

BANCA EUROPEANA DE INVESTITII

Fi nr. 22495
Agora nr. 2002 0343

**ROMANIA - PROIECTUL PRIVIND INFRASTRUCTURA
MUNICIPALA IN DOMENIUL ALIMENTARII CU APA,
etapa aIIa**

CONTRACT DE FINANTARE

intre

ROMANIA

si

BANCA EUROPEANA DE INVESTITII

**Bucuresti, 15 martie 2004
Luxemburg, 19 martie 2004**

PREZENTUL CONTRACT ESTE INCHEIAT INTRE:

Romania, reprezentata de Ministerul Finantelor Publice, cu sediul in str. Apolodor nr. 17, sector 5, RO-70060 Bucuresti, Romania, reprezentata de Dl. Mihai Nicolae Tanasescu, Ministrul Finantelor Publice

denumita in continuare:

“IMPRUMUTATUL”

ca prima parte,

Banca Europeana de Investitii, avand sediul central in Bdul Konrad Adenauer, nr. 100, Luxembourg-Kirchberg, Marele Ducat al Luxembourgului, reprezentata de Dl. Rainer Saerbeck, Director de Departament, si Dl. Gian Domenico Spota, Avocat Principal.

denumita in continuare:

“BANCA”

ca a doua parte

AVAND IN VEDERE CA :

1. La data de 1 februarie 1993, Comunitatile Europene si Imprumutatul au incheiat un "Acord european de asociere intre Comunitatile Europene si statele membre ale acestora, pe de o parte si Romania, pe de alta parte
2. In cadrul acestui Acord european, Consiliul Directorilor Bancii a autorizat acordarea de imprumuturi pentru proiecte de investitii in Romania.
3. In datele de 4/5 iunie 1997 un acord cadru (denumit in continuare "Acordul-Cadru"), referitor la cooperarea financiara mentionata, a fost semnat de catre Imprumutat si Banca si este aplicabil acestui contract (denumit in continuare "Contractul")
4. Imprumutatul a propus angajarea unui proiect (denumit in continuare "Proiectul") care urmeaza a fi realizat prin intermediul autoritatilor sale locale sau al companiilor municipale de utilitati (denumiti in continuare "Beneficiari Finali"), destinat reabilitarii infrastructurii in domeniul alimentarii cu apa si epurarii apei uzate in fiecare dintre ele (fiecare dintre ele denumite in continuare "Sub-proiect"), dupa cum se specifica mai detaliat in descrierea tehnica prezentata in Anexa A la prezentul Contract (denumita in continuare "Descrierea tehnica") si identificate ca masurile descrise in Memorandumurile de Finantare ISPA nr. 2002/RO/16/P/PE/019, nr. 2002/RO/16/P/PE/021 si nr. 2002/RO/16/P/PE/023, intrate in vigoare incepand cu 31 martie 2003 (fiecare dintre ele denumite in continuare "Memorandum de Finantare" si toate impreuna denumite "Memorandumuri de finantare") incheiate intre Romania si Comunitatea Europeana in cadrul general ISPA pentru cofinantarea Proiectului.
5. Costul total al Proiectului, asa cum a fost estimat de catre Banca, este de 120.293.769 euro (o suta douazeci milioane doua sute nouazeci si trei mii sapte sute saizeci si noua euro), incluzand cheltuieli neprevazute si dobanda pe perioada constructiei precum si taxe si impozite publice.
6. Imprumutatul a solicitat Uniunii Europene o contributie sub forma de fonduri nerambursabile pentru Proiect in cadrul programului ISPA (denumit in continuare "Grantul ISPA"), intr-o suma echivalenta cu 73.902.840 euro (saptezecisitrei milioane nouasutedoua mii opt sute patruzeci euro).
7. Costul Proiectului urmeaza sa fie finantat dupa cum urmeaza:

Contributiile Imprumutatului, prin Beneficiarii Finali	11.890.929 euro
Grant ISPA	73.902.840 euro
Asistenta tehnica ISPA	5.500.000 euro
Imprumutul Bancii	29.000.000 euro
TOTAL	120.293.769 euro

Contributia Imprumutatului prin Beneficiarii Finali include in special taxe si impozite publice aferente partii din costul proiectului care nu e finantata din grant.

8. In consecinta, Imprumutatul a solicitat Bancii un imprumut in suma echivalenta cu 29.000.000 euro (douazecisinoana milioane euro).

9. In conformitate cu Articolul 3 al Acordului-Cadru, Imprumutatul a fost de acord ca dobanda si toate celelalte plati datorate Bancii si care apar ca urmare a activitatilor avute in vedere prin Acordul-Cadru, precum si activele si veniturile Bancii legate de astfel de activitati, sa fie scutite de impozite.

10. Prin Articolul 4 al Acordului-Cadru, Imprumutatul a fost de acord ca pe intreaga perioada a oricarei operatiuni financiare incheiate in conformitate cu Acordul-Cadru, Imprumutatul:

(a) sa asigure:

(i) ca beneficiarii sa poata schimba in orice valuta convertibila, la cursul de schimb care prevaleaza, sumele in moneda nationala a Imprumutatului necesare pentru plata la timp a tuturor sumelor datorate Bancii in legatura cu imprumuturile si garantiile referitoare la orice proiect; si

(ii) ca aceste sume sa fie transferabile liber, imediat si efectiv; si

(b) sa asigure:

(i) ca Banca sa poata schimba in orice valuta liber convertibila, la cursul de schimb care prevaleaza, sumele in moneda nationala a Imprumutatului primite de Banca cu titlu de plati aferente unor imprumuturi si garantii sau oricarei alte activitati si ca Banca sa poata, transfera liber, imediat si efectiv, sumele astfel schimbate; sau, daca Banca va opta astfel,

(ii) ca aceasta sa poata dispune liber de astfel de sume pe teritoriul Imprumutatului.

11. Convinsa fiind ca prezenta operatiune corespunde scopului functiunilor sale si este conforma cu scopurile Acordului-Cadru si tinand cont de aspectele mentionate anterior, Banca a decis sa dea curs solicitarii Imprumutatului, acordandu-i un credit in suma echivalenta cu 29.000.000 euro (douazecisinoana milioane euro).

12. Statutul Bancii prevede ca Banca se va asigura ca fondurile sale sunt folosite cat mai rational posibil in interesele Comunitatii Europene si in mod corespunzator termenii si conditiile operatiunilor sale de imprumutare vor fi conforme cu politica Comunitatii Europene.

13. Semnarea acestui contract in numele Imprumutatului a fost pe deplin autorizata in termenii stabiliti in Anexa I.

14. Referirile din prezentul Contract la "Articole", "Preambul", "Paragrafe", "Sub-Paragrafe", "Alineate", "Anexe" si "Documente anexate" reprezinta referiri facute

respectiv la articole, preambul, paragrafe, sub-paragrafe, alineate, anexe si documente anexate ale acestui Contract.

DREPT PENTRU CARE, s-a convenit prin prezentul Contract, dupa cum urmeaza:

ARTICOLUL 1 Trageri

1.01. Suma Creditului

Prin acest Contract, Banca acorda Imprumutatului, iar Imprumutatul accepta, un credit (denumit in continuare "Credit"), in suma echivalenta cu 29.000.000 euro (douazecisinoamilioane euro) care urmeaza sa fie utilizat exclusiv pentru finantarea partiala a costurilor Proiectului si, in cadrul acestuia, a Sub-proiectelor, asa cum se stipuleaza mai jos .

1.02. Proceduri de tragere

- A. Banca va disbursa creditul in maximum noua transe. Suma fiecarei transe, daca nu este suma netrasa din credit, va fi de minimum trei milioane euro sau echivalentul acestuia. O transa solicitata de Imprumutat in conformitate cu Subparagraful 1.02B este denumita in cele ce urmeaza ca o "Transa".
- B. Periodic, pana la data de 31 octombrie 2008, Imprumutatul poate prezenta Bancii o solicitare scrisa (o "Cerere de tragere") pentru tragerea unei Transe. Cererea de tragere va specifica:
- (a) suma si valuta Transei trase;
 - (b) data preferata a tragerii, intelegandu-se ca Banca poate disponibiliza Transa in cel mult patru luni calendaristice de la data cererii de tragere; si
 - (c) in mod unilateral, rata fixa a dobanzii, daca este cazul, indicata de Banca fara nici un angajament.

Imprumutatul va furniza Bancii dovada ca persoana sau persoanele care fac Cererile de tragere in cadrul prezentului contract au fost autorizate in mod corespunzator pentru a face acest lucru.

Imprumutatul va furniza Bancii dovada relevanta necesara in cadrul Paragrafului 1.04C.

Sub rezerva subparagrafului 1.02C, fiecare Cerere de tragere este irevocabila.

C. Cu 10-15 zile inainte de data tragerii , Banca, daca cererea de tragere este in conformitate cu Subparagraful 1.02B, va furniza Imprumutatului o notificare (denumita in continuare "Aviz de tragere") care :

- (a) va confirma valoarea si valuta Transei trase;
- (b) va specifica rata dobanzii fixe;
- (c) va specifica data la care Transa este programata a fi disponibilizata (denumita in continuare "Data programata de tragere"), sub rezerva Paragrafului 1.04.

In cazul in care unul sau mai multe elemente specificate in Avizul de Tragere nu sunt conforme cu elementul corespunzator din Cerere, Imprumutatul poate revoca Cererea printr-o notificare catre Banca, intr-un interval de trei zile lucratoare luxemburgheze, ulterior primirii Avizului de Tragere, si ca urmare, Cererii si Avizului de Tragere nu li se va da curs.

In general, pentru scopurile acestui Contract, "Zi Lucratoare Luxemburgheza" inseamna o zi in care bancile comerciale sunt deschise pentru afaceri in Luxemburg.

D. Tragerea va fi efectuata in acel cont bancar, pe numele si in contul Imprumutatului, dupa cum Imprumutatul va instiinta Banca, cu cel putin sapte zile inainte de data efectuarii tragerii. Un singur cont poate fi specificat pentru fiecare asemenea Transa.

1.03. Valuta tragerii

Sub rezerva existentei disponibilitatilor, Banca va elibera fiecare Transa in valuta pentru care Imprumutatul si-a exprimat o preferinta. Fiecare valuta de tragere va fi euro sau orice alta valuta care este tranzactionata pe scara larga pe principalele piete valutare.

Pentru calculul sumelor ce urmeaza a fi trase intr-o alta valuta decat euro, Banca va aplica cursul de schimb de referinta calculat si publicat de Banca Centrala Europeana din Frankfurt, intr-un interval de cincisprezece zile anterior datei efectuarii tragerii, dupa cum va decide Banca.

1.04. Conditii de tragere

A. Tragerea primei Transe, in conformitate cu Paragraful 1.02, va fi conditionata de indeplinirea, in mod satisfacator pentru Banca, a urmatoarelor conditii, si anume ca, inainte de data Cererii de tragere:

(a) Banca sa fi primit un aviz juridic privind semnarea corespunzatoare a acestui Contract de catre Imprumutat si privind documentele relevante, in forma si continut acceptabile Bancii, emis de catre un consilier juridic al Imprumutatului;

(b) Banca sa fi primit documente justificative in limba engleza privind autorizarile de semnare a acestui contract.

(c) toate aprobarile necesare privind controlul schimbului valutar (daca exista) vor fi fost obtinute, pentru a permite Imprumutatului sa primeasca trageri in conditiile prezentului Contract si sa permita Imprumutatului sa ramburseze Imprumutul (asa cum este definit in Paragraful 2.01) si sa plateasca dobanda si toate celelalte sume datorate conform prezentului Contract; aceste aprobari trebuie sa se extinda si asupra deschiderii si mentinerii conturilor in care Imprumutatul solicita Bancii sa disponibilizeze Creditul; si

(d) Banca sa fi primit documente satisfacatoare in legatura cu faptul ca Oficiul de Plati si Contractare Phare (denumit in continuare "OPCP") din cadrul Ministerului

Finanțelor Publice al Imprumutului este responsabil, în calitate de unitate de monitorizare a proiectului, cu procedurile privind monitorizarea, raportarea și tragerile aferente Creditului, în condiții satisfăcătoare Bancii;

Dacă o Cerere pentru tragerea primei Tranche este efectuată înainte de primirea de către Banca a unor documente satisfăcătoare pentru ea, demonstrând că aceste condiții au fost îndeplinite, o astfel de Cerere de tragere va fi considerată ca fiind primită de Banca la acea dată la care condițiile vor fi fost îndeplinite.

