sections of these Standard Terms and Conditions.

(b) In these Standard Terms and Conditions, or in an agreement to which these Standard Terms and Conditions apply, unless the context otherwise requires, words denoting the singular include the plural and vice versa, words denoting persons include corporations, partnerships and other legal persons and references to a person includes its successors and permitted assigns.

(c) In these Standard Terms and Conditions, or in an agreement to which these Standard Terms and Conditions apply, the headings of Articles and Sections, as well as the Table of Contents, are inserted for convenience of reference only and shall not be used to interpret these Standard Terms and Conditions or such agreements.

Section 2.02. Definitions

Except where stated otherwise, the following terms have the following meanings wherever used in these Standard Terms and Conditions or in an agreement to which these Standard Terms and Conditions apply:

"Affiliate"	as used in respect of any person, means any other person directly or indirectly controlling, controlled by, or under common Control with, such person.
"Agreement Establishing the Bank"	means the Agreement Establishing the European Bank for Reconstruction and Development, dated 29 May 1990.
"Assets"	includes property, revenues or claims of any kind.
"Available Amount"	means so much of the Loan as shall not, from time to time, have been cancelled or drawn down or made subject to a conditional or unconditional Reimbursement Commitment.
"Bank"	means the European Bank for Reconstruction and Development.
"Borrower"	means the party to which the Loan is made pursuant to the Loan Agreement.
"Borrower's Authorised Representative"	means the person designated as such in the Loan Agreement.
"Business Day"	means a day (other than a Saturday or Sunday) on which (i) where the currency of the Loan is USD or £, commercial banks are open for the transaction of general business (including dealings in foreign exchange and foreign currency deposits) in London, England, and on which commercial banks and foreign exchange markets settle payments in the Loan Currency in the principal financial centre of the country of issue of such currency or, (ii) where the currency of the Loan is Euro, commercial banks are open for the transaction of general business (including dealings in foreign exchange and foreign currency deposits) in London, England, and which is a TARGET Day.

"Category"	means a category of items to be financed out of the proceeds of the Loan as provided for in the Loan Agreement.
"Charges"	means charges, commissions, fees, premiums, Unwinding Costs and default interest in respect of the Loan.
"Co-financier"	means the financier (other than the Bank) referred to in Section 7.01(a)(x) providing the Co-financing; if the Loan Agreement specifies more than one such financier, "Co-financier" refers separately to each of such financiers.
"Co-financing"	means the financing referred to in Section 7.01(a)(x) and specified in the Loan Agreement provided or to be provided for the Project by the Co-financier. If the Loan Agreement specifies more than one such financing, "Co-financing" refers separately to each of such financings.
"Co-financing Agreement"	means the agreement referred to in Section 7.01(a)(x)(A) providing for the Co-financing.
"Co-financing Deadline"	means the date referred to in Section 7.01(a)(x)(A) and specified in the Loan Agreement by which the Co-financing Agreement is to become effective. If the Loan Agreement specifies more than one such date, "Co-financing Deadline" refers separately to each of such dates.
"Coercive Practice"	means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party.
"Collusive Practice"	means an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party.
"Commitment Charge"	means the commitment charge specified in Section 3.05(a).
"Control"	as used in respect of any person or entity (including, with correlative meanings, the terms "controlled by", "controlling" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such person or entity, whether through the ownership of voting shares or by contract or otherwise.
"Corrupt Practice"	means the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party.

"Currency"	means the lawful currency of a country which is legal tender for the payment of public and private debts in that country.
"Default Interest Determination Date"	means, where the currency is USD, for any Default Interest Period, the date two London Banking Days prior to the first day of such Default Interest Period (or, at the Bank's option, the first day of such Default Interest Period), or where the currency is £, for any Default Interest Period, the first day of such Default Interest Period, or where the currency is Euro, for any Default Interest Period, the date two Business Days prior to the first day of such Default Interest Period.
"Default Interest Period"	means, with respect to any amount overdue under the Loan Agreement, a period commencing on the day on which such payment becomes due or, as the case may be, on the last day of the previous Default Interest Period with respect to such overdue amount, and ending on a Business Day selected by the Bank.
"Dollars" or "USD"	means the lawful currency of the United States of America.
"Drawdown"	means the use of a part of the Available Amount by the Borrower through a payment or payments made by the Bank to the Borrower or to the order of the Borrower.
"EBRD Disbursement Handbook"	means the disbursement handbook of the Bank, as amended from time to time by the Bank.
"EBRD Procurement Rules"	means the Procurement Policies and Rules for projects financed by the European Bank for Reconstruction and Development, as amended from time to time by the Bank.
"Effective Date"	means the date upon which the Loan Agreement becomes effective in accordance with Section 9.01.
"Euro" or "EUR" or "€"	means the lawful currency of the member states of the European Union that adopt the single currency in accordance with the Treaty Establishing the European Community, as amended by the Treaty on European Union.
"External Debt"	means any debt which is or may become payable in a medium other than the Currency of the Member.
"Fixed Interest Rate"	means the rate of interest payable on the Loan from time to time in accordance with Section 3.04(d).

"Fraudulent Practice"	means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation.
"Front-end Commission"	means the front-end commission specified in Section 3.05(b).
"Guarantee Agreement"	means the agreement between the Bank and a member of the Bank providing for the guarantee of the Loan, as such agreement may be amended from time to time; and such term includes these Standard Terms and Conditions as applied thereto, all schedules to the Guarantee Agreement, and all agreements supplemental to, or included within the scope of, the Guarantee Agreement.
"Guarantor"	means the member of the Bank that is a party to the Guarantee Agreement.
"Guarantor's Authorised Representative"	means the person designated as such in the Guarantee Agreement.
"Incurring of Debt"	includes the assumption or guarantee of debt and any renewal, extension or modification of the terms of the debt or of the assumption or guarantee thereof.
"Interest Conversion Date"	means an Interest Payment Date selected by the Borrower as such in accordance with Section 3.04(c)(ii).
"Interest Conversion Period"	means a period of at least one (1) year, commencing on an Interest Payment Date and ending on an Interest Payment Date, selected by the Borrower as such in accordance with Section 3.04(c)(ii).
"Interest Determination Date"	means, where the currency is USD, for any Interest Period, the date two London Banking Days prior to the first day of such Interest Period, or, where the currency is £, for any Interest Period, the first day of such Interest Period, or where the currency is Euro, for any Interest Period, the date two Business Days prior to the first day of such Interest Period or a day otherwise defined in the Loan Agreement.

"Interest Fixing Date"	means, where the currency is USD, for any Interest Conversion Period selected by the Borrower as such in accordance with Section 3.04(c)(ii), a London Banking Day at least two London Banking Days prior to the first day of such Interest Conversion Period, or where the currency is £, for any Interest Conversion Period selected by the Borrower as such in accordance with Section 3.04(c)(ii), the London Banking Day prior to the first day of such Interest Conversion Period (or, at the Borrower's option, the first day of such Interest Conversion Period), or where the currency is Euro, for any Interest Conversion Period selected by the Borrower as such in accordance with Section 3.04(c)(ii), a Business Day at least two Business Days prior to the first day of such Interest Conversion Period.
"Interest Payment Date"	means any day falling on one of the dates so specified in the Loan Agreement for payment of interest on the Loan, provided, however, that, if any Interest Payment Date would otherwise fall on a day which is not a Business Day, such Interest Payment Date shall be changed to the next succeeding Business Day in the same calendar month or, if there is no succeeding Business Day in the same calendar month, the immediately preceding Business Day.
"Interest Period"	means, for any Drawdown, the period commencing on the date of such Drawdown and ending on the next Interest Payment Date, and each period thereafter commencing on an Interest Payment Date and ending on the next Interest Payment Date, provided that, if such Drawdown is made less than fifteen (15) Business Days prior to the next Interest Payment Date, the first Interest Period for such Drawdown shall commence on the date of such Drawdown and end on the Interest Payment Date following the next Interest Payment Date.
"Interest Rate"	means the Fixed Interest Rate or the Variable Interest Rate, or both, as specified in the Loan Agreement or, where the Fixed Interest Rate is established pursuant to Section 3.04(c) at a date which is later than the date of the Loan Agreement, in the notice from the Bank to the Borrower and the Guarantor issued in accordance with Section 3.04(c)(iii).
"Last Availability Date"	means the date specified as such in the Loan Agreement.
"Lien"	includes mortgages, pledges, charges, privileges and priorities of any kind and any arrangement having an equivalent effect.

