

**EXPORT CREDIT AGREEMENT**

Soft Loan No. 233.022

for an amount of EUR 7,300,000

dated 9 July 2013

concluded between

**The Republic of Moldova**  
represented by the Ministry of Finance  
(as “**Borrower**”)

and

**UniCredit Bank Austria AG**  
(as “**Lender**”)

concerning the  
Financing of Improvement of Medical Services  
at the Republican Clinical Hospital of Moldova – phase II

## CONTENTS

### 1. AGREEMENT

1.	Definitions .....	3
2.	Credit Facility .....	4
3.	Interest .....	5
4.	Fees and Expenses .....	6
5.	Repayment .....	7
6.	Payments .....	7
7.	Conditions Precedent .....	9
8.	Events of Default .....	10
9.	Warranties and Undertakings .....	12
10.	Governing Law and Disputes .....	13
11.	General .....	13
12.	Entering in Force .....	15

### 2. ANNEXES

ANNEX 1	THE PARTIES .....	16
ANNEX 2	THE PROJECT .....	17
ANNEX 3	THE CREDIT FACILITY .....	18
ANNEX 4	PAYMENT PROCEDURE .....	20
ANNEX 5	LEGAL OPINION .....	22
ANNEX 6	CONFIRMATION THAT THE PURCHASE AGREEMENT IS IN FULL FORCE AND EFFECT .....	25
ANNEX 7	ACCEPTANCE OF APPOINTMENT OF PROCESS AGENT .....	26

This export credit agreement for a soft loan No. 233.022 for an amount of EUR 7,300,000 (the **"Agreement"**) is dated 9 July 2013 and is made between the BORROWER specified in Annex 1 (**"Borrower"**), and the LENDER (**"Lender"**) specified in Annex 1.

## 1. DEFINITIONS

In this Agreement and the Annexes hereto the following expressions shall have the following meanings:

<b>"Acceptance Date"</b>	means the date on which this Agreement is signed by both parties and duly ratified by the Parliament of the Republic of Moldova .
<b>"Annex"</b>	means an annex to this Agreement the terms of which annex shall be deemed to be incorporated into this Agreement and form a part thereof.
<b>"Availability Period"</b>	means the period specified in Annex 3 during which Borrowings may be drawn against the Credit Facility.
<b>"Borrowing"</b>	means an amount drawn down by the Borrower against the Credit Facility according to the provisions of this Agreement.
<b>"Business Day"</b>	means a day on which banks are open for business and dealings and deposits in foreign exchange between banks may take place in Vienna and in Chisinau and which is a TARGET days.
<b>"Closing Date"</b>	means the date defined in Section 7 hereof.
<b>"Credit Facility"</b>	means the amount specified in Annex 3 against which the Borrower may draw Borrowings during the Availability Period.
<b>"EUR" or "€"</b>	the single currency of those member states of the European Union that adopt the Euro as their currency in accordance with legislation of the European Community relating to the European Economic and Monetary Union .
<b>"EURIBOR"</b>	means the percentage rate per annum equal to the spot value on a 365/360 convention basis of the average EURIBOR deposits rate as agreed with EURIBOR FBE (page 248) for a period equal to the period for which interest has to be determined by the Lender (Section 3.3.), at or about 11:00 Brussels time on the second Business Day before the commencement of the relevant Interest Period. In this context, <b>"FBE"</b> means "Federation Bancaire Europeenne".
<b>"Facility Account"</b>	means the account opened in the name of the Borrower in accordance with the provisions of Section 2.3.
<b>"Interest Payment Dates"</b>	means 31 March, 30 June, 30 September and 31 December in each year, provided that if any such date shall not be a Business Day, references to such date shall be to the immediately preceding Business Day.
<b>"Interest Period"</b>	means a period (i) starting on the date of a Borrowing or on the last day of its preceding Interest Period, and

	(ii) ending on 31 <sup>st</sup> March, 30 <sup>th</sup> June, 30 <sup>th</sup> September or 31 <sup>st</sup> December
<b>“Lien”</b>	means any mortgage, charge, pledge, lien, hypothecation, encumbrance, title retention or other security interest of any kind whatsoever and howsoever arising.
<b>“Loan”</b>	means the aggregate principal amount of the Borrowings advanced under the Credit Facility and for the time being outstanding.
<b>“Mandatory Repayment Dates”</b>	means the dates in each year specified in Annex 3, provided that if any such date shall not be a Business Day, references to such date shall be to the immediately preceding Business Day.
<b>“OeKB”</b>	means Oesterreichische Kontrollbank Aktiengesellschaft, Am Hof 4, 1011 Vienna, Austria, acting as Export Credit Agency for and on behalf of the Republic of Austria.
<b>“OeKB Guarantee”</b>	means a guarantee issued by OeKB for and on behalf of the Republic of Austria in accordance with the Export Promotion Act 1981 as amended.
<b>“OeKB Guarantee Premium”</b>	the fees charged by OeKB for the issuance of the OeKB Guarantee.
<b>“Payment Procedure”</b>	means the procedure for the payment of Borrowings specified in Annex 4.
<b>“Project”</b>	means the project specified in Annex 2.
<b>“Project Buyer”</b>	means the project buyer defined in Annex 2.
<b>“Project Exporter”</b>	means the Austrian exporter defined in Annex 2.
<b>“Provisional Acceptance Date”</b>	means the date on which the Lender has received from the Project Exporter the copy of the Certificate of Handling over (“COHO”, as defined in the Purchase Agreement);
<b>“Purchase Agreement”</b>	means the agreement relating to the Project entered into between the Project Exporter and the Project Buyer as specified in Annex 2.
<b>“Section”</b>	means a section of this Agreement.
<b>“Target Day”</b>	a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System is open.