B. Tragerea fiecărei Tranche inclusiv prima, va fi condiționată de primirea de către Banca, la sau înainte de data Cererii de tragere relevantă, a acordurilor de împrumut subsidiare, așa cum se descrie în mod detaliat în Paragraful 6.10, cu referire la Subproiectele care vor fi finanțate din sumele Tranchei.

C. Tragerea fiecărei Tranche ulterioară primei va fi condiționată de primirea de către Banca, la sau înainte de data Cererii de tragere:

(a) a copiilor certificate ale contractului sau contractelor care au fost finanțate din toate Tranchele anterioare trase, acestea fiind încheiate în termeni satisfăcători Bancii; și

(b) a unei situații transmise de Imprumutat demonstrând că au fost efectuate cheltuieli (excluzând impozite și taxe vamale platibile în România) pentru articolele finanțate de către Banca, în conformitate cu Descrierea Tehnică, pentru o sumă egală cu toate Tranchele trase, mai puțin o sumă de 1 milion euro, cu excepția ultimei trageri.

Pentru calcularea echivalentului în euro al sumelor cheltuite, Banca va aplica cursul de schimb la care se face referire în Paragraful 1.03.

Dacă orice parte a dovezii furnizate de Imprumutat în cadrul acestui subparagraf nu este satisfăcătoare Bancii, Banca poate să acționeze în conformitate cu ultima propoziție a Subparagrafului 1.04A, sau poate disponibiliza proporțional mai puțin decât suma solicitată.

D. În plus, tragerea fiecărei asemenea Tranche se va face cu condiția ca Banca să fie convingută permanent că suficiente fonduri continuă să fie asigurate în concordanță cu Paragraful 6.07, astfel încât să se asigure realizarea și terminarea la timp a Proiectului.

1.05 Amanarea Tragerii

A. La solicitarea Imprumutului, Banca va amana tragerea oricărei Tranche în totalitate sau parțial până la o dată specificată de Imprumutat, aceasta fiind o dată care nu depășește șase luni de la Data sa de Tragere Prevăzută. Într-o asemenea situație, Imprumutatul va plăti comisionul de amanare așa cum a fost indicat în conformitate cu Subparagraful C de mai jos. Orice solicitare de amanare va avea efect asupra unei Tranche doar dacă este făcută cu cel puțin șapte Zile Lucrătoare Luxemburghese înainte de Data Prevăzută de Tragere.

B. Dacă oricare din condițiile la care se face referire în Paragraful 1.04 nu sunt îndeplinite la data specificată, tragerea va fi amănata până la o dată convenită între

Banca si Imprumutat, cu cel putin Sapte Zile Luxemburghize dupa indeplinirea tuturor conditiilor de tragere.

- C. Daca tragerea unei Transe este amanata, fie la solicitarea Imprumutatului fie datorita neindeplinirii conditiilor de tragere, Imprumutatul, la solicitarea Bancii, va plati un comision la suma tragerii amanate. Un astfel de comision se va calcula de la Data Prevazuta de Tragere la data de tragere reala sau, dupa caz, pana la data anularii Transei , la o rata de $R1$ minus $R2$, unde:

$R1$ inseamna rata dobanzii care va fi aplicata periodic in conformitate cu Paragraful 3.01, daca Transa a fost disponibilizata la Data de Tragere Prevazuta

si

$R2$ inseamna Rata Interbancara Relevanta (asa cum a fost definita in continuare) minus 0,125% (12,5 puncte de baza); cu conditia ca pentru scopurile determinarii Ratei Relevante Interbancare legate de Paragraful 1.05, perioadele relevante vor fi perioade succesive de o luna incepand cu Data de Tragere Prevazuta.

Mai mult, comisionul sus-mentionat:

- (a) daca amanarea depaseste o luna ca durata, se va acumula la sfarsitul fiecărei luni;
- (b) va fi calculat utilizandu-se conventia de calcul de zile aplicabila la $R1$; si
- (c) atunci cand $R2$ depaseste $R1$, se va stabili la 0.

Pentru scopurile acestui Contract, "Rata Interbancara Relevanta" inseamna:

(x) in cazul oricarei perioade de dobanda de o luna sau mai mult, rata dobanzii pentru depozitele interbancare pe o perioada egala cu numarul de luni intregi corespunzand duratei unei asemenea perioade de dobanda; si

(y) in privinta oricarei perioade de dobanda de mai putin de o luna, rata dobanzii pentru depozitele interbancare pe o perioada de o luna,

oferita pe principala piata interbancara a valutei relevante (pentru dolarul american pe piata interbancara londoneza iar pentru euro, pe piata interbancara a zonei euro), asa cum este selectat de catre Banca.

1.06. Anularea si suspendarea Creditului

A. Imprumutatul poate oricand, prin notificarea Bancii, sa anuleze, in totalitate sau in parte, si cu efect imediat, partea netrasa a Creditului. Oricum, notificarea nu va avea efect asupra unei Transe a carei Data de Tragere Prevazuta este in limita a sapte Zile Lucratoare Luxemburghize dupa data notificarii. Imprumutatul, daca nu se stabileste altfel prin prezentul, nu va suporta nici o obligatie in ceea ce priveste comisionul sau altfel de obligatie catre Banca din motivul unei asemenea anulari.

Daca Imprumutatul anuleaza o Transa care a facut subiectul unui Aviz de tragere (o asemenea Transa, indiferent de rata dobanzii aplicabila, fiind denumita ca "Transa notificata"), va plati un comision aplicat asupra sumei anulate. Un asemenea comision va fi calculat in conformitate cu Subparagraful 4.02B, in ceea ce priveste perioada incepand cu data ("Data de inceput"), aceasta fiind ultima dintre:

- (a) data avizului de anulare; si
- (b) data notificata de tragere previzionata pentru transa notificata, pana la data finala a platii previzionata a transei notificate.

Pentru acest scop:

- (x) referirile din subparagraful 4.02B cu privire la Data platii anticipate se vor referi la Data de inceput; si
- (y) suma anulata va fi considerata a fi trasa si rambursata dupa Data de inceput.

Comisionul va fi platibil in sapte zile de la solicitare.

B. Banca poate, prin notificare catre Imprumutat, in totalitate sau partial, sa suspende partea netrasa a Creditului oricand, si cu efect imediat:

- (a) in conditiile mentionate in Paragraful 4.03 sau Paragraful 10.01; si
- (b) daca se vor ivi circumstante exceptionale care sa afecteze in mod negativ accesul Bancii la pietele de capital internationale; sau
- (c) atata vreme cat, actionand in mod rezonabil, Banca nu este satisfacuta ca garantia si angajamentele luate de Imprumutat in cadrul Paragrafului 6.12 si 8.04 au fost indeplinite.

O asemenea suspendare va continua pana ce Banca notifica Imprumutatul ca poate din nou sa apeleze la Credit sau, dupa caz, pana ce Banca anuleaza suma suspendata, asa cum se mentioneaza mai jos.

In plus, Banca poate, prin notificarea Imprumutatului, sa anuleze in totalitate sau in parte portiunea netrasa din Credit, in conditiile Alineatelor a si b de mai sus, intotdeauna conditionat (in cazul Paragrafului 4.03) de indeplinirea procedurilor respective specificate in fiecare subparagraf al Paragrafului 4.03. Banca poate, de asemenea, prin notificare catre Imprumutat, sa anuleze o Transa a carei tragere a fost amanata in cadrul Subparagrafului 1.05A sau B cu mai mult de sase luni cumulat.

Totusi, Banca nu va fi indreptatita sa suspende sau sa anuleze, in baza Alineatului b de mai sus, orice Transa notificata.

C. Daca Banca suspenda o Transa Notificata doar pe baza Subparagrafului 1.06B alin. a, Imprumutatul va plati un comision asupra sumei suspendata asa cum se prevede in subparagraful 1.05C.

Daca Banca anuleaza o Transa notificata doar pe baza respectivului alineat a, Imprumutatul va plati un comision asupra sumei anulate, calculata in conformitate cu subparagraful 1.06A, cu conditia ca nici un comision sa fie platit in momentul anularii doar pe baza unui eveniment mentionat in subparagraful 4.03 A sau B.

D. In cazul in care costul Proiectului va fi mai mic decat cifra cuprinsa in Preambul, Banca poate, printr-o notificare adresata Imprumutatului sa anuleze orice parte netrasa din Credit, proportional cu suma redusa.

Banca poate, in orice moment, dupa 31 octombrie 2008, printr-o notificare adresata Imprumutatului, sa anuleze orice parte din Credit pentru care nu s-a efectuat nici o tragere.

Imprumutatul nu va suporta nici o obligatie catre Banca sub forma vreunui comision sau inr-o alata forma din motivul oricarei anulari in cadrul subparagraful 1.06D.

1.07 Sumele datorate in cadrul Articolului 1

Sumele datorate in cadrul Articolului 1 se vor plati in euro.

Articolul 2 **Imprumutul**

2.01. Suma Imprumutului

Imprumutul (denumit in continuare "Imprumutul") va cuprinde totalul sumelor in valutele disponibilizate de Banca, asa cum au fost notificate de catre Banca, conform Paragrafului 2.04.

2.02. Valuta rambursarilor

Fiecare rambursare care cade sub incidenta Articolului 4 sau, dupa caz, a Articolului 10, va fi efectuata in valutele in care au fost efectuate tragerile si in proportiile in care acestea sunt cuprinse in soldul Imprumutului.

2.03. Valuta dobanzii si a altor obligatii de plata

Dobanda si celelalte obligatii de plata datorate conform Articolelor 3, 4, sau dupa caz, Art. 10 vor fi calculate si platibile proportional, in fiecare valuta in care Imprumutul este rambursabil.

Orice alta plata va fi efectuata in valuta specificata de Banca, avand in vedere valuta in care s-au efectuat cheltuielile ce urmeaza a fi rambursate prin acea plata.

2.04. Notificarea de catre Banca

Dupa tragerea fiecărei Transe, Banca va transmite Imprumutatului o situatie rezumativa indicand suma, data tragerii si rata dobanzii a si pentru acea Transa.

Articolul 3 Dobanda

3.01. Rata dobanzii

Imprumutatul va plati dobanda asupra soldului nerambursat al fiecarei Transe, in rate semianuale, la datele de plata relevante specificate in Art. 5.03A incepand cu prima data de plata urmatoare datei tragerii transei. Dobanda va fi calculata la rata specificata in Avizul de tragere, care va fi rata aplicabila la data avizului de tragere, in conformitate cu principiile aplicabile periodic stabilite de conducerea Bancii pentru imprumuturile cu rata fixa a dobanzii, denumite in valuta Transei, cu termeni asemanatori in ceea ce priveste rambursarea ratelor de capital si plata dobanzii.

3.02. Dobanda la sumele restante

Fara a contraveni prevederilor Articolului 10 si ca exceptie de la Paragraful 3.01, dobanda se va acumula pentru orice suma restanta platibila in conditiile acestui Contract, de la data scadentei pana la data platii la o rata egala cu Rata Interbancara Relevanta plus 2% (200 puncte de baza). Pentru scopurile determinarii Ratei Interbancare Relevante in legatura cu prezentul Paragraf 3.02, perioadele relevante vor fi perioade succesive de o luna incepand cu data scadentei.

Cu toate acestea, dobanda se va percepe la rata mentionata in Paragraful 3.01 plus 0,25% (25 puncte de baza), daca ultima rata depaseste, pentru orice perioada relevanta data, rata specificata in propozitiile precedente ale acestui paragraf 3.02.

Daca suma cu scadenta depasita este intr-o alta valuta decat valuta transei relevante, se va aplica urmatoarea rata, si anume Rata Interbancara Relevanta pentru tranzactii in acea valuta plus 2% (200 puncte de baza), calculate in conformitate cu practica pietei pentru o asemenea rata.

Articolul 4 Rambursarea

4.01. Rambursarea normala

Imprumutatul va rambursa Imprumutul conform graficului de amortizare prezentat in Anexa B.

4.02. Rambursarea anticipata voluntara

- A. Sub rezerva subparagrafului B de mai jos, Imprumutatul poate rambursa anticipat integral sau partial oricare Transa, dupa acordarea in avans cu o luna a unei notificari scrise (denumita in continuare "Notificare de Rambursare Anticipata") in care se specifica suma ("Suma Rambursarii Anticipate") care urmeaza a fi rambursata anticipat si data propusa pentru rambursarea

anticipata (“Data Rambursarii Anticipate”), care va fi o Data de Plata pentru acea Transa.

B. In privinta fiecarei Sume Rambursate Anticipat, Imprumutatul va plati Bancii la Data Rambursarii Anticipate o compensatie egala cu valoarea curenta (la Data Rambursarii Anticipate) a diferentei, daca este cazul, dintre :

(x) dobanda care s-ar fi acumulat ulterior la Suma Rambursata Anticipat, daca nu ar fi fost rambursata, si

(y) dobanda care se va acumula in acest fel, daca va fi calculata la Rata de referinta a BEI efectiva cu o luna inainte de Data de Rambursare Anticipata , mai putin 15 puncte de baza.