"Loan"	means the loan provided for in the Loan Agreement.
"Loan Agreement"	means the loan agreement to which these Standard Terms and Conditions apply, as such agreement may be amended from time to time; and such term includes these Standard Terms and Conditions as applied thereto, all schedules to the Loan Agreement and all agreements supplemental to the Loan Agreement.
"Loan Currency"	means the Currency or Currencies in which the Loan is denominated, as specified in the Loan Agreement.
"Loan Repayment Date"	means any day falling on one of the dates specified in the Loan Agreement for repayment of the principal of the Loan, provided, however, that, if any Loan Repayment Date would otherwise fall on a day which is not a Business Day, such Loan Repayment Date shall be changed to the next succeeding Business Day in the same calendar month or, if there is no succeeding Business Day in the same calendar month, the immediately preceding Business Day.
"London Banking Day"	means a day (other than a Saturday or Sunday) on which commercial banks are open for the transaction of general business (including dealings in foreign exchange and foreign currency deposits) in London, England.
"Margin"	means one per cent (1%) per annum.
"Market Disruption Event"	means: (a) on the Interest Determination Date for the relevant Interest Period or the Default Interest Determination Date for the relevant Default Interest Period (in each case whether or not during a period in which all or any portion of the Loan is subject to a Fixed Interest Rate), the Reference Page is not available and none or only one of the major banks active in, as the case may be, the London interbank market (for USD or £) or the Euro-zone interbank market (for Euro) supplies a rate to the Bank to determine the Relevant Market Interest Rate for the Loan Currency for the relevant Interest Period or the default interest rate for the Loan Currency for the relevant Default Interest Period, as the case may be; or (b) before close of business in London on the Interest Determination Date for the relevant Interest Period or the Default Interest Determination Date for the relevant Default Interest Period (in each case whether or not during a period in which all or any portion of the Loan is subject to a Fixed Interest Rate), the Bank determines that the cost

	to the Bank of obtaining matching deposits in, as the case may be, the London interbank market (for USD or £) or the Euro-zone interbank market (for Euro) would be in excess of the Relevant Market Interest Rate.
"Member"	means the member of the Bank that is a party to the Loan Agreement or the Guarantee Agreement or other agreement referred to in Section 1.01(a).
"Minimum Cancellation Amount"	means the amount specified as such in the Loan Agreement.
"Minimum Drawdown Amount"	means the amount specified as such in the Loan Agreement.
"Minimum Prepayment Amount"	means the amount specified as such in the Loan Agreement.
"Pounds" or "£"	means the lawful currency of the United Kingdom of Great Britain and Northern Ireland.
"Prohibited Practice"	means any Corrupt Practice, Fraudulent Practice, Coercive Practice or Collusive Practice.
"Project"	means the project for which the Loan is made, as described in the Loan Agreement or Guarantee Agreement, as such description may be amended from time to time by agreement between the parties thereto.
"Project Agreement"	means each project agreement, if any, described in the Loan Agreement or Guarantee Agreement, as such agreement may be amended from time to time; and such term includes these Standard Terms and Conditions as applied thereto, all schedules to such Project Agreement and all agreements supplemental to such Project Agreement.
"Project Entity"	means each entity, specified as such in the Loan Agreement.
"Project Entity's Authorised Representative"	means, in respect of any Project Entity, the person designated as such in any Project Agreement.

"Public Assets"	means Assets of the Member, of any political or administrative subdivision thereof and of any entity owned and controlled by, or operating for the account or benefit of, the Member or any such subdivision, including gold and foreign exchange Assets held by any institution performing the functions of a central bank or exchange stabilisation fund, or similar functions, for the Member.
"Reference Page"	means the display of, (i) for Loans denominated in USD or £, London interbank offered rates of major banks for deposits in the Loan Currency designated as page LIBOR01 on Reuters services (or such other page as may replace page LIBOR01 on Reuters services for the purpose of displaying London interbank offered rates for deposits in the Loan Currency), and (ii) for Loans denominated in Euro, Euro-zone interbank offered rates for deposits in the Loan Currency designated as page EURIBOR01 on Reuters services (or such other page as may replace EURIBOR01 on Reuters services for the purpose of displaying Euro-zone interbank offered rates for deposits in the Loan Currency).
"Reimbursement Commitment"	means a commitment referred to in Section 3.02, and may be a "conditional Reimbursement Commitment" or an "unconditional Reimbursement Commitment", as those terms are used in that Section.
"Relevant Market Interest Rate"	means the interest rate specified in Section 3.04.
"Statutes"	means, in respect of the Borrower (if not a member of the Bank) or a Project Entity, its founding statute, act, decision, charter, or other similar instrument, as may be more specifically defined in the Loan Agreement or each Project Agreement.
"Subsidiary"	means, with respect to any entity, any other entity over fifty per cent (50%) of whose capital is owned, directly or indirectly, by such entity or which is otherwise effectively controlled by such entity.
"TARGET Day"	means a day on which the Trans-European Automated Real-Time Gross Settlement Payment System (TARGET) System is open for the settlement of payments in Euro.
"Taxes"	includes imposts, levies, fees and duties of any nature, whether in effect at the date of the Loan Agreement, Guarantee Agreement or any Project Agreement or thereafter imposed on the territory of the Member.

"Tranche" means a part of the Loan identified as such in the Loan Agreement.

"Unwinding Costs" means:

(I) subject to paragraph II below, the amount by which the Original Income Stream exceeds the Substitute Income Stream, where:

(a) "Original Income Stream" means the aggregate of the present values of the payments of principal and interest which would have become due to the Bank on the portion of the Loan which is subject to the Fixed Interest Rate during the Calculation Period (as defined below) if such prepayment, acceleration or cancellation had not occurred and if interest accrued on such portion of the Loan at the Fixed Rate (as defined below) during the periods in which the Fixed Interest Rate is in effect in accordance with Section 3.04(d) and applying the applicable Floating Rate for all other periods.

(b) "Substitute Income Stream" means the sum of:

(1) the aggregate of the present values of any remaining payments of principal and interest which, after taking into account such prepayment, cancellation or acceleration, would become due to the Bank on the portion of the Loan which is subject to the Fixed Interest Rate during the Calculation Period if interest accrued on such portion of the Loan at the Fixed Rate during the periods in which the Fixed Interest Rate is in effect in accordance with Section 3.04(d) and applying the applicable Floating Rate for all other periods; and

(2) as applicable:

(A) in the case of a prepayment pursuant to Section 3.07, the present value of the amount of the Loan which is subject to the Fixed Interest Rate and which is to be prepaid, determined by discounting such amount from the date such prepayment becomes due to the

Calculation Date (as defined below) at the Discount Rate (as defined below); and/or

(B) in the case of any other prepayment, the amount of the Loan which is subject to the Fixed Interest Rate and which has been prepaid; and/or

(C) in the case of an acceleration, the present value of the amount of the Loan which is subject to the Fixed Interest Rate and which has been accelerated, determined by discounting such amount from the date such acceleration becomes effective to the Calculation Date at the Discount Rate; and/or

(D) in the case of a cancellation, the present value of the amount of the Loan which is subject to the Fixed Interest Rate and which has been cancelled, determined by discounting such amount from the Last Availability Date to the Calculation Date at the Discount Rate.

(c) "Fixed Rate" means the Fixed Interest Rate less the Margin.

(d) For purposes of paragraphs (I)(a) and (I)(b)(1) above, the present value of each payment of principal and interest shall be determined by discounting the amount of such payment from its due date to the Calculation Date using the Discount Rate.

(e) "Calculation Date" means:

(1) in the case of a prepayment pursuant to Section 3.07, the date two Business Days prior to the date such prepayment becomes due or, at the Bank's option, the date such prepayment becomes due;

(2) in the case of any other prepayment, the date such prepayment is made or such later date as the Bank may select in its discretion; and

(3) in the case of an acceleration or cancellation, the date two Business Days prior to the date such acceleration or cancellation becomes effective or, at the Bank's option, the date such acceleration or cancellation becomes effective.

(f) "Calculation Period" means:

(1) in the case of a prepayment pursuant to Section 3.07, the period commencing on the date such prepayment becomes due and ending on the final Loan Repayment Date;

(2) in the case of any other prepayment, the period commencing on the date such prepayment is made, or such later date as the Bank may select in its discretion, and ending on the final Loan Repayment Date; and

(3) in the case of an acceleration or cancellation, the period commencing on the date such acceleration or cancellation becomes effective and ending on the final Loan Repayment Date.

(g) "Discount Rate" means the discount factor for the relevant maturity derived from the par swap curve for the Loan Currency which is available to the Bank in the interest rate swap and options market on the Calculation Date.

(h) "Floating Rate" means the forward rates for, as applicable, USD, £ or Euro, for the relevant maturities available to the Bank in the interest rate swap and options market on the Calculation Date.

(II) Notwithstanding paragraph (I) above, "Unwinding Costs" means, with respect to any postponement of the Last Availability Date (as may be agreed by the Bank pursuant to the Loan Agreement) for any portion of the Loan which is subject to a Fixed Interest Rate, such amount as, from time to time, notified by the Bank to the Borrower and the Guarantor in writing.

"Variable Interest Rate" means the rate of interest payable on the Loan from time to time in accordance with Section 3.04(b).