## 2. THE CREDIT FACILITY

### 2.1 Preamble

The purpose of this Agreement is to lay down the terms and conditions on which the Lender will finance 100 % of the total contract value (but up to the maximum amount specified as the **“Credit Facility”** in Annex 3 hereof) to be paid by the Project Buyer to the Project Exporter under the Purchase Agreement.

## **2.2 The Credit Facility**

The Lender hereby agrees to make the Credit Facility available to the Borrower during the Availability Period on the terms and conditions set forth in this Agreement, provided that a Borrowing may only be made by the Borrower under the Credit Facility in accordance with the Payment Procedure specified in Annex 4 and shall be applied towards payment of the price due to the Project Exporter under the Purchase Agreement.

The credit granted hereunder is extended under and pursuant to the provisions of the rules and regulations for export credits promulgated by the Republic of Austria. The Borrower hereby takes note that the financing is supported by public aid funds with a grant element of 35.30% (thirty five point thirty per cent).

The Lender may refuse to disburse a Borrowing if such Borrowing and interest thereon would not be covered by the guarantee issued by OeKB for and on behalf of the Republic of Austria in accordance with the Export Promotion Act 1981, as amended, and/or the refinancing agreement with OeKB for the Credit Facility ceases to be in force.

## **2.3 Facility Account**

The Lender shall open a Euro facility account in the name of the Borrower, designated "Facility Account". Each Borrowing made hereunder shall be debited to the Facility Account, in accordance with this Agreement, value the date of payment of such Borrowing. Repayments and prepayments shall be applied to the Facility Account accordingly.

## **2.4 Independence of Agreement and Purchase Agreement**

This Agreement and the Purchase Agreement are separate and independent agreements. No failure of the Project Exporter to fulfil its obligations under the Purchase Agreement shall affect the obligations of the Borrower towards the Lender, nor shall the Lender be liable for any failure of the Project Exporter and/or any other party to the Purchase Agreement.

## **2.5 Procurement Procedure**

For the purpose of carrying out the Project in a duly manner the Borrower assumes on its own decision to award the Purchase Agreement by means of direct negotiation.

# **3. INTEREST**

## **3.1 Interest on the Facility Account**

The Borrower will pay interest on the Interest Payment Dates at a fixed rate as specified in Annex 3, calculated on the credit amount outstanding.

## **3.2 Computation and Date for Payment of Interest**

Interest due in accordance with Section 3.1 shall accrue from day to day, shall be computed on the basis of the actual number of days elapsed for the respective Interest Period and a year of 360 days, and, except as provided in Section 6.1, shall be paid quarterly in arrears by the Borrower to the Lender on the Interest Payment Dates.

## **3.3 Default Interest**

In the event of failure by the Borrower to make payment on the due date of any sum due hereunder, the Borrower shall pay interest on such sum from the date of such failure up to the date of actual payment at the rate specified in Annex 3. Default interest as per this Section 3.3 shall be due on the

Interest Payment Dates.

#### **4. FEES AND EXPENSES**

##### **4.1 Commitment Fee**

For the period beginning at the Closing Date and ending at the end of the Availability Period, the Borrower will pay to the Lender a commitment fee at the rate specified in Annex 3. The commitment fee due in accordance with this Section 4.1 shall be calculated on the basis of the actual number of days elapsed and a year of 360 days by the Lender on the undrawn balance of the Credit Facility at the commencement of each calendar quarter and shall be paid in arrears by the Borrower to the Lender on the Interest Payment Dates. The first payment of the commitment fee hereunder shall be made on the first Interest Payment Date next following the Closing Date.

##### **4.2 Management Fee**

The Borrower shall within 30 (thirty) calendar days after the Acceptance Date pay to the Lender the management fee specified in Annex 3.

##### **4.3 Expenses**

- (i) The Borrower will furthermore pay to the Lender on demand the reasonable and documented expenses (including legal, translation and travel expenses and expenses in connection with the OeKB guarantee) incurred by the Lender in suing for or recovering any sum due to the Lender hereunder.
- (ii) All taxes, duties, expenses or other charges levied on the Lender by the Ministry of Finance of Moldova in relation to this Agreement and the transactions contemplated hereunder, will be for the account of the Borrower and payable by the Borrower to the Lender.

##### **4.4 OeKB Guarantee Premium**

Under this Agreement the Lender will charge the Borrower a compensation for guarantee premium of OeKB in the following manner:

###### **(i) OeKB Guarantee Premium and Handling fee of OeKB payable up front**

The Borrower shall within 30 (thirty) calendar days after the Acceptance Date pay to the Lender an upfront part for compensation for guarantee premium of OeKB and the handling fee specified in Annex 3 in the amounts specified in Annex 3.

###### **(ii) OeKB Guarantee Premium payable as Margin**

- (a) Starting with the Interest Payment Date which falls after the Closing Date the Borrower shall pay to the Lender the compensation for guarantee premium of OeKB payable as a margin as specified in Annex 3. The margin part of the OeKB Guarantee Premium shall be due and payable quarterly on the Interest Payment Dates.
- b) The payment schedule of the amounts to be paid under Section. 4.4 will be determined by OeKB upon issuance of the final OeKB Guarantee. The Lender will notify the Borrower accordingly and will forward a payment schedule to the Borrower indicating the payments of the margin part of the OeKB Guarantee Premium. Such notification shall become an integral part of this Agreement.
- c) If during the term of the Export Credit Agreement the OeKB Guarantee premium is increased, because (i) the cover under the OeKB Guarantee has changed, or (ii) material

changes in the contractual terms of the Export Credit Agreement have been agreed, the Borrower will reimburse the Lender on demand for such increase, and if during the term of the Export Credit Agreement the OeKB Guarantee premium is decreased, because (i) the cover under the OeKB Guarantee has changed, or (ii) material changes in the contractual terms of the Export Credit Agreement have been agreed, the Lender will reimburse the Borrower on demand for such decrease.