In acest scop, “Rata de referinta BEI” inseamna rata standard a Bancii pentru un imprumut acordat de Banca pentru imprumuturi cu rata fixa denumite in valuta, avand aceleasi caracteristici privind serviciul datoriei, ca si Suma Platita Anticipat .

Valoarea curenta mentionata va fi calculata la o rata de discount egala cu Rata de referinta a BEI, aplicata ca fiecare Data de Plata relevanta.

C. Banca va notifica Imprumutatul, cu cel putin 15 zile inainte de Data Rambursarii Anticipate, asupra Sumei Rambursarii Anticipate si asupra compensatiei platibile in conformitate cu Sub-paragraful B de mai sus, sau dupa caz, asupra faptului ca nu este datorata nici o compensatie.

Nu mai tarziu de ora 17.00 ora Luxemburgului in ziua primirii unei asemenea notificari (sau ora 17.00 in ziua urmatoare daca notificarea a fost furnizata dupa ora 12.00 ora Luxemburgului), Imprumutatul va notifica Banca, fie:

(a) asupra faptului ca confirma Avizul de Rambursare Anticipata, in termenii specificati de Banca; sau

(b) asupra faptului ca retrage Avizul de Rambursare Anticipata.

Daca Imprumutatul acorda confirmarea in cadrul Alineatului (a), acesta va efectua rambursarea anticipata. Daca Imprumutatul retrage Avizul de Rambursare Anticipata sau nu confirma in timp util, acesta ar putea sa nu efectueze rambursarea anticipata. Cu exceptia mentionata anterior, Avizul de Rambursare Anticipata va fi obligatoriu irevocabil.

4.03. Rambursarea anticipata obligatorie

A. Daca Imprumutatul ramburseaza anticipat, in mod voluntar, partial sau integral orice alt imprumut contractat initial pe o perioada mai mare de cinci ani, Banca poate solicita rambursarea anticipata a unei astfel de parti din suma Imprumutului nerambursat, ca suma rambursata anticipat datorata pentru suma totala nerambursata a tuturor acelor imprumuturi.

Banca va transmite Imprumutatului cererea sa, daca este cazul, in termen de patru saptamani de la primirea notificarii respective, conform Sub-paragrafului 8.02(a). Orice suma ceruta de Banca va fi platita, impreuna cu dobanda acumulata, la data indicata de Banca, data care nu va precede data rambursarii anticipate a celui alt imprumut.

Rambursarea anticipata a unui imprumut printr-un nou imprumut cu termen de rambursare cel putin la fel de mare ca termenul neexpirat al imprumutului rambursat anticipat, nu va fi considerata rambursare anticipata.

B. In cazul in care costul total al Proiectului se va situa semnificativ sub cifra specificata in Preambul, Banca poate cere rambursarea anticipata a Imprumutului, proportional cu suma reprezentand diferenta.

C. Daca Banca constata ca Imprumutatul a incalcat prevederile Paragrafului 6.09 in privinta unui Sub-proiect (denumit in continuare "Sub-proiectul afectat"), poate notifica in conformitate Imprumutatul. Daca, intr-o perioada de 30 de zile dupa notificare, Imprumutatul nu ia masuri pentru remedierea incalcarii intr-o maniera acceptabila Bancii, Banca poate, printr-o notificare ulterioara, solicita ca, in cadrul unei perioade ulterioare de 30 de zile, Imprumutatul sa plateasca anticipat o fractiune din Imprumut corespunzatoare cu raportul dintre valoarea declarata a Sub-proiectului afectat si suma totala a valorii declarate a Proiectului, impreuna cu dobanda acumulata a sumei rambursate anticipat, si o compensatie calculata in conformitate cu Paragraful 4.02B, daca este cazul.

4.04. Prevederi generale privind rambursarea anticipata conform Articolului 4

In cazul oricarei rambursari anticipate pariale datorata in conformitate cu acest Articol 4, Imprumutatul poate selecta care Transa sau Transe vor fi rambursate anticipat.

In cazul rambursarii anticipate pariale in toate valutele, pentru fiecare suma rambursata anticipat se va aplica o reducere prorata a fiecarei rate ramase de rambursat.

Acest Articolul 4 nu va contraveni Articolului 10.

Articolul 5 **Platile**

5.01. Locul platii

Fiecare suma platibila de catre Imprumutat conform acestui Contract va fi platita in contul respectiv comunicat Imprumutatului de catre Banca. Banca va indica contul, cu cel putin cincisprezece zile inainte de data scadentei pentru prima plata pe care o va face Imprumutatul si va comunica orice schimbare a contului cu cel putin cincisprezece zile inainte de data primei plati la care se aplica modificarea.

Aceasta perioada de notificare nu se aplica in cazul platilor din cadrul Articolului 10.

5.02. Conventia numarului de zile

Orice suma datorata de catre Imprumutat ca dobanda, comision sau in alt mod, conform acestui Contract si calculata pentru orice fractiune din an, va fi calculata pe baza unui an de trei sute saizeci de zile si a unei luni de treizeci de zile.

5.03. Datele de plata

A. Sumele datorate semestrial, conform acestui Contract, sunt platibile Bancii, in fiecare an, la 15 iunie si la 15 decembrie.

B. Pentru scopurile acestui Contract in general, platile datorate in orice valuta la o data care nu este Zi Lucratoare Relevanta (asa cum se defineste mai jos) sunt platibile in ziua imediat urmatoare care este Zi Lucratoare Relevanta.

Pentru scopurile acestui Contract, "Zi Lucratoare Relevanta" inseamna:

- (a) in cazul euro, o zi in care opereaza sistemul de plata numit Sistemul Rapid Automat Trans-European cu privire la Decontarile Brute in Timp Real
- (b) in cazul oricarei alte valute decat euro, o zi in care bancile sunt deschise pentru tranzactii in centrul financiar al tarii a carei moneda nationala este moneda sumei in care se face plata.

C. Sumele datorate prin prezentul, altele decat ratele de capital si dobanda, sunt platibile in termen de sapte zile lucratoare de la primirea de catre Imprumutat a cererii emise de Banca.

O suma datorata de Imprumutat va fi considerata ca platita in momentul in care aceasta este primita de catre Banca.

ARTICOLUL 6 **Angajamente speciale**

6.01. Utilizarea Imprumutului si a altor fonduri

Imprumutatul va utiliza sumele Imprumutului si alte fonduri mentionate in planul de finantare descris in Preambul, exclusiv pentru realizarea Proiectului.

6.02. Finalizarea Proiectului

Imprumutatul va determina Beneficiarii Finali sa realizeze Sub-proiectele in conformitate cu, si sa le finalizeze pana la datele specificate in Descrierea Tehnica, asa dupa cum acestea pot fi modificate periodic cu aprobarea Bancii.

6.03. Costul majorat al Proiectului

In cazul in care, costul Proiectului depaseste cifra estimata prevazuta in Preambul, Imprumutatul va obtine finantare pentru a acoperi depasirea costului fara a apela la

Banca, astfel incat sa permita finalizarea Proiectului. Planurile Imprumutatului pentru finantarea costului suplimentar vor fi remise Bancii in timp util, pentru aprobare.

6.04. Procedura de licitatie

Imprumutatul va determina Beneficiarii Finali sa achizitioneze bunuri, servicii si sa comande lucrari pentru Sub-proiecte, acolo unde este cazul si satisfacator pentru Banca, prin licitatie internationala deschisa participantilor din toate tarile Uniunii Europene si din Romania, Bulgaria, Republica Ceha, Estonia, Ungaria, Letonia, Lituania, Polonia, Slovacia, Slovenia, Cipru, Malta si Turcia.

6.05. Asigurare

Atat timp cat Imprumul este nerambursat, Imprumutatul va determina Beneficiarii Finali sa asigure, in mod adecvat, toate lucrarile si proprietatile care fac parte din Sub-proiecte, in conformitate cu practica normala pentru lucrari similare de interes public.

6.06. Intretinerea

Atat timp cat Imprumul este nerambursat, Imprumutatul va determina Beneficiarii Finali sa se asigure ca toate proprietatile ce fac parte din Proiect sunt intretinute, reparate, li se vor face reparatii capitale si vor fi reinnoite, dupa cum va fi necesar pentru a fi pastrate in buna stare de functionare.

6.07. Alocarea fondurilor

Imprumutatul se angajeaza ca suficiente fonduri bugetare si/sau alte resurse financiare incluzand resurse cu care vor contribui Beneficiarii Finali, vor fi alocate continuu Proiectului, in scopul de a asigura completarea planului de finantare al Proiectului, neacoperit de Imprumul, si care sa permita finalizarea la timp a Proiectului in conformitate cu Descrierea Tehnica.

6.08. Functionarea Proiectului

Atat timp cat Imprumul este nerambursat si daca Banca nu va fi convenit altfel in scris, Imprumutatul va determina Beneficiarii Finali:

(a) sa pastreze titlul de proprietate si posesiune asupra activelor care fac parte din Sub-proiecte sau, dupa cum este necesar, sa inlocuiasca si reinnoiasca aceste active si sa mentina Sub-proiectele in functionare continua in conformitate cu scopul sau initial.

Banca poate sa nu isi dea acordul numai in cazul in care actiunea propusa ar prejudicia interesele Bancii in calitate de creditor al Imprumutatului sau ar face ca Proiectul sa devina neeligibil pentru finantare din partea Bancii.

(c) sa intreprinda masurile necesare satisfacatoare Bancii pentru a asigura o implementare si o functionare corespunzatoare a Sub-proiectelor, incluzand atenuarea corespunzatoare a impactului asupra mediului; si

(c) sa includa proceduri de licitatie si conditii contractuale acceptabile Bancii in orice acord de participare a sectorului privat pentru servicii de alimentare cu apa si epurare ape uzate in care se vor angaja.

6.09. Prevederi privind mediul

Atat timp cat Imprumutul este nerambursat, Imprumutatul va determina Beneficiarii Finali:

- (a) sa realizeze activitatile legate de Sub-proiecte pe parcursul investitiilor si sa asigure si sa mentina toate autorizatiile guvernamentale necesare aplicabile acestora in conformitate cu legislatia aplicabila privind mediul si cu standardele si practicile Uniunii Europene referitoare la protectia mediului, asa dupa cum pot fi amendate sau modificate, cu referire in mod particular la urmatoarele Directive:
 - (i) Directiva Consiliului nr. 85/337 a CE, amendata de Directiva Consiliului nr. 97/11 a CE privind evaluarea impactului asupra mediului;
 - (ii) Directiva Consiliului nr. 91/271 a CEE, amendata de Directiva Consiliului nr. 98/15 CEE privind Tratarea Apelor Uzate Urbane;
 - (iii) Directiva Consiliului nr. 98/83 a CE in privinta calitatii apei destinate consumului uman
 - (iv) Directiva Consiliului nr. 2000/60 a CE, privind stabilirea unui cadru pentru actiunea comunitara in domeniul politicii apei;
- (b) sa realizeze toate operatiunile legate de Sub-proiecte in conformitate cu directivele, legile, standardele si practicile la care se face referire la alineatul (a) al acestui Paragraf; si
- (c) sa se asigure ca nu se vor folosi in realizarea Sub-proiectelor, nici un fel de materiale si substante la care se fac referire in cadrul directivelor, legilor, standardelor si practicilor la care se face referire in alineatul (a) al acestui paragraf, care ar putea avea un impact negativ asupra mediului.

6.10 Acorduri de imprumut subsidiar

Imprumutatul va asigura ca acordurile de imprumut subsidiare care se vor incheia intre Imprumutat si Beneficiarii Finali, vor specifica obligatiile Beneficiarilor Finali, spre satisfactia Bancii, asa cum se descrie in Memorandumurile de Finantare ISPA si sunt sumarizate in Anexa C la prezentul.

6.11 Vizite

A. Imprumutatul confirma ca Banca poate fi obligata sa divulge Curtii de Conturi a Comunitatilor Europene (denumita in continuare "Curtea de Conturi") acele documente referitoare la Imprumutat si la Proiect, atunci cand sunt necesare pentru indeplinirea sarcinii Curtii de Conturi, in concordanta cu legea Uniunii Europene.