ARTICLE III - DRAWDOWNS; REIMBURSEMENT COMMITMENTS; INTEREST AND OTHER CHARGES; REPAYMENT

Section 3.01. Drawdowns

The Borrower may draw down from the Available Amount from time to time in accordance with the provisions of the Loan Agreement and subject to the following provisions:

(a) Last Availability Date

The Borrower's right to draw down from the Available Amount shall become effective on the Effective Date and shall terminate on the Last Availability Date or such later date as the Bank may establish after receipt of a prior written request from the Borrower (which request shall, where there is a Guarantee Agreement, be countersigned by the Guarantor). The Bank shall promptly notify the Borrower of any such later date.

(b) Applications for Drawdowns

(i) In order to make a Drawdown, a drawdown application shall be submitted to the Bank by the Borrower's Authorised Representative or a person designated by the Borrower's Authorised Representative. Each drawdown application submitted shall be in accordance with, and in the form prescribed by, the EBRD Disbursement Handbook and delivered to the Bank at least fifteen (15) Business Days prior to the proposed value date of the Drawdown. Each drawdown application shall be in substance satisfactory to the Bank and shall be accompanied by such documents and other evidence sufficient in form and substance to satisfy the Bank that the Borrower is entitled to the amount of the Drawdown and that the amount of the Drawdown will be used exclusively for the purposes specified in the Loan Agreement.

(ii) Except for the last Drawdown or unless the Bank shall otherwise agree, Drawdowns shall be made in amounts of not less than the Minimum Drawdown Amount.

(c) Currency of Drawdowns

Drawdowns shall be made in the Loan Currency in an amount equivalent to the expenditures to be financed out of the proceeds of the Loan. In the case of expenditures incurred in a Currency or Currencies other than the Loan Currency, the equivalent Drawdown amount shall be determined as follows:

(i) If the Borrower requests payment in the Loan Currency, the Bank will determine the equivalent Drawdown amount two Business Days prior to payment.

(ii) If the Borrower requests payment in the Currency or Currencies of the expenditures, the Bank will, provided such expenditures are in readily available Currencies or the Currency of the Member, purchase such Currency or Currencies in such manner as the Bank may deem appropriate. The equivalent Drawdown amount shall be determined by the Bank on the basis of the exchange costs that were or would have been incurred by the Bank in using the Loan Currency to meet the request.

(d) Payments in Other Currencies

In exceptional circumstances, the Bank may grant a request by the Borrower that payment be made in a Currency or Currencies other than the Loan Currency or the currency of the expenditures. In that case, the Bank will purchase such Currency or Currencies in such manner as the Bank may deem appropriate. The equivalent Drawdown amount shall be determined by the Bank on the basis of the exchange costs that were or would have been incurred by the Bank in using the Loan Currency to meet the request.

Section 3.02. Conditional and Unconditional Reimbursement Commitments

(a) Upon the Borrower's request, the Bank may, in accordance with the provisions of the EBRD Disbursement Handbook, issue unconditional or conditional Reimbursement Commitments to reimburse payments made by banks under letters of credit in respect of expenditures to be financed under the Loan. Any such reimbursement shall constitute a Drawdown.

(b) In the case of a conditional Reimbursement Commitment, the obligation of the Bank to pay shall be suspended or terminated immediately upon any suspension or cancellation of the Loan by the Bank pursuant to Section 7.01 or 7.02.

(c) In the case of an unconditional Reimbursement Commitment, the obligation of the Bank to pay shall not be affected by any subsequent suspension or cancellation of the Loan.

Section 3.03. Reallocation

(a) If the Bank estimates that the amount of the Loan allocated to any Category will be insufficient to finance the agreed percentage of expenditures in that Category, the Bank may, by notice to the Borrower:

(i) reallocate to such Category, to the extent required to meet the estimated shortfall, proceeds of the Loan which prior to such reallocation had been allocated to another Category and which in the opinion of the Bank are not needed to meet other expenditures; and

(ii) if such reallocation cannot fully meet the estimated shortfall, reduce the percentage of expenditures to be financed in order that further Drawdowns under such Category may continue until all expenditures thereunder shall have been made.

(b) In the event that a reallocation takes place in accordance with paragraph (a)(i) above, the Borrower may request the Bank to make a further reallocation of an equivalent amount of proceeds of the Loan to another Category mutually agreed by the Borrower and the Bank.

Section 3.04. Interest

Except as provided in Section 3.09:

(a) If the Loan is subject to a Variable Interest Rate then, for purposes of Section 3.04(b) below, the Relevant Market Interest Rate shall be:

(i) for the first Interest Period of each Drawdown, the offered rate per annum for deposits in the Loan Currency that appears on the Reference Page as of 11:00 a.m., as applicable, London time (for USD or £) or Brussels time (for Euro), on the relevant Interest Determination Date for the period which equals the duration of such Interest Period (or if no such rate appears on the Reference Page for a period equal to the duration of such Interest Period but rates ("Reference Rates") do appear on the Reference Page both for a period that is shorter than and for a period that is longer than the duration of such Interest Period, the Interbank Rate shall be the rate (rounded upward, if necessary, to four decimal places) that would be applicable for a period equal to the duration of such Interest Period as determined through the use of straight-line interpolation by reference to the Reference Rate that appears on the Reference Page for the period that is the next shorter in length than the duration of such Interest Period and the Reference Rate that appears on the Reference Page for the period that is the next longer in length than the duration of such Interest Period; and

(i) for each subsequent Interest Period, the offered rate per annum for deposits in the Loan Currency which appears on the Reference Page as of 11:00 a.m., as applicable, London time (for USD or £) or Brussels time (for Euro), on the relevant Interest Determination Date for the period which is closest to the duration of such Interest Period (or, if two periods are equally close to the duration of such Interest Period, the average of the two relevant rates);

provided that if, for any reason, the Relevant Market Interest Rate cannot be determined at such time by reference to the Reference Page, the Relevant Market Interest Rate shall be the rate per annum which the Bank determines to be the arithmetic mean (rounded upward, if necessary, to four decimal places) of the offered rates per annum for deposits in the Loan Currency in an amount comparable to the portion of the Loan subject to a Variable Interest Rate scheduled to be outstanding during the relevant Interest Period for a period equal to such Interest Period which are quoted to leading banks in, as applicable, the London interbank market (for USD or £) or Euro-zone interbank market (for Euro) as advised to the Bank by at least two major banks active in, as applicable, the London interbank market (for USD or £) or Euro-zone interbank market (for Euro) selected by the Bank and provided further that if pursuant to the above the Relevant Market Interest Rate would be below zero, the Relevant Market Interest Rate will be deemed to be zero.

(b) If the Loan is subject to a Variable Interest Rate, interest on the Loan shall be determined and payable as follows:

(i) The principal amount of the Loan from time to time drawn down and not repaid shall bear interest during the relevant Interest Period at the Variable Interest Rate calculated in accordance with this Section.

(ii) Interest shall accrue from and including the first day of an Interest Period to but excluding the last day of such Interest Period, be calculated on the basis of the actual number of days elapsed and a 360-day year (unless the Loan Currency is Pounds, in which case it shall be calculated on the basis of a 365-day year) and be due and payable on the Interest Payment Date which is the last day of the relevant Interest Period.

(iii) The Variable Interest Rate shall be the sum of the Margin and, subject to Section 3.13, the Relevant Market Interest Rate specified in Section 3.04(a).

(iv) On each Interest Determination Date, the Bank shall determine the Variable Interest Rate applicable to the relevant Interest Period and promptly give notice thereof to the Borrower and the Guarantor.

(c) Notwithstanding the foregoing, if so provided for in the Loan Agreement, the Borrower may, as an alternative to paying interest at a Variable Interest Rate on all or any portion of the Loan then outstanding, elect to pay interest at a Fixed Interest Rate on such portion of the Loan, as follows:

(i) The Borrower may only exercise such option if:

(A) at the time of exercise no event specified in Section 7.01 below (and no event which with notice and/or lapse of time would become such an event) and no Market Disruption Event has occurred and is continuing; and

(B) the principal amount of the Loan which is being converted from a Variable Interest Rate to a Fixed Interest Rate is not less than the equivalent in the Loan Currency of Euro 5,000,000.

(ii) The Borrower shall exercise such option by notice to the Bank not less than five Business Days prior to the proposed Interest Fixing Date. Such notice shall, unless the Bank otherwise agrees, be irrevocable and shall specify the Interest Fixing Date and the Interest Conversion Period selected by the Borrower and the principal amount of the Loan to be converted to a Fixed Interest Rate.