## **5. REPAYMENT**

### **5.1 Mandatory Repayment**

The Loan outstanding at the end of the Availability Period shall be repaid by the Borrower in such number of equal semi-annual repayment instalments on the Mandatory Repayment Dates specified in Annex 3. The Lender shall within 15 (fifteen) calendar days after the Provisional Acceptance Date notify the Borrower the list of the Mandatory Repayment Dates and the amounts due on each such date.

### **5.2. Optional Prepayment**

The Borrower may prepay the whole or any part (if part, in the amount set forth in Annex 3 or integral multiples thereof) of the Loan upon giving at least 30 (thirty) calendar days prior written notice (such notice to be irrevocable) of the proposed prepayment date to the Lender subject to the approval of OeKB and subject to payments of any break costs incurred by the Lender. Any such prepayment shall, if made during the Availability Period, reduce the amount of the Credit Facility by an amount equal to such prepayment. Any references to the Credit Facility in this Agreement shall thereafter be deemed to be references to the amount specified in Annex 3 as so reduced. Any such prepayment shall, if made after the expiry of the Availability Period, be applied to reduce by equal amounts the repayment instalments due thereafter.

## **6. PAYMENTS**

### **6.1 Notice of Payment**

- (a) Not later than 30 (thirty) calendar days prior to each Interest Payment Date or, as the case may be, Mandatory Repayment Date, the Lender shall notify the Borrower of such amounts as are due to be paid by the Borrower to the Lender in accordance with the provisions of this Agreement in respect of principal, interest and commitment fee, provided that failure to give such notice as aforesaid shall not relieve the Borrower of its obligation to make payments of such amounts as aforesaid when due.
- (b) The notification shall also specify for each payment to be made under this Agreement, the exact amount and payment purpose (appropriation on due and payable amounts notified by the Lender) and the Borrower shall make payment in the advised manner and confirm the application of funds in writing. The Borrower shall advise the Lender in writing of the payment purpose (appropriation of funds) for each amount paid to the Lender. If no such information is received, Sec. 6.6. shall apply.
- (c) If any amount whatsoever is debited and/or credited to the Facility Account and/or any other account which may be opened in connection with this Agreement at any time within 30 (thirty) calendar days prior to any Interest Payment Date, interest or any other amounts due in respect thereof on such Interest Payment Date shall be carried forward and become due and payable to the Lender on the next succeeding Interest Payment Date, respectively will (in the case of amounts credited) be recalculated on the next succeeding Interest Payment Date.

## **6.2 Method of Payment**

On each Interest Payment Date, Mandatory Repayment Date or other due date for payment of any sum due and payable under this Agreement, as the case may be, the Borrower will make payment of the amounts in the currency due on such date by the Borrower under this Agreement in Vienna, value the relevant due date.

All payments by the Borrower to the Lender of amounts due hereunder shall be made in freely convertible and transferable Euro in Vienna.

## **6.3 Waiver of Set-off or Counterclaim**

The Borrower hereby waives any and all rights of set-off or counterclaim which it may have with regard to any amount due to the Lender hereunder and agrees that it will not withhold payment for any reason whatsoever of any amounts due for payment. In particular the Borrower will not withhold payment of amounts due to the Lender under this Agreement on the grounds that it has any claims, rights of action, entitlements or demands against the Project Exporter or other suppliers in relation to the Project.

## **6.4 Payments free of Withholding Taxes and other Charges**

All payments to be made by the Borrower under this Agreement shall be made without set-off or counterclaim and free and clear of, and without deduction for or on account of, any present or future taxes, duties, deductions, withholdings or other charges of whatsoever nature of the Republic of Moldova unless the Borrower is required by law to make such deduction. If so required by law, the sum due from the Borrower in respect of such payment shall be increased to the extent necessary to ensure that after making of such deduction of taxes, duties, deductions, withholdings or other charges the Lender receives on the due date for such payment a net sum equal to the sum which it would have received had no such deduction of taxes, duties, deductions, withholdings or other charges been required to be made. The Borrower shall promptly deliver to the Lender any receipts, certificates or other proof evidencing the amounts (if any) paid or payable in respect of any deduction or withholding as aforesaid.

## **6.5. Increased Costs**

If the result of

- any change in, or the introduction of, any law, regulation or regulatory requirement or any change in the interpretation or application thereof or
- compliance by the Lender with any direction, request or requirement (whether or not having the force of law) of any central bank, monetary, regulatory or other authority

(including, in each case, without limitation, those relating to capital adequacy, liquidity, reserve assets and special deposits) is to

- (a) increase the cost to, or impose an additional cost on, the Lender in making or keeping its commitment available or maintaining or funding the loan; and/or
- (b) reduce the amount payable or the effective return to the Lender under this Agreement; and/or
- (c) reduce the Lender's rate of return on its overall capital by reason of a change in the manner in which it is required to allocate capital resources to its obligations under this Agreement; and/or
- (d) require the Lender to make a payment or forgo a return on, or calculated by reference



to, any amount received or receivable by it under this Agreement,

then the Borrower shall pay to the Lender on demand any such cost, reduction, payment or forgone return.

Any certificate of the Lender as to such cost, reduction, payment or forgone return shall, in the absence of manifest error, be conclusive evidence and binding on the Borrower.

For the purpose of this clause the Lender may in good faith allocate or spread costs and/or losses among its assets and liabilities (or any class thereof) on such basis as they consider appropriate.

