

LOAN AGREEMENT

BETWEEN

THE GOVERNMENT OF THE REPUBLIC OF POLAND

AND

THE GOVERNMENT OF THE REPUBLIC OF MOLDOVA

WHEREAS, The Government of the Republic of Moldova makes efforts to stabilize the economy and support its further development,

WHEREAS, The Government of the Republic of Poland indicated it's readiness to participate in initiatives facilitating The Government of the Republic of Moldova's actions,

The Government of the Republic of Poland and The Government of the Republic of Moldova hereafter called "Contracting Parties", agree as follows:

Article 1

1. The Government of the Republic of Poland, hereafter called the "Lender", agrees to make to the Government of the Republic of Moldova, hereafter called the "Borrower", a Loan in an aggregate amount of 15,000,000.00 USD (fifteen million USA Dollars), hereafter called the "Loan". The Loan shall be utilized to finance the economic stabilization programme of the Republic of Moldova.
2. The Loan may be disbursed within 3 months from the date of entering into force of this Agreement in one instalment.

Article 2

1. The instalment of the Loan shall be transferred to the Borrower upon written drawdown request, in the form set forth in Schedule 1 to this Agreement, issued and delivered by the Borrower not later than 5 (five) Business Days before the date on which the disbursement of the Loan is to be made.
2. The Utilisation Date shall be the date on which the instalment of the Loan is transferred to the Borrower.

Article 3

1. The Repayment Date shall be the date falling 12 (twelve) calendar months after the Utilization Date, save that if such a date falls on a day that is not a Business Day, than the Repayment Date shall be the date of the first Business Day after the date falling 12 (twelve) calendar months after the Utilization Date.
2. The Borrower shall repay the Loan in 1 (one) principal instalment made to the Lender in USA dollars by transfer on the Repayment Date.
3. The binding interest and principal payment schedule will be presented by the Lender to the Borrower once the Loan will be disbursed.
4. The Borrower may, not earlier than 10 (ten) calendar weeks before the Repayment Date, and not later than 6 (six) calendar weeks before the Repayment Date, notify the Lender by sending a request in the form set forth in Schedule 2 to this Agreement, about its willingness to extend the maturity of the Loan for additional 12 (twelve) months period. The Lender may then decide, on its sole discretion, on the extension of maturity of the Loan. The Lender shall notify the Borrower about its decision not later than 2 (two) calendar weeks before the originally designated Repayment Date. If the maturity of the Loan is changed, than the Repayment Date

shall be the date falling 24 (twenty four) calendar months after the Utilization Date, save that if such a date falls on a day that is not a Business Day, than the Repayment Date shall be the date of the first Business Day after the date falling 24 (twenty four) calendar months after the Utilization Date. The new binding interest and principal payment schedule will be presented by the Lender to the Borrower.

5. The Borrower may again, once, not earlier than 10 (ten) calendar weeks before the Repayment Date changed in line with Article 3 Par. 4 , and not later than six calendar weeks before such Repayment Date, notify the Lender by sending a request in the form set forth in Schedule 2 to this Agreement, about its willingness to extend the maturity of the Loan for additional 12 months period. The Lender may then decide, on its sole discretion, on the extension of maturity of the Loan. The Lender shall notify the Borrower about its decision not later than 2 (two) calendar weeks before the Repayment Date changed in line with Article 3 Par. 4. If the maturity of the Loan is changed again, than the Repayment Date shall be the date falling 36 (thirty six) calendar months after the Utilization Date, save that if such a date falls on a day that is not a Business Day, than the Repayment Date shall be the date of the first Business Day after the date falling 36 (thirty six) calendar months after the Utilization Date. The new binding interest and principal payment schedule will be presented by the Lender to the Borrower.
6. On the Repayment Date the Borrower shall pay to the Lender all the other amounts (overdue interest, penalty interest), if any, due to the Lender under this Agreement.