B. Imprumutatul va permite si va determina Beneficiarii Finali sa permita persoanelor desemnate de Banca, care pot fi insotite de reprezentanti ai Curtii de Conturi, sa viziteze amplasamentele, instalatiile si lucrarile incluse in Sub-proiecte si sa faca acele verificari pe care acestia le doresc. Pentru acest scop, Imprumutatul va

asigura si va determina Beneficiarii Finali sa le asigure sau sa se asigure ca le va fi acordata toata asistenta necesara. Cu ocazia unei astfel de vizite, reprezentantii Curtii de Conturi pot solicita Imprumutatului si/sau Beneficiarilor Finali sa prezinte documentele care cad sub incidenta scopului precedentului Sub-paragraf 6.11A.

6.12 Angajamentul de integritate

Imprumutatul garanteaza si se angajeaza ca nu a comis, si nici o persoana, din cate cunoaste pana in prezent, nu a comis nici unul din faptele urmatoare si ca nu va comite, si nici o persoana , cu consimtamantul si cunostinta sa anterioara, nu va comite nici o asemenea actiune, si anume:

- (a) oferirea, acordarea, primirea sau solicitarea oricarui avantaj incorect in vederea influentarii actiunii unei persoane care detine o functie publica sau functia de director sau angajat al unei autoritati publice sau intreprindere publica sau un director sau oficial al unei organizatii internationale publice, in relatie cu orice proces de achizitie sau in executia oricarui contract, in legatura cu acele elemente ale Proiectului descrise in Anexa tehnica;
- (b) orice act care afecteaza in mod neadecvat sau vizeaza sa influenteze in mod neadecvat procesul de achizitie sau implementarea Proiectului in detrimentul Imprumutatului, inclusiv intelegeri intre ofertantii la licitatie.

Imprumutatul se angajeaza sa informeze Banca daca afla despre orice fapt sau informatie sugestiva in privinta comiterii unui asemenea fapt.

ARTICOLUL 7 **Garantii**

7.01. Garantii

Daca Imprumutatul va acorda unei terte parti vreo garantie pentru indeplinirea oricareia dintre obligatiile sale privind datoria externa, sau orice fel de preferinta sau prioritate in legatura cu acestea, Imprumutatul, daca Banca va solicita, va furniza Bancii o garantie echivalenta pentru indeplinirea obligatiilor sale in cadrul prezentului Contract, sau va acorda Bancii o preferinta sau prioritate echivalenta.

Imprumutatul confirma ca, in prezent, nu exista nici o astfel de garantie, preferinta sau prioritate.

ARTICOLUL 8

Informatii

8.01. Informatii privind Proiectul

Imprumutatul, prin OPCP:

- a) va asigura ca evidentele sale prezinta toate operatiile referitoare la finantarea si realizarea Proiectului;
- b) va transmite Bancii, in limba engleza sau cu traducere in limba engleza:
 - (i) un raport privind implementarea Proiectului pana la data de 15 decembrie 2004 si ulterior, anual, pana la terminarea Proiectului;
 - (ii) un raport privind terminarea Proiectului, la sase luni dupa incheierea Proiectului; si
 - (iii) periodic, orice documente suplimentare sau informatii privind finantarea, implementarea si functionarea Proiectului, dupa cum Banca poate solicita in mod rezonabil;
- c) va supune aprobarii Bancii, fara intarziere, orice modificare majora in planurile generale, graficul de executie, planurile de finantare sau programul de cheltuieli ale Proiectului, in legatura cu aspectele facute cunoscute Bancii inainte de semnarea acestui contract;
- d) va informa Banca in timp util despre orice situatie care impune consimtamantul Bancii, in conformitate cu Paragraful 6.08; si
- e) va informa, in general, Banca, despre orice fapt sau eveniment cunoscut care poate prejudicia in mod substantial sau afecta conditiile executarii sau functionarii Proiectului.

8.02. Informatii privind Imprumutatul

Imprumutatul va informa Banca:

- (a) imediat, despre oricare hotarare luata de el din orice motiv sau despre orice situatie care il obliga, sau despre orice cerere care i s-a facut de a rambursa anticipat orice imprumut acordat initial pentru o perioada mai mare de cinci ani;
- (b) imediat, despre orice intentie din partea sa de a acorda in favoarea unei terte parti orice garantie pentru oricare din activele sale; sau
- (c) in general, asupra oricarei situatii sau eveniment care ar putea impiedica indeplinirea oricarei obligatii a Imprumutatului care decurge din acest Contract sau ar prejudicia in mod substantial sau afecta conditiile executarii sau functionarii Proiectului.

8.03. Informatii privind Beneficiarii Finali

Imprumutatul va:

- (a) determina Beneficiarii Finali sa furnizeze Bancii in fiecare an rapoartele de progres ale Sub-proiectelor privind implementarea fizica si furnizarea serviciilor, inclusiv un set de indicatori standard conveniti cu Banca; si
- (b) informa Banca imediat in legatura cu orice modificare adusa documentelor de baza ale Beneficiarilor Finali si cu orice schimbare a mandatului si a statutului sau legal.

8.04. Verificarea si informarea

In plus, Imprumutatul:

- (a) va lua orice masuri asa cum Banca va solicita in mod rezonabil pentru a verifica si/sau termina orice actiune pretinsa sau suspectata de natura celei decrete in Paragraful 6.12
- (b) va informa Banca asupra masurilor pentru pretinderea daunelor de la persoanele responsabile pentru orice pierderi rezultate dintr-un asemenea fapt; si
- (c) va facilita orice verificare pe care Banca o poate face referitor la un asemenea fapt.

ARTICOLUL 9 **Speze si cheltuieli**

9.01. Impozite, taxe si comisioane

Imprumutatul va plati toate impozitele, taxele, comisioanele si alte impuneri de orice natura, inclusiv taxe de timbru si taxe de inregistrare, aferente semnarii sau implementarii acestui contract, sau a oricarui document legat de acesta si aferent acordarii oricarei garantii pentru Imprumut.

Imprumutatul va rambursa integral capitalul si va plati dobanda, comisioanele si alte sume datorate in baza acestui contract, brut, fara deducerea vreunei impuneri nationale sau locale de orice natura, cu conditia ca, daca Imprumutatul este obligat, prin lege, sa faca orice astfel de deducere, aceasta va majora suma de plata catre Banca astfel incat, dupa deducere, suma neta primita de Banca sa fie echivalenta cu suma datorata.

9.02. Alte speze

Imprumutatul va suporta orice costuri profesionale, bancare, de transfer sau schimb valutar, ocazionate de semnarea sau implementarea acestui Contract sau a documentelor legate de acesta si de acordarea oricarei garantii pentru Imprumut.

ARTICOLUL 10
Rambursarea Anticipata datorata unui caz de culpa

10.01. Dreptul de a solicita Rambursarea

Imprumutatul va rambursa Imprumutul sau orice parte a acestuia, la cerere, pe baza cererii facute in acest sens de Banca:

- (A) imediat:
- (a) daca vreo informatie majora sau document remise Bancii de catre Imprumutat, sau in numele acestuia sau al Beneficiarilor Finali, in legatura cu negocierea acestui Contract sau in timpul cat acesta este in vigoare, se dovedesc a fi fost incorecte in orice detaliu semnificativ;
 - (b) daca Imprumutatul nu ramburseaza la data scadentei orice parte din Imprumut, nu plateste dobanda la acesta sau nu efectueaza orice alta plata catre Banca, dupa cum este prevazut in prezentul Contract;
 - (c) daca, urmare oricarei neindepliniri a obligatiilor in legatura cu acesta, Imprumutatului sau unui Beneficiar Final i se cere sa ramburseze anticipat orice imprumut acordat initial pentru un termen mai mare de cinci ani;
 - (d) daca survine vreun eveniment sau o situatie care este posibil sa pericliteze indeplinirea obligatiilor de plata care decurg din Imprumut, sau sa afecteze negativ orice garantie acordata pentru acesta;
 - (e) daca orice obligatie asumata de Imprumutat si la care se face referire in punctele 9 si 10 din Preambul, inceteaza a fi indeplinita cu privire la orice imprumut acordat oricarui imprumutat din Romania din resursele Bancii sau ale Uniunii Europene;
 - (f) daca Imprumutatul nu isi va indeplini orice obligatie cu privire la orice alt imprumut acordat de Banca din resursele Bancii sau ale Uniunii Europene;
 - (g) daca Imprumutatul sau un Beneficiar final nu isi va indeplini orice obligatie referitoare la Grantul ISPA; sau
 - (h) (i) daca un executor intra in posesia oricarei parti a activelor unuia dintre Beneficiarii Finali sau un creditor, lichidator sau administrator este desemnat pentru orice parte a acestora; sau
(ii) daca orice poprire, executare, sechestrul sau alt procedeu este initiat sau aplicat asupra proprietatii unuia dintre Beneficiarii Finali; sau
- (B) la expirarea unei perioade de timp rezonabile, specificata de Banca intr-o comunicare catre Imprumutat, fara ca problema sa fi fost remediata in mod satisfactor pentru Banca:
- (a) daca Imprumutatul nu indeplineste vreo obligatie care rezulta din acest Contract, alta decat cea mentionata in Subparagraful 10.01 (A), Alineatul (b); sau

(b) daca vreun element important prevazut in Preambul se modifica in mod substantial sau se dovedeste a fi eronat si daca modificarea fie prejudiciaza interesul Bancii ca imprumutator al Imprumutatului, fie afecteaza negativ implementarea sau functionarea Proiectului.

10.02. Alte drepturi legale

Paragraful 10.01 nu va limita nici un alt drept legal al Bancii de a solicita rambursarea anticipata a Imprumutului.

10.03. Daune

In cazul solicitarii de rambursare anticipata conform Paragrafulului 10.01, Imprumutatul va plati Bancii o suma calculata in conformitate cu procedurile stabilite la Sub-paragraful 4.02 B si C asupra sumei care a devenit scadenta si platibila. O asemenea suma se va acumula de la data scadentei pentru plata specificata in notificarea Bancii privind solicitarea, si va fi calculata pe baza faptului ca rambursarea anticipata a devenit efectiva la acea data.

10.04. Nederogari

Neindeplinirea sau indeplinirea cu intarziere a exercitarii de catre Banca a oricaruia dintre drepturile sale conform acestui Articol 10, nu va fi considerata ca o renuntare la un astfel de drept.

10.05. Utilizarea Sumelor Primate

Sumele primite urmare unei cereri formulate conform Articolului 10 vor fi utilizate, in primul rand, pentru plata daunelor, comisioanelor si dobanzii, in aceasta ordine si in al doilea rand, pentru reducerea ratelor nerambursate in ordinea inversa a scadentei. Acestea se vor aplica intre Transe, dupa cum va considera Banca.

ARTICOLUL 11 **Legea si jurisdictia**

11.01. Legea

Acest Contract si intocmirea, interpretarea si validitatea lui vor fi guvernate de legea Marelui Ducat al Luxemburgului.

Locul realizarii acestui Contract este sediul central al Bancii.

11.02. Jurisdictia

Toate litigiile privind acest Contract vor fi supuse Curtii de Justitie a Comunitatilor Europene ("Curtea").

Partile la acest Contract renunta, prin prezentul, la orice imunitate, sau drept de a obiecta fata de jurisdicia Curtii.

O decizie a Curtii, emisa conform acestui Paragraf 11.02, va fi definitiva si obligatorie asupra partilor, fara restrictie sau rezerva.

11.03. Dovada Sumelor Datorate

In orice actiune juridica ce decurge din acest Contract, certificarea de catre Banca a oricarei sume datorate Bancii potrivit acestui Contract, va constitui dovada *prima facie* a unei astfel de sume.

ARTICOLUL 12

Clauze Finale

12.01. Notificari

Notificarile si alte comunicari transmise in legatura cu prezentul Contract, vor fi trimise la adresele mentionate la punctul 1) de mai jos, cu exceptia notificarilor catre Imprumutat in legatura cu litigiile in curs sau in declansare, care vor fi trimise la adresele specificate la punctul 2) de mai jos, unde Imprumutatul isi alege domiciliul:

- pentru Banca : 1) Bulevardul Konrad Adenauer, nr. 100
L-2950 Luxembourg-Kirchberg;

- pentru Imprumutat : 1) Str. Apolodor nr.17, sector 5
RO-70060, Bucuresti
Romania;

- 2) Misiunea Romaniei la Comunitatile
Europene
12, rue Montoyer
B-1180 Bruxelles;

Fiecare parte poate sa comunice celeilalte parti, schimbarea adresei sale mentionata mai sus, cu conditia ca adresele de la punctul 2) de mai sus, pot fi schimbate numai cu alta adresa din cadrul Uniunii Europene.

Daca Imprumutatul nu va specifica altfel in scris Bancii, Imprumutatul va determina OPCP sa fie responsabil pentru contacte cu Banca pentru scopurile Paragrafelor 6.12 si 8.04.