## **6.6 Appropriation of Payments**

All payments received by the Lender from the Borrower hereunder will (unless the Lender varies the order of application) be applied by the Lender towards payment of amounts due hereunder in the following order, and the Borrower hereby consents to the application of such payments in such order (and to any variation thereof by the Lender):

- (a) amounts due under Section 4.2 (Management Fee and Expenses);
- (b) amounts due under Section 4.4.(ii) (OeKB Guarantee Premium)
- (c) amounts due under Section 4.1 (Commitment Fee);
- (d) amounts due under Section 3.3 (Default Interest)
- (e) amounts overdue under Section 3.1 (Interest);
- (f) amounts overdue under Section 5.1 (Mandatory Repayment);
- (g) amounts due under Section 3.1 (Interest);
- (h) amounts due under Section 5.1 (Mandatory Repayment);
- (i) amounts due under Section 5.2 (Optional Prepayment).

The Lender will advise the Borrower about any application of funds. Overdue amounts shall be repaid before due amounts. Any instructions to the contrary given by the Borrower shall be disregarded.

The Borrower hereby acknowledges that under the guarantee OeKB has reserved towards the Lender the right to vary the appropriation of payments as set out above. In such case the Lender shall immediately inform the Borrower in writing and the Borrower shall accept the appropriation of OeKB and hereby undertakes to repay the Loan and any other amounts outstanding under this Agreement as then notified (including a detailed calculation) by the Lender to the Borrower.

## **7. CONDITIONS PRECEDENT**

This Credit Facility shall become available to the Borrower on the date ("**Closing Date**") the Borrower receives notice from the Lender that the following conditions shall have been satisfied in form and substance satisfactory to the Lender:

- (i) The Lender shall have received:
  - (a) a copy of the Purchase Agreement satisfactory in form and substance for the Lender together with a certificate from the Project Exporter at a date not more than fourteen calendar days prior to the Closing Date to the effect that the Purchase Agreement in the form submitted to the Lender is in full force and effect (Annex 6);
  - (b) a copy of the ratification decree with respect to this Agreement issued by the Parliament of the Republic of Moldova

- (c) a legal opinion of the Minister of Justice of the Republic of Moldova satisfactory to the Lender with such contents as the Lender may require (as per Annex 5), together with certified copies of any consents or authorisations referred to in such opinion;
  - (d) (1) evidence that the person(s) signing this Agreement on behalf of the Republic of Moldova is/are empowered to do this and (2) specimen signatures of the person or persons authorised to sign and deliver this Agreement and to certify as provided in lit. (e), certified in the manner applicable to international agreements;
  - (e) certified specimen signatures of the person or persons authorised to sign notices to be given to the Lender hereunder on behalf of the Borrower;
  - (f) photo-identifications of the person or persons authorised to sign and deliver this Agreement and to sign notices to be given to the Lender hereunder on behalf of the Borrower;
  - (g) an appointment of the Ambassador of the Republic of Moldova in the Republic of Austria acting as a process agent for the Borrower in connection with the Agreement (Annex 7);
  - (h) payment of the management fee according to Section 4.2. (and Annex 3)
  - (i) payment of the upfront part of the OeKB Guarantee Premium and the handling fee according to Section 4.4 (i) (and Annex 3)
  - (j) such other document, evidence or authorisation the Lender may request in order to render this Agreement and the transactions contemplated thereunder a legal, valid, binding and enforceable agreement.
- (ii) The Lender shall have obtained:
- (a) the guarantee issued by OeKB for and on behalf of the Republic of Austria in accordance with the Export Promotion Act 1981, as amended, the terms and conditions of which can be satisfied by the Lender;
  - (b) a refinancing agreement with OeKB for the Credit Facility;
  - (c) a side agreement with the Project Exporter and approval by the authorities of the Lender with respect to this Agreement.
- (iii) Any supplementary condition (if any) demanded in the final OeKB Guarantee issued by OeKB for and on behalf of the Republic of Austria.

Upon satisfaction of all the aforementioned conditions, the Lender shall forthwith notify the Borrower to that effect. If such conditions shall not have been satisfied within the Closing Period specified in Annex 3 hereof, this Agreement shall, without prejudice to the Borrower's obligation under Section 4.2, cease to be binding upon the parties hereto.

All of the above mentioned documents and notices shall be in English. If not in English a certified translation in English shall be attached to said document.

## **8. EVENTS OF DEFAULT**

### **8.1 Events of Default**

Each of the following events shall constitute an Event of Default:

- (a) there is failure for more than 30 (thirty) calendar days in the payment by the Borrower of any

principal, interest or other amounts due in respect of the Loan; or

- (b) the Borrower shall fail duly to perform or observe any term or undertaking contained in this Agreement other than the payment of principal, interest or other amounts for a period of 30 (thirty) calendar days from the earlier of the date on which the Borrower becomes aware of the failure and the date on which written notice of such failure requiring the Borrower to remedy the same, shall first have been given to the Borrower by the Lender; or
- (c) any warranty or undertaking made by the Borrower in connection with this Agreement shall prove to have been untrue in any material respect when made; or
- (d) the Borrower shall be in default in the payment or performance of any obligation in respect of borrowed moneys other than the Loan (including in each case an obligation under a guarantee); or
- (e) any licences, consents, registrations or approvals (governmental or otherwise) required for the validity, enforceability or legality of this Agreement or the Loan or the performance thereof is withdrawn or ceases for any reason to be in full force and effect; or
- (f) the Republic of Moldova declares a general moratorium for its payment obligations to its creditors; or
- (g) any event which has in the reasonable discretion of the Lender a material adverse effect to the ability of the Borrower to fulfil its obligations under this Agreement; or
- (h) the OeKB Guarantee issued by OeKB for and on behalf of the Republic of Austria or any of its provisions is revoked, terminated or ceases to be in full force and effect or ceases to provide the security intended or becomes unlawful or is declared void for a reason, event or circumstances which can be attributed to the sphere of the Borrower.