Article 4

1. The Borrower shall pay to the Lender interest accrued on the Loan. The rate of interest applicable to the Loan is equal to:
 - (a) 2.8% (two and eight/tenths per cent) per annum starting from (and including) the Utilisation Date until (and excluding) the first anniversary of the Utilisation Date,
 - (b) 3.0% (three per cent) per annum starting from (and including) the first anniversary of the Utilisation Date until (and excluding) the second anniversary of the Utilisation Date,
 - (c) 4.5% (four and a half per cent) per annum starting from (and including) the second anniversary of the Utilisation Date until the Loan is fully repaid.
2. The Interest Period shall be one month, save for the last Interest Period. "One month" is a period starting on one day in a calendar month and ending on the numerically corresponding day in the next succeeding calendar month save that:
 - (a) if any such numerically corresponding day is not a Business Day, such period shall end on the immediately succeeding Business Day to occur in that next succeeding calendar month or, if none, it shall end on the immediately preceding Business Day; and

(b) if there is no numerically corresponding day in that next succeeding calendar month, that period shall end on the last Business Day in that next succeeding calendar month.

3. The first Interest Period starts on Utilisation Date. Each next Interest Period starts on the last day of the previous Interest Period. The last Interest Period ends on Repayment Date.
4. Interest for each Interest Period shall accrue on disbursed and not repaid amount of the Loan for the actual number of days in the Interest Period, based on 365 days year (365[366]/365), starting from the first day of such a period (including this day) until the last day of such a period (excluding this day).
5. Interest accrued for each Interest Period shall be paid by the Borrower to the Lender by transfer in USA dollars on the last day of that Interest Period.
6. If the Borrower fails to pay any amount due to the Lender under the Agreement on the due date thereof, the Borrower shall pay to the Lender penalty interest on such overdue amount, accrued for the actual number of days between the due date and the date of actual payment at a rate per annum being the sum of: 2% (two per cent) per annum and the interest rate applicable to the Loan under the provision of the Article 4 Par. 1., based on 365 days year (365[366]/365).
7. If any payment resulting from this agreement is delayed or incomplete, then the payment received by the Lender shall be allocated in chronological order first to cover the penalty interest, then contractual interest, and finally to cover principal payments.

Article 5

1. Each of the following events or circumstances is an Event of Default:
 - a. The Borrower fails to pay any amount due under this Agreement within thirty (30) business days after payment notice has been given by the Lender to the Borrower.
 - b. The Borrower fails to comply with any provision of this Agreement (by failure other than failure to pay referred to in point (a)) and such failure (if capable of remedy) is not remedied within 1 calendar month after the Lender has given written notice to the Borrower.
 - c. Any principal or interest payment resulting from credit or loan granted to the Republic of Moldova by the International Monetary Fund is not made when due, and such default continues for more than the period of grace originally applicable to that credit or loan.

- d. Any amount due from the Republic of Moldova under its External Indebtedness is not paid when due, nor within any originally applicable grace period, or is declared to be or otherwise becomes due and payable prior to its original maturity – save for voluntary prepayment – as a result of an event of default, and the aggregate amount of such defaulted External Indebtedness is higher than EUR 10,000,000. External Indebtedness of the Republic of Moldova is hereby defined as any debt incurred in any way – including the debt assumed– or guaranteed by the Republic of Moldova as a sovereign, or the Government of the Republic of Moldova, that fulfils at least one of the following conditions:
- (i) is denominated in a currency other than the currency of the Republic of Moldova,
 - (ii) has been acquired or created outside of the territory of the Republic of Moldova,
 - (iii) has been issued under a jurisdiction other than that of Moldova and is owed to non-residents of Moldova.
- e. A moratorium is declared by The Government of the Republic of Moldova with respect to any External Indebtedness defined in Article 5 Par 1 Point above or the Borrower suspends payments of External Indebtedness generally.
- f. This Agreement becomes unlawful according to the law of the Republic of Moldova or due to any action of the Government of the Republic of Moldova.
- g. Any representation or statement made by the Borrower in this Agreement or any other document delivered by or on behalf of the Borrower under or in connection with this Agreement is or proves to have been incorrect or misleading in any material respect and such misrepresentation (if capable of remedy) is not remedied within 1 calendar month of the Lender giving notice to the Borrower.
2. At any time on or after the occurrence or continuation of any Event of Default defined in Par. 1 above the Lender may, by notice to the Borrower, declare all or part of the principal of the Loan, as selected by the Lender, together with accrued interest, as well as any other amounts due from the Borrower under this Agreement to be immediately due and payable. Penalty Interest shall accrue on those immediately due and payable amounts at the rate defined by Article 4 Par. 6, from the due date set by the Lender in the notice to the date of actual payment.
3. At any time on or after the occurrence or continuation of an any event of default of the Loan defined in Par. 1 above the Lender may without the consent of the Borrower, transfer any of its rights and obligations under this Agreement to any