12.02. Forma notificarii

Notificarile si alte comunicari, pentru care sunt mentionate in acest Contract, perioade fixe sau care fixeaza ele inele perioade obligatorii pentru destinatar, vor fi transmise personal, prin scrisoare recomandata, telegrama, telex sau orice alte mijloace de transmitere care fac posibila dovada primirii de catre destinatar. Data inregistrarii sau, dupa caz, data declarata a primirii documentului transmis, va fi concludenta pentru determinarea unei perioade.

12.03. Preambul, Anexe si Documente anexate

Preambulul si urmatoarele Anexe fac parte din acest Contract:

- Anexa A Descrierea Tehnica
- Anexa B Graficul de Amortizare
- Anexa C Obligatiile Beneficiarilor Finali

Urmatoarea anexa este atasata la prezentul Contract:

- Anexa I Imputernicirea pentru semnare a Imprumutatului

CA URMARE, partile la prezentul Contract au convenit ca acesta sa fie semnat in trei exemplare originale in limba engleza, fiecare pagina fiind parafata in numele Imprumutatului de Dl. Stefan Petrescu, Director General, iar in numele Bancii de Dna Reka Balogh, Consilier Legal.

Semnat pentru si in numele
Romaniei
M. Tanasescu

Semnat pentru si in numele
Bancii Europene de Investitii
R. Saerbeck G.D. Spota

Azi, 15 martie 2004 la Bucuresti
Azi, 19 martie 2004 la Luxemburg

**ROMANIA - PROIECTUL PRIVIND INFRASTRUCTURA MUNICIPALA IN
DOMENIUL ALIMENTARII CU APA etapa aIIa**

Descrierea tehnica

1. Obiective

Obiectivul Sub-proiectelor este reabilitarea infrastructurii sistemului privind alimentarea cu apa si epurarea apei uzate in orasele Buzau, Satu Mare si Piatra Neamt. Sub-proiectele vor fi co-finantate de ISPA.

2. Componentele proiectului

Sub-proiectele cuprind urmatoarele programe investitionale in vederea imbunatatirii sistemului de alimentare cu apa si de colectare si tratare a apelor uzate, care vor cuprinde urmatoarele componente:

Beneficiar Final	Scheme privind alimentarea cu apa	Scheme privind epurarea apelor uzate
Buzau	<ul style="list-style-type: none"> - extinderea cu cca. 2 km a retelei de alimentare cu apa, care deserveste aprox. 1.400 persoane; - inlocuirea a 45 km de conducte, care reprezinta 26% din total retea; - modernizarea statiilor de pompare, prin instalarea unor pompe cu viteza variabila, contoare ultrasonice si echipament SCADA pentru operare optimizata; - procurarea de echipament mobil GIS si de cartografiere digitala si a unor unitati mobile de detectare a scurgerilor in retea; - finalizarea procesului de contorizare primara si secundara prin instalarea a cca. 7.000 de contoare si achizitionarea unui echipament de calibrare si intretinere a contoarelor 	<ul style="list-style-type: none"> - reabilitarea si reconstructia partiala a statiei de epurare a apei cu o capacitate de 233.000 echivalent persoana si un flux de tratare a apei de 500 l/s; - extinderea cu cca. 25 km a canalului colector pentru a deservi aprox. 24.000 persoane; - reabilitarea a cca. 11 km de canale colectoare principale, constructia a 5 bazine de retentie si desfundarea canalelor colectoare principale; - achizitia unei unitati mobile CCTV pentru intretinerea canalului colector si a unui extractor mobil pentru namolul depus

Piatra Neamt	<ul style="list-style-type: none"> - reabilitarea puturilor de apa subterana la Vaduri, inclusiv instalarea de noi pompe si echipament SCADA; - imbunatatirea calitativa a statiei de epurare a apei brute in Bitca Doamnei; - extinderea cu cca. 8 km a retelei de alimentare cu apa, care deserveste aprox. 5.000 persoane; - inlocuirea a cca. 9 km de conducte, si reabilitarea a 5 statii de pompare si a accesoriilor; - procurarea de echipament mobil GIS si de cartografiere digitala si a unor unitati mobile de detectare a scurgerilor in retea; - finalizarea procesului de contorizare primara si secundara prin instalarea a cca. 2.400 contoare si distribuirea de contoare zonale prin intermediul a 33 contoare, si, de asemenea, achizitionarea unui echipament de calibrare si intretinere a contoarelor 	<ul style="list-style-type: none"> - reabilitarea statiei de epurare a apei cu o capacitate de 205.000 echivalent persoana si un flux de tratare a apei de 400 l/s; - extinderea cu 42 km a canalului colector si constructia a 6 statii de pompare colectoare; - inlocuirea a 6 km de canale colectoare si reabilitarea a doua statii de pompare colectoare; - achizitia unei unitati mobile CCTV pentru intretinerea canalului colector si a unui extractor mobil pentru namolul depus
Satu Mare	<ul style="list-style-type: none"> - re-forarea si reechiparea a 15 puturi cu un volum total de 730 l/s; - dublarea a 7 km de transmisie DN 600 care leaga campul de puturi de statia de epurare Martinesti; - reabilitarea statiei de tratare a apei Martinesti si reducerea capacitatii la 600 l/s 	<ul style="list-style-type: none"> - reabilitarea statiei de epurare a apei cu o capacitate de 180.000 echivalent persoana si un flux de tratare a apei de 430 l/s; - reabilitarea sectiunilor principale ale retelei de canalizare; - reabilitarea statiilor de pompare colectoare

Investitiile sunt estimative, astfel incat marimea si caracteristicile componentelor pot fi modificate pentru indeplinirea acelorasi obiective, cu conditia ca acestea sa fie convenite in prealabil cu Banca.

Grafic

Sub-proiectele individuale vor fi implementate pe perioada 2003-2007.

**ROMANIA - PROIECTUL PRIVIND INFRASTRUCTURA MUNICIPALĂ ÎN
DOMENIUL ALIMENTARII CU APA atapa alla**

Grafic de amortizare

Data scadenta a ratei de rambursat	Sume de rambursat exprimate ca procent din imprumut
1. 15 iunie 2010	2,63
2. 15 decembrie 2010	2,63
3. 15 iunie 2011	2,63
4. 15 decembrie 2011	2,63
5. 15 iunie 2012	2,63
6. 15 decembrie 2012	2,63
7. 15 iunie 2013	2,63
8. 15 decembrie 2013	2,63
9. 15 iunie 2014	2,63
10. 15 decembrie 2014	2,63
11. 15 iunie 2015	2,63
12. 15 decembrie 2015	2,63
13. 15 iunie 2016	2,63
14. 15 decembrie 2016	2,63
15. 15 iunie 2017	2,63
16. 15 decembrie 2017	2,63
17. 15 iunie 2018	2,63
18. 15 decembrie 2018	2,63
19. 15 iunie 2019	2,63
20. 15 decembrie 2019	2,63
21. 15 iunie 2020	2,63
22. 15 decembrie 2020	2,63
23. 15 iunie 2021	2,63
24. 15 decembrie 2021	2,63
25. 15 iunie 2022	2,63
26. 15 decembrie 2022	2,63
27. 15 iunie 2023	2,63
28. 15 decembrie 2023	2,63
29. 15 iunie 2024	2,63
30. 15 decembrie 2024	2,63
31. 15 iunie 2025	2,63
32. 15 decembrie 2025	2,63
33. 15 iunie 2026	2,63
34. 15 decembrie 2026	2,63
35. 15 iunie 2027	2,63
36. 15 decembrie 2027	2,63

37. 15 iunie 2028	2,63
38. 15 decembrie 2028	2,69

Anexa C

ROMANIA – PROIECTUL PRIVIND INFRASTRUCTURA MUNICIPALĂ ÎN DOMENIUL ALIMENTARII CU APA, ETAPA aIIa

Obligațiile Beneficiarilor Finali

I. Obligații generale aplicabile tuturor Beneficiarilor Finali

- Beneficiarii Finali vor stabili o unitate de implementare a fiecărui subproiect și un fond de întreținere, înlocuire și dezvoltare stabilit în condiții acceptabile Băncii;
- Beneficiarii Finali vor prezenta un program de întreținere și operare, satisfăcător Băncii, până la 31 decembrie 2007. Programul va acoperi o perioadă de 10 ani, începând cu 1 ianuarie 2008;
- Beneficiarii Finali vor prezenta un masterplan actualizat pentru serviciile de alimentare cu apă/tratare ape uzate care să conțină investițiile prioritizate și costurile viitoare, în vederea asigurării îndeplinirii Directivelor CE corespunzătoare executării măsurii ISPA/BEI, și a unui concept pentru asigurarea sustenabilității financiare a activităților regiei/companiilor (alimentare cu apă/epurare ape uzate și termoficare)
- Beneficiarii Finali vor asigura auditarea anuală a conturilor de către auditori de renume internațional, care să confirme faptul că sunt ținute sisteme de contabilitate separate pentru serviciile de alimentare cu apă/tratare ape uzate și pentru activitățile de termoficare, și că nu se aplică nici un fel de subvenție încrucișată între aceste activități, și că acestea sunt prezentate Băncii la sfârșitul fiecărui an calendaristic, până la 31 decembrie 2007, sau, în cazul în care a avut loc înainte de această dată, până la momentul înființării unei persoane juridice autonome pentru furnizarea serviciilor de alimentare cu apă/tratare ape uzate;
- Vor fi aprobate de către autoritățile responsabile, creșteri adecvate de tarife pentru serviciile de alimentare cu apă/tratare ape uzate, în vederea asigurării recuperării costurilor de operare, întreținere și înlocuire a activelor precum și a costurilor cu serviciul datoriei externe pentru toate investițiile care nu sunt finanțate din grant;
- Vor fi introduse tarife corespunzătoare de tratare a apei pentru industrie, bazate pe afluența cantitativă și calitativă, precum și costul tratării;
- Reziduurile industriale vor fi pre-tratate și/sau reciclate în conformitate cu Directivele CE, astfel încât să nu fie daunatoare proceselor industriale, și monitorizate de către autoritățile de mediu competente
- Beneficiarii Finali vor furniza dovada faptului că se va implementa o soluție pentru înlăturarea namolului în conformitate cu Directivele CE.

II. Obligațiile specifice ale Sub-proiectelor

1. Buzău

Tarifele combinate pentru apă/ape uzate vor fi marite cu 50% în termeni reali față de tariful stabilit la 1 decembrie 2002.

2. Satu Mare

Tarifele combinate pentru apa/ape uzate vor fi marite cu 45% in termeni reali fata de tariful stabilit la 1 iulie 2002.

Beneficiarul Final va furniza dovada ca autorizatia de mediu a luat in considerare in mod corespunzator rezultatele consultarii publicului.

3. Piatra Neamt

Tarifele combinate pentru apa/ape uzate vor fi marite cu 60% in termeni reali fata de tariful stabilit la 1 decembrie 2002.

III. Esalonarea in timp

Implementarea obligatiilor va fi in conformitate cu termenele limita stabilite in Memorandumurile de finantare.

Anexa 1

MINISTERUL AFACERILOR EXTERNE DIN ROMANIA

Prin prezenta se certifica ca Presedintele Romaniei i-a acordat deplinele puteri Domnului Mihai Nicolae Tanasescu, Ministrul Finantelor Publice pentru a semna

Contractul de Finantare (Romania - Proiectul privind infrastructura municipala in domeniul alimentarii cu apa, etapa aIIa) dintre Romania si Banca Europeana de Investitii

Ministrul Afacerilor Externe


Mircea Geoana

Bucuresti, 3 martie 2004
Nr. 945

Traducere conform cu originalul

Directia Generala a Finantelor Publice Externe

Director General,

 Stefan Petrescu

C. Barbu

EUROPEAN INVESTMENT BANK

FI Nr.:
Agora Nr.:2002 0343

ROMANIA – MUNICIPAL WATER INFRASTRUCTURE PROJECT II

FINANCE CONTRACT

between

ROMANIA

and

EUROPEAN INVESTMENT BANK

Bucharest, March 15, 2004
Luxembourg, March 19 2004

THIS CONTRACT IS MADE BETWEEN :

Romania, represented by the Ministry of Public Finance, having its office at 17 Apolodor Str., Sector 5, RO-70060 Bucharest, Romania, represented by Mr. Mihai Nicolae Tanasescu, Minister of Public Finance,

hereinafter referred to as :

the "Borrower"

of the first part, and

European Investment Bank having its Head Office at 100 Boulevard Konrad Adenauer, Luxembourg, Grand-Duchy of Luxembourg, represented by Mr. Rainer Saerbeck, Head of Division and Mr. Gian Domenico Spota, Principal Counsel,

hereinafter referred to as :

the "Bank"

of the second part.