(iii) Commencing on the Interest Conversion Date, the portion of the Loan being converted (as specified in the Borrower's notice) shall be subject to a Fixed Interest Rate. For purposes of Section 3.04(d), the Relevant Market Interest Rate shall be the forward fixed interest rate for the Loan Currency which is available to the Bank in the interest rate swap market on such Interest Fixing Date for such Interest Conversion Period, taking into account the principal repayment and interest payment schedules for the Loan, as such sum may be adjusted to take into account the creditworthiness of the Borrower. The Bank shall determine the

Fixed Interest Rate on such Interest Fixing Date and promptly give notice thereof to the Borrower and the Guarantor.

(iv) The Bank may at any time elect to consolidate all Fixed Interest Rates then applicable to portions of the Loan into a single Fixed Interest Rate equal to the weighted average of the Fixed Interest Rates then applicable to portions of the Loan. The Bank shall determine such consolidated Fixed Interest Rate and promptly give notice thereof to the Borrower. Such consolidated Fixed Interest Rate shall be applicable to all portions of the Loan then bearing interest at Fixed Interest Rates commencing on the Interest Payment Date immediately following the notice from the Bank to the Borrower.

(d) If the Loan is subject to a Fixed Interest Rate, interest on the Loan shall be payable as follows:

(i) The principal amount of the Loan from time to time drawn down and not repaid shall bear interest during the relevant Interest Period at the Fixed Interest Rate calculated in accordance with this Section.

(ii) Interest shall accrue from and including the first day of an Interest Period to but excluding the last day of such Interest Period, be calculated on the basis of the actual number of days elapsed and a 365-day year and be due and payable on the Interest Payment Date which is the last day of the relevant Interest Period.

(iii) The Fixed Interest Rate shall be the sum of the Margin and the Relevant Market Interest Rate specified either in the Loan Agreement or, where the Fixed Interest Rate is established pursuant to Section 3.04(c) at a date which is later than the date of the Loan Agreement, in the notice from the Bank to the Borrower and the Guarantor issued in accordance with Section 3.04(c)(iii).

Section 3.05. Commitment Charge and Front-End Commission

(a) The Borrower shall pay to the Bank a commitment charge at the rate specified in the Loan Agreement, payable on the total of the Available Amount plus any amount of the Loan that is subject to a Reimbursement Commitment and is not yet drawn down, provided that the Commitment Charge payable on the amount of the Loan subject to an unconditional Reimbursement Commitment shall be 0.5% per annum greater than the rate of the Commitment Charge specified in the Loan Agreement. The Commitment Charge shall accrue from the date sixty (60) days after the date of the Loan Agreement or, in the case of Commitment Charge payable on the amount of the Loan subject to an unconditional Reimbursement Commitment, from the date of issuance of such unconditional Reimbursement Commitment, and shall accrue and be calculated on the same basis as interest under Section 3.04(b)(ii). The Commitment Charge shall be payable on each Interest Payment Date (even though no interest may be payable on such date) commencing on the first Interest Payment Date following the Effective Date.

(b) The Borrower shall pay to the Bank a front-end commission equal to one per cent (1%) (or such other amount specified in the Loan Agreement) of the principal amount of the Loan.

(c) Except as otherwise provided in the Loan Agreement, the Bank shall, on behalf of the Borrower, withdraw from the Available Amount on the Effective Date, or within seven (7) days thereafter, and pay to itself the amount of the Front-end Commission payable pursuant to Section 3.05(b).

(d) In the event that the Borrower opts under the Loan Agreement to pay the Front-end Commission out of its own resources, the Front-end Commission shall be due and payable within seven (7) days after the Effective Date.

Section 3.06. Payments by the Borrower

The principal, interest and Charges on the Loan shall be due and payable by the Borrower in the manner and on the dates set forth in the Loan Agreement and shall be paid free and clear of any deductions or withholdings of any kind.

Section 3.07. Prepayment

(a) The Borrower may, on any Interest Payment Date, prepay all or part of the principal amount of the Loan drawn down and not repaid, together with all accrued and unpaid interest and Charges thereon, on not less than thirty (30) Business Days, prior written notice to the Bank, which notice shall be irrevocable and binding on the Borrower.

(b) The Borrower shall pay to the Bank, on the date of prepayment, a prepayment administrative fee of one-eighth of one per cent (0.125%) of the principal amount of the Loan being prepaid.

(c) In the case of partial prepayment, such prepayment:

(i) shall be in an amount at least equal to the lesser of:

(A) the Minimum Prepayment Amount; and

(B) the principal amount of the Loan drawn down and not repaid; and

(ii) shall be:

(A) first, applied to pay interest and Charges on the Loan; and

(B) second, applied pro-rata to the several maturities of the principal amount of the Loan drawn down and not repaid.

Section 3.08. Cancellation

(a) The Borrower may cancel all or part of the Available Amount on any Interest Payment Date on not less than thirty (30) Business Days, prior written notice to the Bank, which notice shall be irrevocable and binding on the Borrower. Such cancellation shall be in an amount at least equal to the lesser of:

(i) the Minimum Cancellation Amount; and

(ii) the Available Amount.

(b) In the event of any cancellation by the Borrower pursuant to subsection (a) of this Section or by the Bank pursuant to Section 7.02:

(i) the Borrower shall pay to the Bank, on the date of cancellation, all Charges due and unpaid as of such date, and a cancellation fee of one-eighth of one per cent (0.125%) of the principal amount of the Loan being cancelled, except in respect of amounts cancelled pursuant to Section 7.02(a);

(ii) the amount cancelled shall be deducted from the Available Amount outstanding on the date of cancellation; and

(iii) the amount cancelled shall be applied pro-rata to the several maturities of the principal amount of the Loan set forth in the amortisation schedule to the Loan Agreement and falling due after the date of such cancellation.

Section 3.09. Default Interest

(a) If the Borrower fails to pay when due any amount payable by it under the Loan Agreement, the overdue amount shall bear interest at a rate equal to the sum of:

(i) two per cent (2%) per annum;

(ii) the Margin; and

(iii) the interest rate per annum offered in, as applicable, the London interbank market (for USD or £) or the Euro-zone interbank market (for Euro), on the Default Interest Determination Date for a deposit in the Loan Currency of an amount comparable to the overdue amount for a period equal to the relevant Default Interest Period or, if or, if a Market Disruption Event has occurred, the rate which expresses as a percentage rate per annum the cost to the Bank of funding the Loan from whatever source the Bank may reasonably select (or at the option of EBRD, the Relevant Market Interest Rate, if available).

(b) Default interest shall:

(i) accrue from day to day from the due date to the date of actual payment;

(ii) be calculated on the basis of the actual number of days elapsed and a 360-day year (unless the Loan Currency is Pounds, in which case it shall be calculated on the basis of a 365-day year);

(iii) be compounded at the end of each Default Interest Period; and

(iv) be due and payable forthwith upon demand.

(c) Each determination by the Bank of the interest rates applicable to overdue amounts and of Default Interest Periods shall be final, conclusive and binding on the Borrower.

Section 3.10. Unwinding Costs

(a) If, for any reason (including, without limitation, an acceleration pursuant to Section 7.06), any portion of the Loan which is subject to a Variable Interest Rate becomes due and payable on a date other than the last day of an Interest Period, the Borrower shall pay to the Bank on demand the amount, if any, by which:

(1) the interest which would have accrued on such portion of the Loan from the date on which such portion of the Loan has become due and payable to the last day of the then current Interest Period at a rate equal to the Relevant Market Interest Rate for such portion of the Loan for such Interest Period;

exceeds:

(2) the interest which the Bank would be able to obtain if it were to place an amount equal to such portion of the Loan on deposit with a leading bank in, as the case may be, the London interbank market (for USD or £) or Euro-zone interbank market (for Euro) for the period commencing on the date on which such portion of the Loan has become due and payable and ending on the last day of the then current Interest Period.

(b) If, at any time:

(1) the Borrower gives a notice, pursuant to Section 3.07, of prepayment of any portion of the Loan which is subject to a Fixed Interest Rate or the Borrower otherwise prepays any such portion of the Loan;

(2) any portion of the Loan which is subject to a Fixed Interest Rate is accelerated pursuant to Section 7.06 or otherwise becomes due prior to its stated maturity; or

(3) any portion of the Loan which is subject to a Fixed Interest Rate is cancelled pursuant to Section 3.08, 7.02 or 7.06 or is otherwise cancelled;

the Borrower shall, in addition to any prepayment administrative fee, cancellation fee or other amounts payable in connection therewith, pay to the Bank on demand the amount of any Unwinding Costs; provided that, if the amount of such Unwinding Costs is negative, the Bank shall, on the next Interest Payment Date, credit to the Borrower, in the Loan Currency, the amount of such Unwinding Costs.