entity without any limitation. In such a case the Lender shall notify the Borrower about its decision.

Article 6

To facilitate the payments for this Agreement, the Bank Gospodarstwa Krajowego ("BGK"), acting as the Lender's Agent shall open an account in USA Dollars for the Ministry of Finance of the Republic of Moldova, entitled "Loan for the Government of the Republic of Moldova", for the registry of the Loan as well as the repayments of principal and interest. This account shall be free of all charges. The Ministry of Finance of the Republic of Moldova and the BGK shall sign a technical agreement; the Loan can not be drawn before the technical agreement is signed.

Article 7

1. Save for such obligations as may be preferred by provisions of law, other than the law of the Republic of Moldova, the Borrower undertakes that the payment obligations of the Borrower under this Agreement constitute unsecured and unconditional obligations of the Borrower, and that such obligations rank and shall rank at least pari passu with all other present and future unsecured and unconditional External Indebtedness of the Borrower, as defined in Article 5 Par. 1 Point d of this Agreement.
2. The Borrower shall not create or permit to subsist any Security for any External Indebtedness (as defined in Article 5 Par. 1 Point d of this Agreement) other than security existing on the date of this Agreement unless the Lender agrees otherwise, and with the exception that the Security will be over properties or assets to secure an amount not exceeding the purchase price of such properties or assets, and established in relation to the acquisition of such properties or assets.
3. Save for any prepayments under the IMF Program, the Borrower shall not prepay any External Indebtedness of the Republic of Moldova, as defined in Article 5 Par. 1 Point d of this Agreement, unless this Loan is offered to be prepaid pro rata.
4. The Borrower shall not change any laws, rules or regulations that would adversely affect the Lender's ability to comply with this Agreement.
5. The Borrower shall, within five (5) Business Days of demand, indemnify the Lender and the Lender's Agent against any cost, loss or liability incurred by it as a result of:
 - a. acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;
 - b. the occurrence of any Event of Default as defined in Article 5, or while investigating any event which it reasonably believes is an Event of Default;
 - c. payments due from the Borrower under this Agreement not being received by the Lender in the currency set in this Agreement;

- d. failure by the Borrower to pay any amount due under this Agreement on its due date;
- e. funding, or making arrangements to fund, an instalment of the Loan as requested by the Borrower in an utilisation request but not made by reason of the operation of any one or more of the provisions of this Agreement (other than by reason of default or negligence by the Lender); or
- f. the Loan (or part of the Loan) not being prepaid in accordance with a notice of prepayment given by the Borrower.

Article 8

For this Agreement, the Business Day is a day, on which the banks in New York City are open for domestic and international transactions. In case any payment resulting from this Agreement falls due on a day that is not a business day in the NYC, United States of America, such payment shall be made on the first business day after the originally stipulated payment date, and such extension of time shall be included in computing interest in connection with such payment, but excluded from the next interest period, if any.

Article 9

1. Any bank commissions or fees charged by the Bank Gospodarstwa Krajowego or the National Bank of Poland in relation to this Agreement will be paid by the Lender. Any other payments, which may be due for any reason whatsoever related to the transfer of funds to the Borrower and repayments under this Agreement, will be paid by the Borrower.
2. All the payments of both principal and interest, as well as any other payments (overdue interest, penalty interest) due to the Lender under this Agreement shall be made in full, and shall not be reduced by any charges, levies and taxes imposed by the Government of the Republic of Moldova or bank correspondents. If such reduction is required according to the law of the Republic of Moldova, the Borrower shall increase payments, so that the Lender shall receive after all reductions the amount set out in this Agreement.