WHEREAS :

1. On 1 February 1993 the European Communities and the Borrower concluded a Europe agreement establishing an association between the European Communities and their Member States, of one part, and Romania, of the other part.
2. Within the framework of such Europe agreement, the Board of Governors of the Bank authorised the continuation of the granting of loans for investment projects in Romania.
3. On 4/5 June 1997 a framework agreement (hereinafter referred to as the "Framework Agreement") concerning said financial co-operation was signed by the Borrower and the Bank, and is applicable to this contract (hereinafter referred to as the "Contract").
4. The Borrower has proposed to undertake a project (hereinafter referred to as the "Project") to be carried out through its local authorities or municipal utility companies (hereinafter referred to as the "Final Beneficiaries") aiming at upgrading the water supply and wastewater infrastructure in each of them (hereinafter each referred to as a "Sub-project") as more particularly described in the technical description set out in Schedule A hereto (hereinafter referred to as the "Technical Description") and identified as measures described in ISPA Financing Memoranda N° 2002/RO/16/P/PE/019, N° 2002/RO/16/P/PE/021 and N° 2002/RO/16/P/PE/023, effective on 31 March 2003 (hereinafter each referred to as "Financing Memorandum" and together called "Financing Memoranda"), concluded between Romania and the European Community within the ISPA framework for co-financing the Project.
5. The total cost of the Project, as estimated by the Bank, is EUR 120 293 769 (one hundred and twenty million two hundred and ninety three thousand seven hundred and sixty nine euro), including contingencies and interest during construction, as well as taxes and public levies.
6. The Borrower has requested to the European Union a grant contribution for the Project under the ISPA programme (hereinafter referred to as the "ISPA Grant"), in an amount equivalent to EUR 73 902 840 (seventy-three million nine hundred and two thousand and eight hundred forty euro).
7. The cost of the Project is to be financed as follows:

Borrower's contributions through Final Beneficiaries	EUR	11 890 929
ISPA Grant	EUR	73 902 840
ISPA Technical Assistance	EUR	5 500 000
Bank's loan	EUR	29 000 000
Total	EUR	<u>120 293 769</u>

The Borrower's contribution through Final Beneficiaries includes in particular taxes and public levies for the non-grant funded part of the Project's cost.

8. The Borrower has accordingly requested from the Bank a loan in an amount equivalent to EUR 29 000 000 (twenty nine million euro).
9. By Article 3 of the Framework Agreement the Borrower agreed that interest and all other payments due to the Bank and arising out of activities envisaged by the Framework Agreement, as well as the assets and revenues of the Bank connected with such activities, shall be exempt from tax.

10. By Article 4 of the Framework Agreement the Borrower agreed that, throughout the life of any financial operation concluded pursuant to the Framework Agreement, the Borrower shall:
- (a) ensure:
 - (i) that beneficiaries may convert into any fully convertible currency, at the prevailing exchange rate, the amounts in the national currency of the Borrower necessary for the timely payment of all sums due to the Bank in respect of loans and guarantees in connection with any project; and
 - (ii) that such amounts shall be freely, immediately and effectively transferable; and
 - (b) ensure:
 - (i) that the Bank may convert into any fully convertible currency, at the prevailing exchange rate, the amounts in the national currency of the Borrower received by the Bank by way of payments arising in respect of loans and guarantees or any other activity and that the Bank may freely, immediately and effectively transfer the amounts so converted; or, at the Bank's option;
 - (ii) that it may freely dispose of such amounts within the territory of the Borrower.
11. The Bank, being satisfied that the present operation comes within the scope of its functions and conforms to the aims of the Framework Agreement and having regard to the matters recited above, has decided to give effect to the Borrower's request by granting to the Borrower a credit in an amount equivalent to EUR 29 000 000 (twenty nine million euro).
12. The statute of the Bank provides the Bank shall ensure that its funds are used as rationally as possible in the interests of the European Community and accordingly the terms and conditions of its lending operations shall be consistent with European Community policy.
13. Execution of this Contract on behalf of the Borrower has been duly authorised in the terms set out in Annex I.
14. References herein to "Articles", "Recitals", "Paragraphs", "Sub-paragraphs", "Indents", "Schedules" and "Annexes" are references respectively to articles, recitals, paragraphs, sub-paragraphs, indents, schedules and annexes to this Contract.

NOW THEREFORE it is hereby agreed as follows :

ARTICLE 1
Disbursement

1.01 Amount of Credit

By this Contract the Bank establishes in favour of the Borrower, and the Borrower accepts, a credit (hereinafter referred to as the "Credit") in an amount equivalent to EUR 29 000 000 (twenty nine million euro), to be used exclusively for financing part of the costs of the Project and, within the same, of Sub-projects, as provided below.

1.02 Disbursement Procedures

- A. The Bank shall disburse the Credit in up to nine tranches. The amount of each tranche, if not being the undrawn balance of the Credit, shall be a minimum of EUR three million or the equivalent thereof. A tranche requested by the Borrower in accordance with Sub-paragraph 1.02B is hereafter referred to as a "Tranche".
- B. From time to time up to 31 October 2008, the Borrower may present to the Bank a written request (a "Disbursement Request") for the disbursement of a Tranche. The Disbursement Request shall specify:
- (a) the amount and currency of disbursement of the Tranche;
 - (b) the preferred date for disbursement, it being understood that the Bank may disburse the Tranche up to four calendar months from the date of the Disbursement Request; and
 - (c) at its discretion the fixed interest rate, if any, indicated by the Bank without commitment.

The Borrower shall provide to the Bank evidence that the person or persons making Disbursement Requests hereunder have been duly authorised to do so.

The Borrower shall provide to the Bank the relevant evidence required under Paragraph 1.04C.

Subject to the proviso to Sub-paragraph 1.02C, each Disbursement Request is irrevocable.

- C. Between 10 and 15 days before the date of disbursement the Bank shall, if the Disbursement Request conforms to Sub-paragraph 1.02B, deliver to the Borrower a notice (hereafter a "Disbursement Notice"), which shall:
- (a) confirm the amount and currency of disbursement of the Tranche;
 - (b) specify the fixed interest rate;
 - (c) specify the date on which the Tranche is scheduled to be disbursed (hereafter the "Scheduled Disbursement Date"), being subject to the conditions of Paragraph 1.04.

Provided that, if one or more of the elements specified in the Disbursement Notice does not conform to the corresponding element, if any, in the Disbursement Request, the Borrower may within three Luxembourg Business Days following receipt of the Disbursement Notice revoke the Disbursement Request by notice to the Bank and thereupon the Disbursement Request and the Disbursement Notice shall be of no effect.

For the purposes of this Contract generally, "Luxembourg Business Day" means a day on which commercial banks are open for business in Luxembourg.

- D. Disbursement of each Tranche shall be made to such bank account in the name of the Borrower as the Borrower shall notify to the Bank not less than seven days before the date of disbursement. Only one account may be specified for each such Tranche.

1.03 Currency of Disbursement

Subject to availability, the Bank shall disburse each Tranche in the currency for which the Borrower has expressed a preference. Each currency of disbursement shall be the euro, or any other currency which is widely traded on the principal foreign exchange markets.

For the calculation of the sums to be disbursed in currencies other than the euro, the Bank shall apply the reference exchange rates computed and published by the European Central Bank in Frankfurt, on such day within fifteen days before the date of disbursement as the Bank shall decide.

1.04 Conditions of Disbursement

- A. The disbursement of the first Tranche pursuant to Paragraph 1.02 shall be subject to the fulfilment of the following conditions to the satisfaction of the Bank, namely that before the date of the Disbursement Request :
- (a) the Bank shall have received a legal opinion on the due execution of this Contract by the Borrower and on the relevant documentation, in form and substance acceptable to the Bank, from a legal adviser to the Borrower;
 - (b) the Bank shall have received satisfactory evidence in the English language of the powers of the signatory of this Contract;
 - (c) all necessary exchange control consents (if any) shall have been obtained to permit the Borrower to receive disbursements hereunder to repay the Loan (as defined in Paragraph 2.01) and to pay interest and all other amounts due hereunder; such consents must extend to the opening and maintenance of the accounts to which the Borrower directs the Bank to disburse the Credit; and
 - (d) the Bank shall have received satisfactory evidence to the effect that the Central Finance and Contracts Unit (hereinafter referred to as "CFCU") within the Borrower's Ministry of Public Finance is responsible, as Project monitoring unit for the monitoring, reporting and disbursement procedures related to the Credit, to the satisfaction of the Bank.

If a Disbursement Request for the disbursement of the first Tranche is made before receipt by the Bank of evidence satisfactory to it, that such conditions have been fulfilled, such Disbursement Request shall be deemed to have been received by the Bank on the date the conditions shall have been completed.

- B. The disbursement of each Tranche, including the first shall be further subject to the Bank's receipt, on or before the date of the relevant Disbursement Request, of the on-lending agreements, as more particularly described in Paragraph 6.10, relating to the Sub-projects to be financed with the proceeds of the Tranche.
- C. The disbursement of each Tranche subsequent to the first shall be subject to the condition of the Bank's receipt, on or before the date of the related Disbursement Request:
- (a) of the certified true copies of a contract or contracts which have been financed with all previous Tranches disbursed which contract or contracts shall have been concluded on terms satisfactory to the Bank; and

- (b) of a statement from the Borrower to the effect that expenditure has been incurred on the items to be financed by the Bank in accordance with the Technical Description (net of taxes and duties payable in Romania) for an amount equal to all previous Tranches disbursed less, save for the last disbursement, an amount equivalent to EUR 1 million.

For the calculation of the euro equivalent of sums expended, the Bank shall apply the exchange rate referred to in Paragraph 1.03.

If any part of the evidence furnished by the Borrower under this Sub-paragraph is not satisfactory to the Bank, the Bank may either act in accordance with the last sentence of Sub-paragraph 1.04A, or it may disburse proportionately less than the amount requested.

- D. Furthermore, the disbursement of each such Tranche shall be subject to the Bank being satisfied at all times that sufficient funds continue to be available in accordance with Paragraph 6.07 so as to ensure the timely completion and implementation of the Project.

1.05 Deferment of Disbursement

- A. The Bank shall, at the request of the Borrower, defer disbursement of any Tranche in whole or in part to a date specified by the Borrower being a date falling not more than six months from its Scheduled Disbursement Date. In such a case the Borrower shall pay deferment indemnity as determined pursuant to Sub-paragraph C below. Any request for deferment shall have effect in respect of a Tranche only if it is made at least seven Luxembourg Business Days before its Scheduled Disbursement Date.
- B. If any of the conditions referred to in Paragraph 1.04 are not fulfilled as of the specified date, disbursement shall be deferred to a date agreed between the Bank and the Borrower falling not less than seven Luxembourg Business Days following the fulfilment of all conditions of disbursement.
- C. If the disbursement of any Tranche is deferred, whether on request of the Borrower or by reason of non-fulfilment of the conditions of disbursement, the Borrower shall, upon demand by the Bank, pay an indemnity on the amount of which disbursement is deferred. Such indemnity shall accrue from the Scheduled Disbursement Date to the actual disbursement date or, as the case may be, until the date of cancellation of the Tranche, at a rate equal to R_1 minus R_2 , where:

R_1 means the rate of interest that would have applied from time to time pursuant to Paragraph 3.01, if the Tranche had been disbursed on the Scheduled Disbursement Date

and

R_2 means the Relevant Interbank Rate (as hereinafter defined) less 0.125% (12.5 basis points); provided that for the purpose of determining the Relevant Interbank Rate in relation to this Paragraph 1.05, the relevant periods shall be successive periods of one month commencing on the Scheduled Disbursement Date.

Furthermore, the above-mentioned indemnity:

- (a) if the deferment exceeds one month in duration, shall accrue at the end of every month;
- (b) shall be calculated using the day count convention applicable to R_1 ; and
- (c) where R_2 exceeds R_1 , shall be set at zero.

For the purposes of this Contract "Relevant Interbank Rate" means:

- (x) in respect of any interest period of one month or more, the rate of interest for interbank deposits of a period being the number of whole months corresponding to the duration of such interest period; and
- (y) in respect of any interest period of less than a month, the rate of interest for interbank deposits for a period of one month,

offered in the principal interbank market of the relevant currency (for the US Dollar in the London interbank market and for the euro in the euro-zone interbank market), as selected by the Bank.

1.06 Cancellation and Suspension of Credit

- A. The Borrower may at any time, by notice given to the Bank cancel, in whole or in part, and with immediate effect, the undisbursed portion of the Credit. However, the notice shall have no effect on a Tranche whose current Scheduled Disbursement Date falls within seven Luxembourg Business Days following the date of the notice. The Borrower shall, save as stated hereafter, incur no liability by way of indemnity or otherwise to the Bank by reason of such cancellation.