(c) If any overdue amount is paid on a date other than the last day of a Default Interest Period, the Borrower shall pay to the Bank on demand the amount, if any, by which:

(1) the interest which would have accrued on such overdue amount from the date of receipt of such overdue amount to the last day of the then current Default

Interest Period at a rate equal to the rate specified in Section 3.09(a)(iii) for such Default Interest Period;

exceeds:

(2) the interest which the Bank would be able to obtain if it were to place an amount equal to such overdue amount on deposit with a leading bank in, as the case may be, the London interbank market (for USD or £) or Euro-zone interbank market (for Euro) for the period commencing on the date of receipt of such overdue amount and ending on the last day of the then current Default Interest Period.

(d) The Borrower shall forthwith upon notice from the Bank reimburse the Bank for any costs, expenses and losses incurred by the Bank, and not otherwise recovered by the Bank under Sections 3.10(a), 3.10(b) and 3.10(c) as a result of the occurrence of an event specified in Section 7.01 below, a change in the duration of any relevant Interest Period pursuant to Section 3.13(b), a change in the basis for determining the rate of interest pursuant to Section 3.13(c), prepayment of any portion of the Loan on a date other than the last day of an Interest Period, failure by the Borrower to pay any amount when due hereunder, the Bank funding, or making arrangements to fund, a Drawdown requested in a drawdown application submitted pursuant to Section 3.01(b) but not made by reason of the operation of any one or more of the provisions of the Loan Agreement (other than by reason of default or negligence by the Bank, as the case may be) or failure by the Borrower to make any prepayment in accordance with a notice of prepayment delivered pursuant to any provision of the Loan Agreement.

(e) A certificate of the Bank as to any amount payable under this Section 3.10 shall be final, conclusive and binding on the Borrower unless shown by the Borrower to the satisfaction of the Bank to contain manifest error.

Section 3.11. Currency, Form, and Determination of Payments

(a) All payments of principal, interest, Charges and any other amount due to the Bank under the Loan Agreement or the Guarantee Agreement shall be made, without set-off or counterclaim, in the Loan Currency, for value on the due date, at such bank or banks, and in such place or places, as the Bank shall from time to time designate.

(b) If the due date for any payment under the Loan Agreement would otherwise fall on a day which is not a Business Day, then such payment shall instead be due on the next succeeding Business Day and interest (or Commitment Charge, as the case may be) shall continue to accrue for the period from such date to the next succeeding Business Day. Upon request of the Borrower agreed to by the Bank, such payment shall be made on such earlier date as the parties agree.

Section 3.12. Fees and Costs

The Borrower shall bear any professional, banking, transfer or exchange fees and costs incurred by the Bank in the preparation, execution, delivery and registration of the Loan Agreement, the Guarantee Agreement and any Project Agreements and any related document.

Section 3.13. Market Disruption

(a) If a Market Disruption Event occurs, the Bank shall promptly notify the Borrower. If the Bank notifies the Borrower of the occurrence of a Market Disruption Event,

(1) interest shall accrue on any portion of the Loan that is subject to a Variable Interest Rate at a rate equal to the sum of:

(A) the Margin; and

(B) the rate which expresses as a percentage rate per annum the cost to the Bank of funding the Loan from whatever source the Bank may reasonably select (or, at the option of the Bank, the Relevant Market Interest Rate, if available), as notified by the Bank to the Borrower as soon as practicable and in any event before interest is due to be paid in respect of the relevant Interest Period; and

(2) interest shall accrue on any portion of the Loan that is subject to a Fixed Interest Rate at a rate equal to the Fixed Interest Rate determined in accordance with Section 3.04(d), including the Margin;

in each case until the Bank has given notice to the Borrower that the Market Disruption Event has ceased to exist.

(b) If a Market Disruption Event has occurred, the Bank shall have the right, in its discretion, to change the duration of any relevant Interest Period by sending to the Borrower a written notice thereof. Any such change to an Interest Period shall take effect on the date specified by the Bank in such notice.

(c) Notwithstanding Section 3.13(a), if a Market Disruption Event occurs and the Bank or the Borrower so requires, within five Business Days of the notification by the Bank pursuant to Section 3.13(a) above, the Bank and the Borrower shall enter into negotiations (for a period of not more than thirty days) with a view to agreeing a substitute basis for determining the rate of interest applicable to the Loan. Any alternative basis so agreed shall take effect in accordance with its terms and replace the interest rate then in effect pursuant to Section 3.13(a) above. If agreement cannot be reached, the Borrower may prepay the Loan on the next Interest Payment Date in accordance with Section 3.07, but without any prepayment administrative fee.

ARTICLE IV - EXECUTION OF THE PROJECT

Section 4.01. Cooperation and Information

(a) The Bank, the Borrower and the Guarantor shall cooperate fully to ensure that the purposes for which the Loan is made will be accomplished. To that end, the Bank, the Borrower and the Guarantor shall:

(i) from time to time, at the request of any of them, exchange views with regard to the progress of the Project, the purposes for which the Loan is made and the performance of their respective obligations under the Loan Agreement and the Guarantee Agreement, as well as the performance of a Project Entity under any Project Agreement to which it is a party, and any related agreement, and furnish to the other parties all such information related thereto as shall have been reasonably requested; and

(ii) promptly inform each other of any condition that interferes with, or threatens to interfere with, the matters referred to in paragraph (i) above.

(b) The Borrower shall promptly inform the Bank of any proposed change in the nature or scope of the Project or the business or operations of a Project Entity and of any event or condition which might materially affect the carrying out of the Project or the carrying on of the business or operations of a Project Entity.

(c) The Guarantor shall take no action, nor shall it permit any of its agents or subsidiaries to take any action, that would prevent or interfere with the execution of the Project or with the efficient operation of the Project facilities or the performance of the Borrower's obligations under the Loan Agreement or a Project Entity's obligations under a Project Agreement. The Guarantor shall also ensure that no such action is taken or permitted to be taken by any of its political or administrative subdivisions or any of the entities owned and controlled by, or operating for the account or benefit of, the Guarantor or such subdivisions.

Section 4.02. Responsibilities Relating to Project Execution

(a) The Borrower shall carry out the Project or cause the Project to be carried out with due diligence and efficiency in accordance with sound environmental, health, safety and labour standards and practices as specified in the Loan Agreement, and other relevant standards and practices and shall provide, promptly as needed, the funds, land, facilities, services and other resources required for these purposes.

(b) If there is a Project Agreement placing partial or whole responsibility for Project execution with a Project Entity, the Borrower shall:

(i) cause the relevant Project Entity to perform in accordance with the provisions of such Project Agreement all obligations of the Project Entity therein set forth; and

(ii) not take or permit to be taken any action that would prevent or interfere with such performance.

(c) Without limiting the generality of subsections (a) or (b) above, the Borrower shall take, or cause to be taken, all such action as shall be necessary to acquire as and when needed all such land and rights in respect of land as shall be required for carrying out the Project and shall furnish to the Bank, promptly upon its request, evidence satisfactory to the Bank that such land and rights in respect of land are available for those purposes.

(d) The Borrower shall insure or cause to be insured, or make adequate provision satisfactory to the Bank for the insurance of:

(i) the imported goods to be financed out of the proceeds of the Loan for the Project, against hazards incidental to the acquisition, transportation and delivery thereof to the place of use or installation (and, where applicable, against hazards during the construction period), with the indemnity under such insurance payable in the Currency needed to replace or repair such goods; and

(ii) all other items that are related to the financial or technological viability of the Project and that are within the ownership or control of the Borrower.

(e) The Borrower shall at all times operate and maintain, or cause to be operated and maintained, in good working condition any facilities relevant to the Project and, promptly as needed, make or cause to be made all necessary repairs and renewals thereof.

(f) The Borrower shall cause all goods, works, and services financed out of the proceeds of the Loan to be used exclusively for the purposes of the Project.

Section 4.03. Procurement

Except as the Bank shall otherwise agree, procurement of goods, works and services, including consultants' services, required for the Project and to be financed out of the proceeds of the Loan shall be governed by the EBRD Procurement Rules and the provisions set out in the Loan Agreement.

Section 4.04. Project Records and Reports

(a) The Borrower shall, in respect of those parts of the Project for which the Borrower is directly responsible, as specified in the Loan Agreement:

(i) maintain procedures and records adequate to record and monitor the progress of the Project (including its cost and the benefits to be derived from it), to identify any and all goods, works and services financed out of the proceeds of the Loan and to identify their use in the Project, and make such records available to the Bank's representatives on request of the Bank;

(ii) enable the Bank's representatives, at the Bank's request;

(A) to visit any facilities and construction sites relating to the Project;

(B) to examine any and all goods, works and services financed out of the proceeds of the Loan and any plants, installations, sites, works, buildings, property, equipment, records and documents relevant to the performance of the obligations of the Borrower under the Loan Agreement; and

(C) for these purposes, to meet and hold discussions with such representatives and employees of the Borrower as the Bank may deem necessary and appropriate;

(iii) furnish to the Bank's representatives all such reports and information as the Bank shall reasonably request concerning the Project, including information on environmental, health, safety and labour matters relating to the Project, its cost and, where appropriate, the benefits to be derived from it, the expenditure of the proceeds of the Loan and any and all goods, works and services financed out of such proceeds;

(iv) without limiting the generality of paragraph (a)(iii) above, except as the Bank shall otherwise agree, furnish or cause to be furnished to the Bank periodic Project reports in a form satisfactory to the Bank and of a frequency specified in the Loan Agreement, indicating among other things the progress made and problems encountered during the period under review, steps taken or proposed to be taken to remedy those problems and the proposed programme of activities and expected progress during the following period; and

(v) furnish or cause to be furnished to the Bank's representatives, promptly upon their preparation, any plans, specifications, reports, contract documents and construction and procurement schedules for the Project, and any material modifications thereof or additions thereto, in such detail as the Bank shall reasonably request.