Article 10

If the Lender transfers any of its rights and obligations under this Agreement to any entity as provided by Article 5 Par. 3. the Borrower hereby consents to the exclusive jurisdiction of the Courts of the Republic of Poland. The venue shall be Warsaw.

Article 11

The repayments of principal, interest as well as any other payment due from the Borrower to the Lender shall be made to the account:

Government of the Republic of Poland represented by the Bank Gospodarstwa
Krajowego
Agency Services Department
Account: 36016004
Citibank N.A., New York
ABA 021000089
SWIFT: CITIUS33XXX
BGK SWIFT: GOSKPLPWXXX,
unless the Borrower is instructed otherwise by the Lender's Agent by not less than five
(5) Business Days' notice.

Article 12

All changes to this Agreement can be introduced only through an exchange of notes between the Lender and the Borrower and shall come into force on the date of the receipt of the later note.

Article 13

Any communication between Contracting Parties to be made under or in connection with this Agreement must be in English.

Article 14

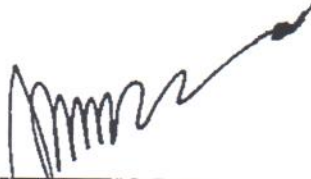
The Schedules 1 and 2 constitute an integral part of this Agreement

Article 15

1. This Agreement shall be approved according to internal laws of each of the Lender and the Borrower, which shall be confirmed by exchange of notes. It shall come into force on the date of the receipt of the later note.
2. This Agreement remains valid until all obligations of the Lender and the Borrower arising from this Agreement are fulfilled, which shall be confirmed by exchange of notes. The Agreement shall lose its force on the date of the receipt of the later note.

Signed in Warsaw on 18th of February 2010 in two originals, each in the Polish, Moldovan and English languages, all texts being equally authentic.
In case of any divergences of interpretation, the English text shall prevail.

For the Government of the Republic of
Poland



(signature)

For the Government of the Republic of
Moldova



(signature)

To: The Republic of Poland
Ministry of Finance

From: The Republic of Moldova

Date: []

**Re: Loan Agreement between the Government of the Republic of Poland
and the Government of the Republic of Moldova**

Drawdown Request

1. We refer to the Agreement. This is a drawdown request. Terms defined in the Agreement have the same meaning herein.
2. We wish to request a disbursement of the Loan in the amount of 15,000,000.00 USD on [date].
3. Please transfer the amount to [account] [bank]
4. We confirm that we have complied with all terms under the Agreement.
5. This drawdown request is irrevocable.

Republic of Moldova

(signature)

(signature)

To: The Republic of Poland
Ministry of Finance

From: The Republic of Moldova

Date: []

**Re: Loan Agreement between the Government of the Republic of Poland and the
Government of the Republic of Moldova**

Extension of the Loan maturity Request

1. We refer to the Agreement. This is a request to extend the maturity of the Loan. Terms defined in the Agreement have the same meaning herein.
2. We wish to request a the maturity date of the Loan to be changed from [●●●], to [●●●], and the repayment schedule to be changed respectively.
3. We confirm that we have complied with all terms under the Agreement.
4. This request is irrevocable.

Republic of Moldova

(signature)

(signature)

To: The Republic of Moldova

From: The Republic of Poland
Ministry of Finance

Date: []

**Re: Loan Agreement between the Government of the Republic of Poland
and the Government of the Republic of Moldova**

Reply to the Extension of the Loan maturity Request

1. We refer to the Agreement. This is a reply to the request to extend the maturity of the Loan. Terms defined in the Agreement have the same meaning herein.
2. We would like to inform you, that we have [agreed/not agreed] for the maturity date of the Loan to be changed from [●●●], to [●●●], and the repayment schedule to be changed respectively.

Republic of Poland

(signature)

(signature)