If the Borrower cancels a Tranche that has been the subject of a Disbursement Notice (such a Tranche, whatever its interest rate basis, being referred to as a "Notified Tranche"), it shall pay an indemnity on the cancelled amount. Such indemnity shall be calculated, in accordance with Sub-paragraph 4.02B, in respect of the period running from the date (the "Starting Date"), being the later of:

- (a) the date of the cancellation notice; and
- (b) the notified Scheduled Disbursement Date of the Notified Tranche,

until the scheduled final repayment date of the Notified Tranche.

For this purpose:

- (x) references in Sub-paragraph 4.02B to the Prepayment Date shall refer to the Starting Date; and
- (y) the cancelled amount shall be deemed to be disbursed and repaid upon the Starting Date.

The indemnity shall be payable within seven days of demand.

- B. The Bank may, by notice to the Borrower, in whole or in part suspend the undisbursed portion of the Credit at any time, and with immediate effect:
- (a) under the conditions mentioned in Paragraph 4.03 or Paragraph 10.01; or
 - (b) if exceptional circumstances shall arise which adversely affect the Bank's access to relevant international capital markets; or
 - (c) so long as, acting reasonably, the Bank is not satisfied that the warranty and the undertakings given by the Borrower in Paragraphs 6.12 and 8.04 have been complied with.

Such suspension shall continue until the Bank notifies the Borrower that it may again draw on the Credit or, as the case may be, until the Bank cancels the suspended amount as provided below.

Furthermore, the Bank may, by notice to the Borrower, in whole or in part cancel the undisbursed portion of the Credit under the conditions of Indents (a) and (b)

above, subject always (in the case of Paragraph 4.03) to fulfilment of the respective procedures specified in each Sub-Paragraph of Paragraph 4.03. The Bank may also, by notice to the Borrower, cancel a Tranche the disbursement of which has been deferred under Sub-paragraph 1.05A or B by more than six months in aggregate.

However, the Bank shall not be entitled to suspend or cancel, on grounds of Indent (b) above, any Notified Tranche.

- C. If the Bank suspends a Notified Tranche on the sole ground of Sub-paragraph 1.06B Indent (a), the Borrower shall pay an indemnity on the suspended amount in the manner provided for in Sub-paragraph 1.05C.

If the Bank cancels a Notified Tranche on the sole ground of the said Indent (a), the Borrower shall pay an indemnity on the cancelled amount, calculated in accordance with Sub-paragraph 1.06A, provided that no indemnity is payable upon cancellation upon the sole ground of an event mentioned in Sub-paragraph 4.03A or B.

- D. If the cost of the Project should fall short of the figure stated in the Recitals, the Bank may, by notice to the Borrower, cancel any undisbursed portion of the Credit in proportion to the shortfall.

The Bank may, at any time after 31 October 2008, by notice to the Borrower, cancel any part of the Credit in respect of which no disbursement has been made.

The Borrower shall incur no liability by way of indemnity or otherwise to the Bank by reason of any cancellation under this Sub-paragraph 1.06D.

1.07 Sums Due under Article 1

Sums due under Article 1 shall be payable in euro.

ARTICLE 2 **The Loan**

2.01 Amount of the Loan

The loan (hereinafter referred to as the "Loan") shall comprise the aggregate of the amounts in the currencies disbursed by the Bank, as notified by the Bank pursuant to Paragraph 2.04.

2.02 Currency of Repayments

Each repayment under Article 4 or, as the case may be, Article 10 shall be effected in the currencies disbursed and in the proportions which they present in the balance of the Loan.

2.03 Currency of Interest and Other Charges

Interest and other charges payable under Articles 3, 4 and 10 shall be calculated and be payable proportionally in each currency in which the Loan is repayable.

Any other payment shall be made in the currency specified by the Bank having regard to the currency of the expenditure to be reimbursed by means of that payment.

2.04 Notification by the Bank

After disbursement of each Tranche, the Bank shall deliver to the Borrower a sun statement showing the amount, disbursement date and interest rate of and for Tranche.

ARTICLE 3 **Interest**

3.01 Rate of Interest

The Borrower shall pay interest on the outstanding balance of each Tranche se annually in arrears on the relevant Payment Date specified in Article 5.03A commenc on the first such Payment Date following the date of disbursement of the Tranche. Interest shall be calculated at the rate specified in the Disbursement Notice, which rate shall the rate applicable at the date of the Disbursement Notice, in accordance with tl applicable principles from time to time laid down by the governing bodies of the Bank f loans made at a fixed rate of interest, denominated in the currency of the Tranche an bearing equivalent terms for the repayment of capital and the payment of interest.

3.02 Interest on Overdue Sums

Without prejudice to Article 10 and by way of exception to Paragraph 3.01, interest shall accrue on any overdue sum payable under the terms of this Contract from the due date to the date of payment at a rate equal to the Relevant Interbank Rate plus 2 % (200 basis points). For the purpose of determining the Relevant Interbank Rate in relation to this Paragraph 3.02, the relevant periods shall be successive periods of one month commencing on the due date.

However, interest shall be charged at the rate defined in Paragraph 3.01 plus 0.25 % (25 basis points), if the latter rate exceeds, for any given relevant period, the rate specified in the preceding sentences of this Paragraph 3.02.

If the overdue sum is in a currency other than the currency of the relevant Tranche, the following rate shall apply namely the Relevant Interbank Rate for transactions in that currency plus 2 % (200 basis points), calculated in accordance with the market practice for such rate.

ARTICLE 4 **Repayment**

4.01 Normal Repayment

The Borrower shall repay the Loan in accordance with the amortisation table set out in Schedule B.

4.02 Voluntary Prepayment

A. Subject to Sub-paragraph B below, the Borrower may prepay all or part of any Tranche upon giving one month's prior written notice (hereafter a "Prepayment Notice") specifying the amount thereof to be prepaid (the "Prepaid Amount") and the date on which the Borrower proposes to effect prepayment (the "Prepayment Date"), which date shall be a Payment Date for that Tranche.

- B. In respect of each Prepaid Amount, the Borrower shall pay to the Bank on the Prepayment Date an indemnity equal to the present value (as of the Prepayment Date) of the excess, if any, of:
- (x) the interest that would accrue thereafter on the Prepaid Amount, if it were not prepaid, over
 - (y) the interest that would so accrue, if it were calculated at the EIB Redeployment Rate in effect one month prior to the Prepayment Date, less fifteen basis points.

For this purpose, "EIB Redeployment Rate" means the Bank's standard rate of interest for fixed-rate loans denominated in the currency of, and having the debt service profile of, the Prepaid Amount.

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

- C. The Bank shall notify the Borrower, not later than fifteen days prior to the Prepayment Date, of the Prepaid Amount and the indemnity payable under Sub-paragraph B above or, as the case may be, that no indemnity is due.

Not later than 17:00 hours Luxembourg time on the day of receipt of such notice (or 17:00 hours on the following day if the notice was delivered later than 12:00 hours Luxembourg time), the Borrower shall notify the Bank either:

- (a) that it confirms the Prepayment Notice on the terms specified by the Bank; or
- (b) that it withdraws the Prepayment Notice.

If the Borrower gives the confirmation under Indent (a), it shall effect the prepayment. If the Borrower withdraws the Prepayment Notice or fails to confirm in due time, it may not effect the prepayment. Save as aforesaid, the Prepayment Notice shall be binding and irrevocable.

4.03 Compulsory Prepayment

- A. If the Borrower voluntarily prepays a part or the whole of any other loan originally contracted for a term of more than five years, the Bank may demand prepayment of such proportion of the amount of the Loan then outstanding as the prepaid sum bears to the aggregate outstanding amount of all such loans.

The Bank shall address its demand, if any, to the Borrower within four weeks of receipt of the relevant notice under Sub-paragraph 8.02 Indent (a). Any sum demanded by the Bank shall be paid, together with accrued interest, on the date indicated by the Bank, which date shall not precede the date of prepayment of such other loan.

Prepayment of a loan by means of a new loan having a term at least as long as the unexpired term of the loan prepaid shall not be considered to be a prepayment.

- B. If the total cost of the Project should fall significantly short of the figure stated in the Recitals, the Bank may in proportion to the shortfall demand prepayment of the Loan.
- C. If the Bank becomes aware that the Borrower is in breach of its undertaking under Paragraph 6.09 in respect of a Sub-project (hereinafter an "Affected Sub-project"), it may notify the Borrower accordingly. If, within a period of thirty days following the giving of that notice, the Borrower does not take steps to remedy the breach in manner acceptable to the Bank, the Bank may by further notice demand that, within a further period of thirty days, the Borrower prepay a fraction of the Loan corresponding to the ratio of the declared value of the Affected Sub-project to the aggregate declared value of the Project, together with interest accrued on the

prepaid amount as well as an indemnity calculated according to Paragraph 4.02B, any.

4.04 General Provisions regarding Prepayment under Article 4

In case of any partial prepayment due under this Article 4 the Borrower may select which Tranche or Tranches are to be prepaid.

In case of partial prepayment in all currencies, each amount prepaid shall be applied pro rata in reduction of each outstanding instalment.

This Article 4 shall not prejudice Article 10.

ARTICLE 5 **Payments**

5.01 Place of Payment

Each sum payable by the Borrower under this Contract shall be paid to the respective account notified by the Bank to the Borrower. The Bank shall indicate the account not less than fifteen days before the due date for the first payment by the Borrower and shall notify any change of account not less than fifteen days before the date of the first payment to which the change applies.

This period of notice does not apply in the case of payment under Article 10.

5.02 Day Count Convention

Any amount due by way of interest, indemnity or otherwise from the Borrower under this Contract, and calculated in respect of any fraction of a year, shall be calculated on the basis of a year of 360 days and a month of thirty days.

5.03 Dates of Payment

- A. For the purposes of this Contract, a "Payment Date" means a date on which interest is payable on 15 June and 15 December in each year.
- B. For the purposes of this Contract generally, payments due in any currency on a date which is not a Relevant Business Day (as defined below) are payable as on the nearest succeeding Relevant Business Day.

For the purposes of this Contract, "Relevant Business Day" means:

- (a) in the case of euro, a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer payment system operates; and
 - (b) in case of any currency other than euro, a day on which banks are open for normal business in the principal domestic financial centre of the currency concerned.
- C. Sums due hereunder other than of principal or interest are payable within seven days of receipt by the Borrower of the demand by the Bank.

A sum due from the Borrower shall be deemed paid when it is received by the Bank.

ARTICLE 6
Particular Undertakings

6.01 Use of Loan and other Funds

The Borrower shall use the proceeds of the Loan and the other funds mentioned in the financing plan described in the Recitals exclusively for the execution of the Project.

6.02 Completion of the Project

The Borrower shall cause the Final Beneficiaries to carry out the Sub-projects in accordance with, and to complete them by the date specified in the Technical Description as it may be modified from time to time with the approval of the Bank.

6.03 Increased Cost of the Project

If the cost of the Project exceeds the estimated figure set out in the Recitals, the Borrower shall obtain the finance to fund the excess cost without recourse to the Bank, so as to enable completion of the Project. The Borrower's plans for funding the excess cost shall be submitted in a timely manner to the Bank's approval.

6.04 Tendering Procedure

The Borrower shall cause the Final Beneficiaries to purchase goods, procure services and order works for the Sub-projects, so far as appropriate and to the satisfaction of the Bank, by international tender open to nationals of the member states of the European Union and of Romania, Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, Slovenia, Cyprus, Malta and Turkey.

6.05 Insurance

So long as the Loan is outstanding, the Borrower shall cause the Final Beneficiaries to appropriately insure all works and property forming part of the Sub-projects in accordance with normal practice for similar works of public interest.

6.06 Maintenance

So long as the Loan is outstanding, the Borrower shall cause the Final Beneficiaries to ensure that all property forming part of the Sub-projects is maintained, repaired, overhauled and renewed as required to keep it in good working order.

6.07 Allocation of Funds

The Borrower undertakes that sufficient budgetary and/or other financial resources including resources contributed by the Final Beneficiaries shall be allocated for the Project continuously in order to complete the financing plan of the Project not covered by the Loan, and permit the timely completion hereof in accordance with the Technical Description.