(b) Upon the award of any contract for goods, works or services to be financed out of the proceeds of the Loan, the Bank may publish a description thereof, the name and nationality of the party to which the contract was awarded and the contract price.

(c) Promptly after either:

(i) the Project has been completed; or

(ii) the full amount of the Loan has been either drawn down or cancelled, but in any event not later than six months after the Last Availability Date or such later date as the Bank may agree;

the Borrower shall prepare and furnish to the Bank a report, in a form satisfactory to the Bank and of such scope and in such detail as the Bank shall reasonably request, on the execution and initial operation of the Project, including information on environmental, health, safety and labour matters relating to the Project, its cost and the benefits derived and to be derived from it, the performance by the Borrower and the Bank of their respective obligations under the Loan Agreement and the accomplishment of the purposes of the Loan.

ARTICLE V - FINANCIAL AND OPERATIONAL COVENANTS

Section 5.01. Negative Pledge

(a) The Member undertakes to ensure that no other External Debt of the Member shall have priority over the Loan in the allocation, realisation or distribution of foreign exchange held under the control or for the benefit of the Member. If any Lien shall be created on any Public Assets as security for any External Debt which will or might result in a priority for the benefit of the creditor of such External Debt in the allocation, realisation or distribution of foreign exchange, such Lien shall, unless the Bank shall otherwise agree, ipso facto, and at no cost to the Bank, equally and rateably secure the principal of, and interest and Charges on, the Loan, and the Member, in creating or permitting the creation of such Lien, shall make express provision to that effect; provided, however, that, if for any constitutional or other legal reason such provision cannot be made with respect to any Lien created on Assets of any of its political or administrative subdivisions, the Member shall promptly and at no cost to the Bank secure the principal of, and interest and Charges on, the Loan by an equivalent Lien on other Public Assets satisfactory to the Bank.

(b) The Borrower undertakes that, except as the Bank shall otherwise agree:

(i) if the Borrower creates any Lien on any of its Assets as security for any debt, such Lien will equally and rateably secure the payment of the principal amount of, and interest and Charges on, the Loan, and in the creation of any such Lien express provision will be made to that effect, at no cost to the Bank; and

(ii) if any statutory Lien is created on any assets of the Borrower as security for any debt, the Borrower shall grant at no cost to the Bank an equivalent Lien satisfactory to the Bank to secure the payment of the principal amount of, and interest and Charges on, the Loan.

(c) The foregoing undertakings shall not apply to:

(i) any Lien created on property, at the time of purchase thereof, solely as security for the payment of the purchase price of that property or as security for the payment of debt incurred for the purpose of financing the purchase of such property; or

(ii) any Lien arising in the ordinary course of banking transactions and securing a debt maturing not more than one year after its date.

Section 5.02. Reporting

(a) The Member shall furnish to the Bank all such information as the Bank may reasonably request:

(i) in respect of financial and economic conditions in the territory of the Member, including the Member's balance of payments and External Debt, as well as the External Debt of its political or administrative subdivisions, and of any entity owned or controlled by, or operating for the account or benefit of, the Member or any such subdivision, and of any institution performing the functions of a central bank or exchange stabilisation fund, or similar functions, for the Member; and

(ii) in respect of economic reforms and measures implementing transition to a market economy, including restructuring and privatisation, in each economic sector that may have an impact on the Project, including reforms in the legal and regulatory framework for such sector.

(b) The Member shall afford all reasonable opportunity for representatives of the Bank to visit any part of its territory for purposes related to the Loan or the Project.

(c) The Borrower and each Project Entity shall, to the extent specified in the Loan Agreement, furnish or cause to be furnished to the Bank, until the full amount of the Loan has been repaid or cancelled:

(i) periodic financial statements and reports in respect of the financial covenants specified in the Loan Agreement;

(ii) periodic reports, in a form satisfactory to the Bank, on the operation and maintenance of Project facilities; and

(iii) annual reports on environmental, health, safety and labour matters relating to the Borrower's operations.

ARTICLE VI - TAXES; RESTRICTIONS ON PAYMENT

Section 6.01. Taxes

(a) The Member shall ensure that:

(i) the principal amount of, and interest and Charges on, the Loan are exempt from, and are paid without deduction for, any Taxes levied by, or in the territory of, the Member; and

(ii) the Loan Agreement, the Guarantee Agreement and any related document to which these Standard Terms and Conditions apply shall be free from any and all Taxes levied by, or in the territory of, the Member on or in connection with the execution, delivery or registration thereof.

(b) The proceeds of the Loan shall not be drawn down on account of payments for any Taxes levied by, or in the territory of, the Member.

(c) The Bank may, by notice to the Borrower, increase or decrease the percentage of expenditures to be financed from any Category as may be required to be consistent with paragraph (b) of this Section.

Section 6.02. Restrictions on Payment

The Member shall ensure that the principal amount of, and interest and Charges on, the Loan are paid without restrictions of any kind imposed by, or in the territory of, the Member.

ARTICLE VII - SUSPENSION AND CANCELLATION; ACCELERATION OF MATURITY

Section 7.01. Suspension

(a) If any of the following events shall have occurred and be continuing, the Bank may, by notice to the Borrower and the Guarantor, suspend, in whole or in part, the right of the Borrower to make Drawdowns under the Loan:

(i) the Borrower shall have failed to make payment (notwithstanding the fact that such payment may have been made by the Guarantor or by a third party) of principal or interest or any other amount due to the Bank under:

(A) the Loan Agreement;

(B) any other loan or guarantee agreement between the Bank and the Borrower; or

(C) any reimbursement or similar obligation of the Borrower arising out of any guarantee or other financing of any kind provided by the Bank to any third party;

(ii) the Guarantor shall have failed to make payment of principal, interest or any other amount due to the Bank under:

(A) the Guarantee Agreement;

(B) any other loan agreement or guarantee agreement with the Bank; or

(C) any reimbursement or similar obligation of the Guarantor arising out of any guarantee or other financing of any kind provided by the Bank to any third party;

(iii) the Borrower or the Guarantor (including any political or administrative subdivision thereof) shall have failed to perform any other obligation to the Bank pursuant to an agreement between the Borrower or the Guarantor, or any political or administrative subdivision thereof, and the Bank, or under Article 21.2 of the Agreement Establishing the Bank;

(iv) any Project Entity shall have failed to perform any of its obligations under a Project Agreement;

(v) the Bank shall have suspended, in whole or in part, the right of the Borrower or the Guarantor to make applications for Drawdowns under any other loan agreement with the Bank because of a failure by the Borrower or the Guarantor to perform any of its obligations under such agreement or any guarantee agreement with the Bank;

(vi) an extraordinary situation shall have arisen as a result of events which have occurred after the date of the Loan Agreement which shall make it improbable that the Project can be carried out or that the Borrower or Guarantor will be able to perform its obligations under the Loan Agreement or the Guarantee Agreement;

(vii) Drawdowns are prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations;

(viii) the Member shall have been suspended from membership in the Bank, or shall have ceased to be a member of the Bank, or shall have delivered to the Bank a notice to withdraw from such membership;

(ix) the Borrower (other than the Member) or any Project Entity (or any other entity responsible for implementing any part of the Project) has ceased to exist in the same legal form as that prevailing as of the date of the Loan Agreement;

(x) any of the following events occurs with respect to any financing specified in the Loan Agreement to be provided for the Project (the "Co-financing") by a financier (other than the Bank) (the "Co-financier"):

(A) If the Loan Agreement specifies a date by which the agreement with the Co-financier providing for the Co-financing (the "Co-financing Agreement") is to become effective, the Co-financing Agreement has failed to become effective by that date, or such later date as the Bank has established in writing (the "Co-financing Deadline"); provided, however, that the provisions of this sub-paragraph shall not apply if, as applicable, the Borrower, the relevant Project Entity or the Guarantor establishes to the satisfaction of the Bank that adequate funds for the Project are available from other sources on terms and conditions consistent with the obligations of the Borrower, the relevant Project Entity and the Guarantor under the Loan Agreement, the relevant Project Agreement and the Guarantee Agreement;