## **8.2 Action upon Events of Default**

If an Event of Default has occurred and at any time thereafter shall then be continuing any or all of the following actions may be taken by the Lender:

- (a) the Lender may by written notice to the Borrower declare the principal of and accrued interest in respect of the Loan and all other amounts payable hereunder to be forthwith due and payable, whereupon the same shall become forthwith due and payable, without presentment, demand, protest or other notice of any kind;
- (b) the Lender may by written notice to the Borrower declare the Credit Facility terminated, whereupon the Lender's obligation to make and continue the Loan hereunder shall terminate immediately; and
- (c) such other actions as the Lender may in its absolute discretion decide to take.

The Borrower hereby agrees to pay to the Lender on demand all losses, reasonable expenses and liabilities which the Lender may sustain as a consequence of any default (including but not limited to any interest paid by the Lender to lenders of funds borrowed by it to maintain any amounts in default). A certificate by a duly authorised officer of the Lender setting forth the amount of such losses, reasonable expenses and liabilities and the basis of calculation thereof, when forwarded to the Borrower, shall (save for manifest error) be conclusive evidence of the amount of such losses, expenses and liabilities, provided that such certificate shall be supported by documents to give evidence of such losses, expenses and liabilities and such certificates shall be supported by appropriated documents.

The Borrower shall, as soon as it becomes aware of the same, give written notice to the Lender of:

- (a) any Event of Default; or
- (b) any condition, event or act which with the giving of notice or lapse of time or both or the fulfilment of any condition could lead to or constitute an Event of Default.

## **9. WARRANTIES AND UNDERTAKINGS**

### **9.1 Warranties**

In order to induce the Lender to enter into this Agreement and to advance and maintain the Loan provided for herein, the Borrower makes as at the Acceptance Date the following warranties:

- (a) The Ministry of Finance of the Republic of Moldova is authorised to act on behalf and for the Republic of Moldova and to legally bind the Republic of Moldova. Consequently, the obligations of the Borrower under this Agreement are unlimitedly and unconditionally obligations of the Republic of Moldova. The Republic of Moldova can be sued in its own name in connection with the obligations of the Borrower under this Agreement.
- (b) the Borrower is not in default with any of its payment obligations and no Event of Default has occurred or is continuing,
- (c) the Borrower has the power to enter into this Agreement and to borrow hereunder and to execute, deliver and perform this Agreement and has taken all necessary action to authorise the terms and conditions of this Agreement and to authorise the execution, delivery and performance of this Agreement which constitutes legal, valid and binding obligations of the Borrower enforceable in accordance with its terms;
- (d) the execution, delivery and performance of this Agreement will not violate any provision of any existing law or regulation applicable to the Borrower or any other agreement, contract or undertaking to which the Borrower is a party or which is binding upon it or its assets;
- (e) all licenses, consents, registrations or approvals (governmental or otherwise) necessary in connection with the execution, delivery, performance, validity or enforceability of this Agreement have been obtained or effected and are in full force and effect.

The warranties set out above shall survive the execution of this Agreement and shall be deemed repeated on each date of Borrowing and on each Interest Payment Date.

### **9.2 Undertakings**

The Borrower hereby covenants and undertakes with and to the Lender as follows:

#### **(a) Records:**

The Borrower shall cause:

- (1) that (i) the Project Buyer maintains records adequate to identify the goods and services financed by the Loan, (ii) the Project Buyer discloses the use thereof in the Project and (iii) the Project Buyer records the progress of the Project, including the cost thereof;
- (2) the Lender's representatives to be allowed to inspect the Project, the undertaking of the Project Buyer, the goods and services supplied pursuant to the Purchase Agreement and any relevant records and documents;
- (3) to be furnished or furnish himself to the Lender all such information as the Lender shall request

concerning the expenditure of the Loan, the Project and the goods and services supplied pursuant to the Purchase Agreement.

**(b) Pari Passu and Negative Pledge**

The obligations of the Borrower under this Agreement shall rank at least pari passu and equally with all other outstanding unsecured and unsubordinated obligations of the Borrower. From the Acceptance Date and so long as any part of the Loan shall remain outstanding, the Borrower shall not create or agree to create any mortgage, charge, pledge, lien or other security interest on the whole or any part of its assets to secure any obligation or to secure a guarantee of any obligation, unless the Loan shall be secured equally and rateably therewith to the Lender's satisfaction.

**(c) Amendment of Purchase Agreement**

The Borrower shall not make, permit or agree to any amendment, change, modification or termination of the Purchase Agreement without the prior written consent of the Lender.

**10. GOVERNING LAW AND DISPUTES**

- (a) This Agreement shall be governed by the law of the Republic of Austria.
- (b) All disputes arising in connection with this Agreement, including its conclusion, validity and the rights and duties of the parties hereunder shall be finally settled under the Rules of Conciliation and Arbitration then prevailing of the International Chamber of Commerce in Paris by three arbitrators.
- (c) The place of arbitration shall be Paris. The language to be used in the arbitral proceedings shall be English.
- (d) The arbitral award shall determine the liability of the parties as to the costs incurred by the parties.
- (e) The arbitrators shall make every effort to conduct the proceedings and to prepare their award in such a way as to render the award enforceable at law.
- (f) Judgement upon the award may be entered in any court having jurisdiction or application may be made to such court for a judicial acceptance of the award and an order of enforcement, as the case may be.
- (g) Should the Lender bring up any legal actions (including suit, arbitration, attachment, execution or any other enforcement or conservatory measure) against the Borrower in relation to any matter arising under this Agreement, the Borrower herewith waives any right of immunity, which the Borrower might have.
- (h) The Borrower shall appoint the Embassy of the Republic of Moldova as its process agent in Vienna (Annex 7).

**11. GENERAL**

**11.1 Notices**

All notices, requests, demands and other communication shall be effective, in the case of written notice by registered letter when received or, in the case of facsimile notice, when received by the party to which such notice, request, demand or other communication is required or permitted to be given or

made under this Agreement, addressed to the Borrower or the Lender respectively at their addresses as set forth in Annex 1, or at such other address as any of them may hereafter specify to the other in writing in accordance with this Sec. 11.1.

## **11.2 Descriptive Headings**

The captions in this Agreement are for convenience of reference only and shall not define or limit the provisions hereof.

## **11.3 Waivers, Remedies Cumulative**

No failure or delay on the part of the Lender in exercising any right, power or privilege hereunder and no course of dealing between the Borrower and the Lender shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein expressly provided are cumulative and not exclusive of any rights or remedies which the Lender would otherwise have. No notice to or demand on the Borrower in any case shall entitle the Borrower to any other or further notice or demand in respect of the same circumstances or constitute a waiver of the rights of the Lender of any other or further action in relation to such circumstances without notice or demand.

## **11.4 Partial Invalidity**

If any of the provisions of this Agreement shall be adjudged by any court or other competent tribunal to be unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby and the parties thereto will use their best endeavours to revise the invalid provision so as to render it enforceable in accordance with the intention expressed therein.

## **11.5 Assignment**

The Borrower may not assign or transfer the whole or any part of its rights and obligations hereunder without the prior written consent of the Lender.

The Lender may assign its rights and obligations hereunder (i) without the consent of the Borrower, if the assignee is OeKB or (in case of an Event of Default only) any other bank or financial institution, and (ii) with the prior written consent of the Borrower, which shall not be unreasonably withheld, to any other assignee.

## **11.6 Confidentiality**

The Borrower herewith agrees that the Lender is entitled to submit in a way, which is usual by banks, all information, which it receives in connection with this agreement or its business relation with the Borrower- especially in the interest of a reasonable protection of creditors - to banks, common institutions of banks or preferred organisations for the protection of creditors.

The Borrower herewith further agrees that the Lender is entitled to give information resulting from this Agreement or the Lender's business relation with the Borrower to the following persons or companies:

- a) any members of the group of companies of the Lender,
- b) a prospective assignee or transferee or to any other person or company who may propose entering into contractual relations with the Lender in relation to this Agreement,
- c) OeKB and the Republic of Austria, and

- d) any other person, authority or entity, to whom the Lender is required to disclose any such information pursuant to any law or order of any court or other tribunal or regulatory body with whose instructions the Lender has to comply.

### **11.7 Amendments to the Agreement**

This Agreement may not be modified or amended other than by written instruments.

## **12. ENTERING IN FORCE**

This Agreement shall enter in force when duly signed by the parties hereto and ratified by the Parliament of the Republic of Moldova.

IN WITNESS WHEREOF the parties hereto have executed this Agreement the date first written above in two of originals in English language and the English version shall be binding and prevailing over any translations.

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The Republic of Moldova  
acting by and through the Ministry of Finance of the Republic of Moldova  
represented by the Prime Minister of the Republic of Moldova

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UniCredit Bank Austria AG as Lender

Florence Werdisheim  
Managing Director

Doris Pignitter  
Senior Manager

## **ANNEX 1**

### **THE PARTIES**

#### **THE BORROWER**

Name: The Republic of Moldova  
acting by and through the Ministry of Finance of the Republic  
of Moldova as Borrower

Address: Ministry of Finance  
7, Cosmonautilor Street  
MD-2005 Chisinau  
Republic of Moldova

Telephone: +373 (22) 262726  
Fax: +373 (22) 262893  
Department responsible: Public Debt Department  
Att.: Ms. Elena Matveeva

#### **THE LENDER**

Name: UniCredit Bank Austria AG  
Address: Schottengasse 6-8  
1010 Vienna  
Austria

Telephone: +43 (0)5 05 05 - 56939  
Fax: +43 (0)5 05 05 - 8956939  
Department responsible: 8243 STEF Structured Trade & Export Finance  
Att.: Ms. Jaana Novak



## **ANNEX 2**

### **1. The Project**

Financing of Improvement of Medical Services at the Republican Clinical Hospital of Moldova – phase II

### **2. The Purchase Agreement:**

An agreement no. RCH2-2013, dated 27 June 2013, between AME International GmbH ("**Project Exporter**") and the Ministry of Health of the Republic of Moldova ("**Project Buyer**") in the amount of EUR 7,300,000 (Euro seven million three hundred thousand) relating to the Project.

## **ANNEX 3**

### **1. Credit Facility (Section 2.2).**

An amount not exceeding EUR 7,300,000 (Euro seven million three hundred thousand)

### **2. Availability Period (Section 2.2)**

From the Closing Date (as defined in Section 7) until the day falling 9 months after the Closing Date, however ending on 30 June 2014 at the latest.

### **3. Interest (Section 3.1)**

0.00 % p.a. (0 per cent per annum)

### **4. Default Interest (Section 3.3)**

3 months EURIBOR plus a margin of 2 % p.a.