(B) Subject to sub-paragraph (C) below: (X) the right to withdraw the proceeds of the Co-financing has been suspended, cancelled or terminated in whole or in part, pursuant to the terms of the Co-financing Agreement; or (Y) the Co-financing has become due and payable prior to its agreed maturity; or

(C) Sub-paragraph (B) of this paragraph shall not apply if the Borrower, the relevant Project Entity or the Guarantor establish to the satisfaction of the Bank that: (X) such suspension, cancellation, termination or prematuring was not caused by the failure of the recipient of the Co-financing to perform any of its obligations under the Co-financing Agreement; and (Y) adequate funds for the Project are available from other sources on terms and conditions consistent with the obligations of the Borrower, the relevant Project Entity and the Guarantor under the Loan Agreement, the relevant Project Agreement and the Guarantee Agreement;

(xi) if the Borrower is not a member of the Bank, any material adverse change in the condition of the Borrower from that represented by the Borrower as of the date of the Loan Agreement shall have occurred prior to the Effective Date;

(xii) a representation made by the Borrower, any Project Entity or the Guarantor in connection with the Loan Agreement, the relevant Project Agreement or the Guarantee Agreement shall have been incorrect or misleading in any material respect;

(xiii) the Statutes of the Borrower or any Project Entity shall have been amended, suspended, abrogated, repealed or waived in such a way as to affect materially and adversely the operations or the financial condition of the Borrower or any Project Entity or its ability to carry out the Project or to perform any of its obligations under the Loan Agreement or any Project Agreement;

(xiv) any event specified in Section 7.06(c), 7.06(d) or 7.06(e) shall have occurred;

(xv) the Bank shall have suspended or otherwise modified access to Bank resources by the Member pursuant to a decision of the Board of Governors of the Bank under Article 8.3 of the Agreement Establishing the Bank;

(xvi) the Borrower, or any Project Entity, or any of their respective officers, employees, agents or representatives shall have been found by a judicial process or other official enquiry to have engaged in any Prohibited Practice; or

(xvii) any other event specified in the Loan Agreement for the purposes of this Section shall have occurred.

(b) The right of the Borrower to make Drawdowns shall continue to be suspended in whole or in part, as the case may be, until the event or events which gave rise to suspension shall have ceased to exist, unless the Bank shall have notified the Borrower that the right to make Drawdowns has been restored; provided, however, that the right to make Drawdowns shall be restored only to the extent and subject to the conditions specified in such notice, and no such notice shall affect or impair any right, power or remedy of the Bank in respect of any other subsequent event described in this Section.

Section 7.02. Cancellation by the Bank

(a) If at any time the Bank determines, after consultation with the Borrower and the Guarantor, that an amount of the Loan will not be required to finance costs of the Project to be financed out of the proceeds of the Loan, the Bank may, by notice to the Borrower and the Guarantor, cancel such amount of the Loan. On the Last Availability Date, any remaining Available Amount shall be cancelled automatically.

(b) If the right of the Borrower to make Drawdowns of any part of the Loan shall have been suspended for a continuous period of thirty (30) days, the Bank may, by notice to the Borrower and the Guarantor, cancel such amount of the Loan.

(c) If at any time the Bank determines that:

(i) the procurement of any item is inconsistent with the procedures set forth or referred to in the Loan Agreement and the Bank establishes the amount of expenditures in respect of such item that would otherwise have been eligible for financing out of the proceeds of the Loan; or

(ii) funds drawn down under the Loan have been used for purposes other than those provided for under the Loan Agreement and the Bank establishes the amount so used; or

(iii) with respect to any contract to be financed in full or in part from the proceeds of the Loan, any representative of the Borrower, any Project Entity or any other beneficiary of the Loan has engaged in any Prohibited Practice during the procurement or execution of such contract, without the Borrower or the Guarantor having taken timely and appropriate action satisfactory to the Bank to remedy the situation, and the Bank establishes the amount of expenditures in respect of such contract which would otherwise have been eligible for financing out of the proceeds of the Loan;

the Bank may, by notice to the Borrower and the Guarantor, cancel the equivalent of such amount of the Loan. Such cancellation shall take effect when notice is given.

(d) If at any time the Bank determines that any representative of the Borrower, any Project Entity or any other beneficiary of the Loan has been found by a judicial process or other official enquiry to have engaged in any Prohibited Practice, the Bank may, by notice to the Borrower and the Guarantor, cancel all or part of the Loan. Such cancellation shall take effect when notice is given.

Section 7.03. Unconditional Reimbursement Commitment Unaffected by Suspension or Cancellation

No cancellation or suspension shall apply to amounts subject to an unconditional Reimbursement Commitment entered into by the Bank pursuant to Section 3.02(c) except as expressly provided in such commitment.

Section 7.04. Obligations of the Borrower and the Guarantor

Notwithstanding any cancellation or suspension, all the provisions of the Loan Agreement and the Guarantee Agreement shall continue in full force and effect except as specifically provided herein.

Section 7.05. Cancellation of Guarantee

If the Borrower shall have failed to make payment of principal or interest or any other payment required under the Loan Agreement (otherwise than as a result of any act or omission of the Guarantor) and such payment shall have been made by the Guarantor, the Guarantor may, after consultation with the Bank, by notice to the Bank and the Borrower, terminate its obligations under the Guarantee Agreement in respect of any amount of the Loan that has not been drawn down prior to the date of receipt of such notice by the Bank and is not subject to any unconditional Reimbursement Commitment issued by the Bank pursuant to Section 3.02(b). Upon receipt of such notice by the Bank, the Guarantor's obligations in respect of such amount shall terminate.

Section 7.06. Events of Acceleration

If any of the following events shall have occurred and shall be continuing for the period specified below, then at any time during the continuance of that event the Bank may, by notice to the Borrower and the Guarantor, cancel the Loan and declare the principal amount of the Loan then outstanding to be due and payable immediately, together with the interest and Charges thereon, and upon any such declaration such principal amount, together with such interest and Charges, shall become due and payable immediately:

(a) Any event specified in Section 7.01(a)(i) or 7.01(a)(ii) shall have occurred and shall have continued for fifteen (15) days from the date of such event.

(b) Any event specified in Section 7.01(a)(iii) or 7.01(a)(iv) shall have occurred and shall have continued for thirty (30) days after notice thereof shall have been given by the Bank to the Borrower and the Guarantor.

(c) Any External Debt of the Borrower or the Guarantor is declared to be due and payable prior to its specified maturity.

(d) The Borrower (if not a member of the Bank) or any Project Entity shall have become unable to pay its debts as they mature or any action or proceeding shall have been taken by the Borrower or any Project Entity or others whereby any of the Assets of the Borrower or any Project Entity shall or may be distributed among its creditors.

(e) Any authority or entity having jurisdiction or Control over the Borrower or any Project Entity shall have taken any action for the dissolution or disestablishment, or the suspension of operations, of the Borrower (if not a member of the Bank) or any Project Entity.

(f) Any other event specified in the Loan Agreement for the purposes of this Section shall have occurred and shall have continued for the period, if any, specified in the Loan Agreement.

ARTICLE VIII - ENFORCEABILITY; DISPUTE RESOLUTION

Section 8.01. Enforceability

The rights and obligations of the parties to the Loan Agreement, the Guarantee Agreement and each Project Agreement shall be valid and enforceable in accordance with their terms notwithstanding any local law to the contrary. No party to either such agreement shall be entitled under any circumstances to assert any claim that any provision of either such agreement is invalid or unenforceable for any reason.

Section 8.02. Obligations of the Guarantor

The obligations of the Guarantor under the Guarantee Agreement shall not be discharged except by performance and then only to the extent of such performance. Such obligations shall not be subject to any prior notice to, demand upon, or action against the Borrower or any Project Entity or to any prior notice to or demand upon the Guarantor in respect of any default by the Borrower or any Project Entity, and shall not be impaired by any of the following: any extension of time, forbearance or concession given to the Borrower or any Project Entity; any assertion of, or failure to assert, or delay in asserting, any right, power or remedy against the Borrower or any Project Entity or in respect of any security for the Loan; any modification or amplification of the provisions of the Loan Agreement or any Project Agreement contemplated by the terms thereof; or any failure of the Borrower or any Project Entity to comply with any requirement of any law, regulation or order of the Guarantor or of any political subdivision or agency of the Guarantor.

Section 8.03. Failure to Exercise Rights

No delay in exercising, or omission to exercise, any right, power or remedy accruing to either party under the Loan Agreement, the Guarantee Agreement or any Project Agreement upon any default shall impair any such right, power or remedy or be construed to be a waiver thereof or an acquiescence in such default; nor shall the action of such party in respect of any default, or any acquiescence in any default, affect or impair any right, power or remedy of such party in respect of any other or subsequent default.