### **5. Commitment Fee (Section 4.1)**

0.5 % p.a. (zero point five per cent per annum)

### **6. Management Fee (Section 4.2)**

0.5 % (zero point five per cent ) flat of the Credit Facility

### **7. Guarantee Premium (Section 4.4)**

#### **(i) OeKB Guarantee Premium payable upfront**

EUR 15,056.25

The final amount will be determined by OeKB upon issuance of the final OeKB Guarantee. In case the final amount differs from the indicated amount, the Borrower will pay the difference (if any) within 30 (thirty) calendar days after the Borrower has been notified thereof by the Lender.

#### **(ii) OeKB Guarantee Premium payable as Margin**

1.10 % p.a. (one point one per cent per annum)

Due to the particular development-policy motivation in connection with Soft Loan financing, the Austrian Federal Ministry of Finance provides, as a special measure, a reduction of the Guarantee premium amounting to approx. EUR 978,656.25.

### **8. Handling Fee of OeKB**

EUR 1,440 in connection with the Export Credit Insurance

**9. Mandatory Repayment Dates (Section 5.1)**

Repayment is to be made in up to 19 equal consecutive semi-annual instalments, the first to be due 72 months after the Provisional Acceptance Date or 81 months after the Closing Date, in any event not later than on 30 June 2020.

**10. Optional Prepayment Amount (Section 5.2)**

EUR 500,000

**11. Closing Period (Section 7.)**

A period commencing on the Acceptance Date until 60 (sixty) calendar days after the Acceptance Date at the latest.

## **ANNEX 4**

### **PAYMENT PROCEDURE**

The Borrower herewith authorises the Lender irrevocably to pay to the Project Exporter up to the total maximum of the amount of the Credit Facility mentioned in Annex 3 against presentation of the following documents at the counters of the Lender:

#### **Advance Payment:**

15% (fifteen percent) of the amount of the Purchase Agreement being EUR 1,095,000.00 (in words: one million and ninety five thousand) are payable as an advance payment, at sight, upon presentation of

- Project Exporter's commercial invoice in 3 (three) originals and 3 (three) copies
- Performance Bond issued by an Austrian bank in the amount of 5% of the Purchase Agreement
- Advance Payment Guarantee issued by an Austrian bank in the amount of 15% of the Purchase Agreement

#### **Payment against Delivery:**

80% (eighty percent) of the amount of the Purchase Agreement being EUR 5,840,000.00 (in words: five million and eight hundred forty thousand) are payable upon presentation of the following documents:

- Project Exporter's Commercial Invoice in 3 (three) originals, all duly signed by the Project Exporter, and 3 (three) copies.
- Certificate of Insurance in 1 (one) original and 3 (three) copies.
- Packing List in 1 (one) original and 3 (three) copies.
- International Truck-Waybill (CMR) Copy for the Shipper, stamped and originally signed by the carrier, marked "Freight Prepaid" and number of Purchase Agreement

and/or

Full set of "On Board" Ocean Bill of Lading or FIATA Combined Transport Bill of Lading, in 3 (three) originals and 3 (three) copies made out to order, blank endorsed, notifying the Project Buyer

and/or

Airway Bill in 1 (one) original and 3 (three) copies, each stating the destination port / airport in the Republic of Moldova, Freight Prepaid, and number of Purchase Agreement.

#### **Final Payment (against COHO):**

5% (five percent) of the amount of the Purchase Contract being EUR 365,000.00 (in words: three hundred and sixty five thousand) are payable against presentation of:

- Project Exporter's Commercial Invoice in 3 (three) originals and 3 (three) copies and
- 3 (three) copies of the respective COHO.

The Lender shall be entitled to rely on any document believed by them to be genuine and correct and to have been signed or sent by the proper person. The Lender assumes no liability or responsibility for the

form, sufficiency, accuracy, genuineness, falsification or legal effect of any document(s), or for the general and/or particular conditions stipulated in the document(s) or superimposed thereon; nor does it assume any liability or responsibility for the description, quantity, weight, quality, condition, packing, delivery, value or existence of the goods or services represented by any document(s), or for the good faith or acts and/or omissions, solvency, performance or standing of the consignors, the carriers, the forwarders, the consignees or the insurers of the goods, or any other person whomsoever.

Partial shipments and partial presentation of documents are allowed.

The Lender will provide the Borrower with a written notification after a Borrowing has been effected to the Project Exporter.

After a Borrowing has been effected to the Project Exporter, the Lender will remit the relevant documents to the Borrower by separate courier-service.

## ANNEX 5

### LEGAL OPINION (Specimen)

From: Minister of Justice of the Republic of Moldova

To: UniCredit Bank Austria AG

Date, .....

I, ....., acting in my capacity as the Minister of Justice of the Republic of Moldova, refer to the export credit agreement for a soft loan No. 233.022 for an amount of EUR 7,300,000 (the "Agreement") dated 9 July 2013 and made between the Ministry of Finance acting on behalf of the Republic of Moldova as borrower ("Borrower"), represented by the Prime Minister of the Republic of Moldova and UniCredit Bank Austria AG as lender ("Lender"). I express no opinion with regard to the laws of any jurisdiction other than the Republic of Moldova.

I have examined a signed and executed copy of the Agreement and such other documents as I have considered necessary and relevant to examine, in order that I may render this opinion. Terms defined in the Agreement shall have the same meaning, unless otherwise defined herein.

Based upon the foregoing I am of the opinion that:

- a) The Ministry of Finance of the Republic of Moldova is authorised to act for and on behalf of the Republic of Moldova and to legally bind the Republic of Moldova. Consequently, the obligations of the Borrower under this Agreement are unlimitedly and unconditionally obligations of the Republic of Moldova. The Republic of Moldova can be sued in its own name in connection with the obligations of the Borrower under this Agreement.
- b) The Ministry of Finance is authorised to act on behalf of the Borrower and to legally bind the Borrower. Consequently all obligations under this Agreement are valid and legally binding and enforceable obligations of the Borrower. The Borrower has the capacity to sue or be sued in its own name.
- c) The Borrower has the power to enter into and perform the Agreement. The Borrower has taken all necessary action (governmental and otherwise) to authorise the signature of the Agreement under the terms and conditions stipulated therein and the entry into the execution, delivery and performance of the Agreement.
- d) The Agreement has been signed by Mr. .... in its capacity as the Prime Minister of the Republic of Moldova.
- e) The Agreement signed by the Prime Minister of the Republic of Moldova on behalf of the Borrower constitutes legal, valid and binding obligations of the Borrower enforceable in the courts of the Republic of Moldova in accordance with its terms.
- f) The person or persons signing the Agreement, signing or certifying any other document in connection with the Agreement are fully empowered and duly authorised to do so on behalf of the Borrower.

- g) The execution and performance of the Agreement and the transactions contemplated thereby do not conflict with (i) any law, regulation or any official or judicial order; (ii) treaty, agreement or other document or instrument to which the Borrower is a party or which is binding upon it or any of its respective assets.
- h) All authorisations, approvals (including, if necessary, exchange control approvals), consents, licences, exemptions, filings, registrations, notarisations and other requirements of governmental, judicial and public institutions and authorities necessary or advisable in connection with the execution, delivery, validity and performance of the Agreement or any payment to be made hereunder, have been obtained or effected and are in full force and effect and the Borrower has full authority to make all payments under the Agreement in EUR (Euro).
- i) All amounts payable by the Borrower under the Agreement may be made free and clear of and without deduction for or on account of any tax, levies, deduction or charge by the Republic of Moldova, any political subdivision or taxing authority. In the event of any withholding in respect of payments of interest under the Agreement the obligation of the Borrower to pay additional amounts pursuant Section 6.4 is valid and enforceable.
- j) This Agreement has been ratified by the Parliament of the Republic of Moldova *[and published .....*] and it is not necessary or advisable to ensure the legality, validity, enforceability or admissibility in evidence of the Agreement that it be filed, recorded or enrolled with any other governmental authority or agency in the Republic of Moldova.
- k) The choice of the law of the Republic of Austria to govern the Agreement is a valid choice of law and will be recognised and enforced in any court in the Republic of Moldova.

The Borrower is subject to civil law with respect to its obligations under the Agreement. The entry into and performance of the Agreement by the Borrower constitute private and commercial acts. The waiver of immunity in Section 10. (g) of the Agreement is valid and binding upon the Borrower.

- l) It is not necessary under the law of the Republic of Moldova (i) in order to enable the Lender to enforce its respective rights under the Agreement, or (ii) by reason of the execution, delivery, performance or enforcement of the Agreement, that the Lender is licensed, qualified or entitled to carry on business in the Republic of Moldova.

The Lender neither is or will be resident, domiciled, carrying on business or subject to taxation in the Republic of Moldova by reason only of the execution, delivery, performance or enforcement of the Agreement.

- m) The provisions of Section 10. of the Agreement are legal, valid and binding under the law of the Republic of Moldova.

The courts of the Republic of Moldova will recognize any judgement and/or any arbitral award in connection with the Agreement as valid and final and will enforce any such judgements and/or arbitral awards.

A judgement denominated in EUR (Euro) will be recognised and enforced in the Republic of Moldova.

To the best of my knowledge, no litigation, arbitration or administrative proceedings are presently current or pending or, to my knowledge, threatened against the Borrower which would have or could result in a material adverse change in the financial or corporate condition of the Borrower.

- n) The Agreement and all other documents do not contain any provision which shall be held

unenforceable under the law of the Republic of Moldova.

- o) The obligations of the Borrower under the Agreement will at all times rank pari passu with all other obligations of the Borrower, except those obligations mandatorily preferred by law.

This Legal Opinion is given for the sole benefit of the Lender and may be relied upon by OeKB; it may not be disclosed to any other person than OeKB.

Yours faithfully



## ANNEX 6

### CONFIRMATION THAT THE PURCHASE AGREEMENT IS IN FULL FORCE AND EFFECT

*[Lender]*

**Ref: The export credit agreement for a soft loan No. 233.022 for an amount of EUR 7,300,000 (the “Agreement”) dated 9 July 2013 and made between the Republic of Moldova acting through the Ministry of Finance of the Republic of Moldova as borrower (“Borrower”) and UniCredit Bank Austria AG as lender (“Lender”).**

Dear Sirs,

we hereby confirm to you that the Purchase Agreement no. RCH2-2013 concluded on 27 June 2013 between AME International GmbH and the Ministry of Health of the Republic of Moldova has come into force on [.....].

Vienna, .....

.....  
*[Project Exporter]*

## ANNEX 7

### ACCEPTANCE OF APPOINTMENT OF PROCESS AGENT

[Lender]

**Ref: The export credit agreement for a soft loan No. 233.022 for an amount of EUR 7,300,000 (the “Agreement”) dated 9 July 2013 and made between the Republic of Moldova acting through the Ministry of Finance of the Republic of Moldova as borrower (“Borrower”) and UniCredit Bank Austria AG as lender (“Lender”).**

Dear Sirs,

As the Ambassador of the Republic of Moldova in Vienna, Republic of Austria, I accept, on my behalf and on behalf of the Ministry of Finance of the Republic of Moldova, the appointment as the authorised process agent of the Borrower to serve as process agent on connection with the Agreement.

My address in Vienna is: .....

Should there be any change of my address I shall notify you in writing without delay.

Best regards

.....  
Embassy of the  
Republic of Moldova in Austria  
place, date .....