Section 8.04. Dispute Resolution

(a) The parties to the Loan Agreement, the Guarantee Agreement and each Project Agreement shall endeavour to settle amicably any dispute or controversy between any one or more of them and the Bank arising out of such agreements or the breach, termination or invalidity thereof or otherwise in connection therewith. To this end, at the initiative of any party to any such agreement, the other party or parties shall meet promptly with the initiating party to discuss any such dispute or controversy and, if requested by the initiating party in writing, shall reply in writing to any written submission made by the initiating party concerning any such dispute or controversy.

(b) If any such dispute or controversy, or any claim relating thereto, cannot be amicably settled as provided for in subsection (a) within sixty (60) days of the date on which the request for a meeting is made as referred to in subsection (a), such dispute or controversy, or claim relating thereto shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules in force as at the date of these Standard Terms and Conditions, subject to the following:

(i) The number of arbitrators shall be three (3).

(ii) The appointing authority for the purposes of the UNCITRAL Arbitration Rules shall be the Secretary-General of the Permanent Court of Arbitration.

(iii) Where there are multiple claimants and/or multiple respondents to any dispute or controversy or claim relating thereto, to which this Section 8.04 (b) shall apply, the reference to "party" in Articles 7.1 and 7.2 of the UNCITRAL Arbitration Rules shall be construed as a reference to any such multiple claimants, acting jointly and/or (as applicable) to any such multiple respondents, acting jointly. Where the Secretary-General of the Permanent Court of Arbitration is to appoint an arbitrator, the Secretary-General of the Permanent Court of Arbitration shall be at liberty to choose any person he/she regards as suitable to act as arbitrator pursuant to Articles 7.2 and/or 7.3 of the UNCITRAL Arbitration Rules.

(iv) The place of arbitration shall be The Hague.

(v) The language to be used in the arbitral proceedings shall be English.

(vi) The law to be applied by the arbitral tribunal shall be public international law, the sources of which shall be taken for these purposes to include:

(A) the Agreement Establishing the Bank and any relevant treaty obligations that are binding reciprocally on the parties;

(B) the provisions of any international conventions and treaties (whether or not binding directly as such on the parties) generally recognised as having codified or ripened into binding rules of customary law applicable to states and international financial institutions, as appropriate;

(C) other forms of international custom, including the practice of states and international financial institutions of such generality, consistency and duration as to create legal obligations; and

(D) applicable general principles of law.

(vii) Notwithstanding the provisions of the UNCITRAL Arbitration Rules, the arbitral tribunal shall not be authorised to take any interim measures of protection or provide any pre-award relief against the Bank and none of the parties to the Loan Agreement, the Guarantee Agreement or any Project Agreement may address to any judicial authority a request for any interim measures of protection or pre-award relief against the Bank.

(viii) The arbitral tribunal shall have authority to consider and include in any proceeding, decision or award any dispute or controversy properly brought before it by the Bank, the Borrower, the Guarantor or any Project Entity insofar as such dispute or controversy arises out of the Loan Agreement, the Guarantee Agreement or any Project Agreement; but subject to the foregoing no other parties or other disputes shall be included in, or consolidated with, the arbitral proceedings.

(c) Notwithstanding the provisions of this Section, nothing contained in these Standard Terms and Conditions or in the Loan Agreement, the Guarantee Agreement or any Project Agreement shall operate or be regarded as a waiver, renunciation or other modification of any immunities, privileges or exemptions of the Bank under the Agreement Establishing the Bank, under international conventions or under any applicable laws.

(d) In any arbitral proceeding arising out of the Loan Agreement, the Guarantee Agreement or any Project Agreement, the certificate of the Bank as to any amount due to the Bank under such agreement shall be prima facie evidence of such amount.

ARTICLE IX - EFFECTIVENESS; TERMINATION

Section 9.01. Effective Date

Except as the Bank and the Borrower shall otherwise agree, the Loan Agreement, the Guarantee Agreement and each Project Agreement shall become effective on the date upon which the Bank dispatches to the Borrower and the Guarantor notice of the Bank's acceptance of the evidence required by Sections 9.02 and 9.03.

Section 9.02. Conditions Precedent to Effectiveness

The Loan Agreement, the Guarantee Agreement and each Project Agreement shall not become effective unless the Bank is satisfied that no event referred to in Section 7.01(a) or 7.06 has occurred and is continuing; and until evidence, in form and substance satisfactory to the Bank, shall have been furnished to the Bank that:

(a) The execution and delivery of the Loan Agreement and the Guarantee Agreement on behalf of the Borrower and the Guarantor have been duly authorised or ratified by all necessary governmental and corporate action.

(b) The execution and delivery of each Project Agreement, if any, on behalf of each Project Entity have been duly authorised or ratified by all necessary governmental, corporate and administrative action.

(c) All other events specified in the Loan Agreement as additional conditions to its effectiveness shall have occurred.

Section 9.03. Legal Opinion

As part of the evidence to be furnished pursuant to Section 9.02, the Borrower, the Guarantor and each Project Entity shall furnish, or cause to be furnished, to the Bank an opinion or opinions (in form and substance satisfactory to the Bank), of counsel acceptable to the Bank, in respect of such matters as may be specified in the Loan Agreement or as shall be reasonably requested by the Bank and showing that:

(a) On behalf of the Borrower, the Loan Agreement has been duly authorised or ratified by, and executed and delivered on behalf of, the Borrower and constitutes a valid and legally binding obligation of the Borrower, enforceable in accordance with its terms.

(b) On behalf of the Guarantor, the Guarantee Agreement has been duly authorised or ratified by, and executed and delivered on behalf of, the Guarantor and constitutes a valid and legally binding obligation of the Guarantor, enforceable in accordance with its terms.

(c) On behalf of each Project Entity, each Project Agreement to which it is a party has been duly authorised or ratified by, and executed and delivered on behalf of, such Project Entity and constitutes a valid and legally binding obligation of such Project Entity, enforceable in accordance with its terms.

Section 9.04. Termination for Failure to Become Effective

If the Loan Agreement shall not have become effective by the date specified in the Loan Agreement for the purposes of this Section, all obligations of the Bank under the Loan Agreement, the Guarantee Agreement and each Project Agreement shall terminate unless the Bank, after consideration of the reasons for the delay, shall establish a later date for the purposes of this Section. The Bank shall promptly notify the Borrower and the Guarantor of such later date.

Section 9.05. Termination on Performance

When the entire principal amount of the Loan shall have been repaid and all interest and Charges which shall have accrued or become due on the Loan shall have been paid, the Loan Agreement, the Guarantee Agreement and each Project Agreement, and all obligations of the parties thereunder, shall forthwith terminate.

ARTICLE X - NOTICES; AUTHORISED REPRESENTATIVES; AMENDMENT

Section 10.01. Notices

Any notice or request required or permitted to be given or made under the Loan Agreement, the Guarantee Agreement or each Project Agreement, or under any other agreement of the parties contemplated therein, shall be in writing. Except as otherwise provided in Section 9.01, such notice or request shall be deemed to have been duly given or made when it has been delivered to the party to which it is required to be given or made at the party's address specified in the Loan Agreement, the Guarantee Agreement or the relevant Project Agreement, or at any other address as the party shall have specified in writing to the party giving the notice or making the request. Except as otherwise provided in the EBRD Disbursement Handbook (for Drawdown applications and related matters), such delivery may be made by hand, mail, telex or facsimile transmission. Deliveries made by telex or facsimile transmission shall also be confirmed by mail.

Section 10.02. Authority to Act

Any action required or permitted to be taken and any documents required or permitted to be executed under the Loan Agreement by the Borrower, under the Guarantee Agreement by the Guarantor or under any Project Agreement by a Project Entity shall be taken or executed by the Borrower's Authorised Representative, the Guarantor's Authorised Representative or any Project Entity's Authorised Representative, as applicable, or such other officer of the Borrower, the Guarantor or any Project Entity as such Authorised Representative shall designate in writing. The Borrower, the Guarantor and each Project Entity shall furnish to the Bank sufficient evidence of the authority and the authorised specimen signature of each such officer.

Section 10.03. Amendment

(a) The Loan Agreement may be amended by a written instrument signed by the Borrower's Authorised Representative and by a duly authorised officer of the Bank. In the event that, in the opinion of the Bank, such amendment increases the obligations of the Guarantor, such written instrument shall also be signed by the Guarantor's Authorised Representative.

(b) The Guarantee Agreement may be amended by a written instrument signed by the Guarantor's Authorised Representative and by a duly authorised officer of the Bank.

(c) Each Project Agreement may be amended by a written instrument signed by the Authorised Representative of the Project Entity which is a party thereto and by a duly authorised officer of the Bank.

Section 10.04. English Language

Any document delivered pursuant to the Loan Agreement, the Guarantee Agreement or any Project Agreement shall be in the English language. Documents in any other language shall be accompanied by an English translation thereof certified as being an approved translation and such approved translation shall be conclusive.