6.08 Operation of the Project

So long as the Loan is outstanding, unless the Bank shall have consented otherwise in writing, the Borrower shall cause the Final Beneficiaries :

- (a) to retain title to and possession of the assets which comprise the Sub-projects or, as appropriate, replace and renew such assets and shall maintain the Sub-projects in substantially continuous operation in accordance with its original purpose. The Bank may withhold its consent only where the proposed action would prejudice the Bank's interests as lender to the Borrower or would render the Project ineligible for financing by the Bank;
- (b) to undertake adequate measures to the satisfaction of the Bank to ensure a proper implementation and operation of the Sub-projects, including appropriate environmental mitigation; and
- (c) to include tender procedures and contractual conditions acceptable to the Bank in any agreement for private sector participation for water and wastewater services to be entered into by them.

6.09 Environmental Covenants

So long as the Loan is outstanding, the Borrower shall cause the Final Beneficiaries to :

- (a) carry out their activities related to the Sub-projects during their investment phase and secure and maintain all necessary governmental authorisations applicable thereto in conformity with the environmental laws applicable to them and with European Union standards and practices in the field of environmental protection, as they may be amended or modified having particular reference to the following Directives:
 - (i) Council Directive 85/337 EC, as amended by Council Directive 97/11 EC on environmental impact assessment;
 - (ii) Council Directive 91/271 EEC, as amended by Council Directive 98/15 EEC for Urban Wastewater Treatment;
 - (iii) Council Directive 98/83 EC on the quality of water intended for human consumption; and
 - (iv) Council Directive 2000/60 EC establishing a framework for Community action in the field of water policy;
- (b) carry out all operations related to the Sub-projects in conformity with the directives, laws, standards and practices referred to in Indent (a) of this Paragraph; and
- (c) ensure that no materials or substances referred to in the directives, laws, standards and practices referred to in Indent (a) of this Paragraph, which could have adverse effects on the environment, are used in the carrying out of the Sub-projects.

6.10 On-lending agreements

The Borrower shall ensure that the on-lending agreements to be concluded between the Borrower and the Final Beneficiaries, specify the obligations of the Final Beneficiaries, to the satisfaction of the Bank, as described in the ISPA Financing Memoranda and summarized in Schedule C hereto.

6.11 Visits

- A. The Borrower acknowledges that the Bank may be obliged to divulge such documents relating to the Borrower and the Project to the Court of Auditors of the European Communities (hereinafter the "Court of Auditors") as are necessary for the performance of the Court of Auditor's task in accordance with European Union law.
- B. The Borrower shall, and shall cause the Final Beneficiaries to, permit persons designated by the Bank, who may be accompanied by representatives of the Court of Auditors, to visit the sites, installations and works comprising the Sub-projects and to conduct such checks as they may wish. For this purpose the Borrower shall, and shall cause the Final Beneficiaries to, provide them, or ensure that they are provided, with all necessary assistance. Upon the occasion of such a visit the representatives of the Court of Auditors may request the Borrower and/or the Final Beneficiaries to provide documents falling within the scope of the preceding Paragraph 6.11A.

6.12 Integrity Commitment

The Borrower warrants and undertakes that it has not committed, and no person to their present knowledge has committed any of the following acts and that it will not commit, and no person, with its consent or prior knowledge, will commit any such act, that is to say:

- (a) the offering, giving, receiving or soliciting of any improper advantage to influence the action of a person holding a public office or function or a director or employee of a public authority or public enterprise or a director or official of a public international organisation in connection with any procurement process or in the execution of any contract in connection with those elements of the Project described in the Technical Description; or
- (b) any act which improperly influences or aims improperly to influence the procurement process or the implementation of the Project to the detriment of the Borrower, including collusion between tenderers.

The Borrower undertakes to inform the Bank if it should become aware of any fact or information suggestive of the commission of any such act.

ARTICLE 7
Security**7.01 Security**

Should the Borrower grant to a third party any security for the performance of any of its external debt obligations or any preference or priority in respect thereof, the Borrower shall, if so required by the Bank, provide to the Bank equivalent security for the performance of its obligations hereunder or grant to the Bank equivalent preference or priority.

The Borrower represents that no such security, preference or priority presently exists.

ARTICLE 8
Information

8.01 Information concerning the Project

The Borrower through CFCU shall:

- (a) ensure that its records show all the operations relating to the financing execution of the Project;
- (b) deliver to the Bank in the English language or with English translation:
 - (i) by 15 December 2004 and subsequently on an annual basis until the Project is completed, a report on the implementation of the Project;
 - (ii) six months after completion of the Project, a Project completion report;
 - (iii) from time to time, any such further document or information concerning financing, implementation and operation of the Project as the Bank reasonably require;
- (c) submit for the approval of the Bank without delay any material change to general plans, timetable, financing plans or expenditure programme for the Project by relation to the disclosures made to the Bank prior to the signing of this Contract;
- (d) inform the Bank in good time of any situation which requires the consent of the Bank under Paragraph 6.08; and
- (e) generally inform the Bank of any fact or event known to it which might substantially prejudice or affect the conditions of execution or operation of the Project.

8.02 Information concerning the Borrower

The Borrower shall inform the Bank:

- (a) immediately of any decision made by it for any reason or of any fact which obliges it to prepay any loan originally granted for a term exceeding five years;
- (b) immediately of any intention on its part to create any security interest over any of its assets in favour of a third party; or
- (c) generally of any fact or event which might prevent the fulfilment of any obligation of the Borrower under this Contract or substantially prejudice or affect the conditions of execution or operation of the Project.

8.03 Information concerning the Final Beneficiaries

The Borrower shall:

- (a) cause the Final Beneficiaries to deliver to the Bank together with the annual progress report as mentioned in Sub-paragraph 8.01 Indent (b) (i) each year State project progress reports on physical implementation and service delivery performance including a set of standard indicators agreed with the Bank; and
- (b) inform the Bank immediately of any alteration to the Final Beneficiaries' basic documents and of any change of their legal status and mandate.

8.04 Verification and Information

Furthermore the Borrower shall:

- (a) take such action as the Bank shall reasonably request to verify and/or terminate any alleged or suspected act of the nature described in Paragraph 6.12;
- (b) inform the Bank of the measures to seek damages from the persons responsible for any loss resulting from any such act; and
- (c) facilitate any verification that the Bank may make concerning any such act.

ARTICLE 9
Charges and Expenses

9.01 Taxes, Duties and Fees

The Borrower shall pay all taxes, duties, fees and other impositions of whatsoever nature including stamp duty and registration fees, arising out of the execution or implementation of this Contract or any related document and in the creation of any security for the Loan.

The Borrower shall pay all principal, interest, commission and other amounts due under this Contract gross without deduction of any national or local impositions whatsoever provided that, if the Borrower is obliged by law to make any such deduction, it will gross up the payment to the Bank so that after deduction, the net amount received by the Bank is equivalent to the sum due.

9.02 Other Charges

The Borrower shall bear any professional, banking, transfer or exchange costs incurred in the execution or implementation of this Contract or related document, and in the creation of any security for the Loan.

ARTICLE 10
Prepayment upon an Event of Default

10.01 Right to demand Repayment

The Borrower shall repay the Loan or any part thereof forthwith upon demand being made therefor by the Bank:

- A. immediately:
 - (a) if any material information or document given to the Bank by or on behalf of the Borrower or the Final Beneficiaries in connection with the negotiation of this Contract or during its lifetime proves to have been incorrect in any material particular;
 - (b) if the Borrower fails on due date to repay any part of the Loan, to pay interest thereon or to make any other payment to the Bank as herein provided;
 - (c) if, following any default in relation thereto, the Borrower or a Final Beneficiary is required to prepay any loan originally granted to it for a term exceeding five years;
 - (d) if any event or situation occurs which is likely to jeopardise the servicing of the Loan or adversely to affect any security granted therefor;

- (e) if any obligation assumed by the Borrower and referred to in the ninth and tenth Recitals ceases to be fulfilled as regards any loan made to a borrower in Romania from the resources of the Bank or of the European Union;
- (f) if the Borrower defaults in the performance of any obligation in respect of any other loan granted by the Bank from the resources of the Bank or of the European Union;
- (g) if the Borrower or a Final Beneficiary default in the performance of an obligation in respect to the ISPA Financing Memoranda; or
- (h) (i) if an encumbrancer takes possession of, or a receiver, liquidator or administrator is appointed over, any part of the assets of a Final Beneficiary; or
 - (ii) if any distress, execution, sequestration or other process is levied or enforced upon the property of a Final Beneficiary; or

B. upon expiry of a reasonable period of time specified in a notice served by the Bank on the Borrower, without the matter being remedied to the satisfaction of the Bank:

- (a) if the Borrower fails to comply with any obligation under this Contract other than one mentioned in Sub-paragraph 10.01A Indent (b); or
- (b) if any material fact stated in the Recitals substantially alters or proves erroneous and if the alteration either prejudices the interests of the Bank as lender to the Borrower or adversely affects the implementation or operation of the Project.

10.02 Other Rights at Law

Paragraph 10.01 shall not restrict any other right of the Bank at law to require prepayment of the Loan.

10.03 Indemnity

In case of demand under Paragraph 10.01, the Borrower shall pay to the Bank a sum calculated in accordance with the procedures laid down in Sub-paragraph 4.02B and C on the sum which has become due and payable. Such sum shall accrue from the due date for payment specified in the Bank's notice of demand and be calculated on the basis that prepayment is effected on that date.

10.04 Non-Waiver

No failure or delay by the Bank in exercising any of its rights under this Article 10 shall be construed as a waiver of such right.

10.05 Application of Sums Received

Sums received following a demand under Article 10 shall be applied first in payment of damages, commission and interest in that order and secondly in reduction of outstanding instalments in inverse order of maturity. They shall be applied between Tranches at the discretion of the Bank.

ARTICLE 11
Law and Jurisdiction

11.01 Law

This Contract and its formation, construction and validity shall be governed by the laws of the Grand Duchy of Luxembourg.

The place of performance of this Contract is the head office of the Bank.

11.02 Jurisdiction

All disputes concerning this Contract shall be submitted to the Court of Justice of the European Communities (the "Court").

The parties to this Contract hereby waive any immunity from or right to object to the jurisdiction of the Court.

A decision of the Court given pursuant to this Paragraph 11.02 shall be conclusive and binding on the parties without restriction or reservation.

11.03 Evidence of Sums Due

In any legal action arising out of this Contract the certificate of the Bank as to any amount due to the Bank under this Contract shall be prima facie evidence of such amount.

ARTICLE 12
Final Clauses

12.01 Notices

Notices and other communications given hereunder shall be sent to the addresses mentioned under 1) below except that notices to the Borrower relating to litigation, whether pending or threatened, shall be sent to the address mentioned under 2) below where the Borrower elects domicile:

- | | | | |
|--------------------|---|----|---|
| - for the Bank | : | 1) | 100 Boulevard Konrad Adenauer
L-2950 Luxembourg
Grand Duchy of Luxembourg ; |
| - for the Borrower | : | 1) | 17 Apolodor Str., Sector 5
RO-70060 Bucharest
Romania; |
| | | 2) | Romanian Mission to the
European Communities
12, rue Montoyer
B-1000 Brussels. |

Each party may, by notice to the other, change its addresses as set out above, provided that the address in 2) above may only be changed to another address within the European Union.

Unless the Borrower shall otherwise specify in writing to the Bank, the Borrower shall cause CFCU to be responsible for contacts with the Bank for the purposes of Paragraphs 6.12 and 8.04.

12.02 Form of Notice

Notices and other communications, for which fixed periods are laid down in this Contract or which themselves fix periods binding on the addressee, shall be served by hand delivery, registered letter, telegram, telex or other means of transmission which afford evidence of receipt by the addressee. The date of registration or, as the case may be, the stated date of receipt of transmission shall be conclusive for the determination of a period.

12.03 Recitals, Schedules and Annexes

The Recitals and following Schedules form part of this Contract:

- Schedule A
- Schedule B
- Schedule C

- Technical Description.
- Amortisation Table.
- Obligations of Final Beneficiaries.

The following Annex is attached hereto:

- Annex I

Power of Signature for the Borrower.


IN WITNESS WHEREOF the parties hereto have caused this Contract to be executed in three originals in the English language, each page having been initialled on behalf of the Borrower by Mr. Stefan Petrescu, Director General and on behalf of the Bank by Ms Réka Balogh, Legal Counsel.

Signed for and on behalf of
ROMANIA

M. Tanasescu




Signed for and on behalf of
EUROPEAN INVESTMENT BANK



R. Saerbeck

G.D. Spota



This 15 day of March 2004, at Bucharest,
This 19 day of March 2004, at Luxembourg.

SCHEDULE A**ROMANIA – MUNICIPAL WATER INFRASTRUCTURE PROJECT II****Technical Description****1. Objectives**

The objective of the Sub-projects is to upgrade the water supply and wastewater infrastructure for the towns of Buzau, Satu Mare and Piatra Neamt. Sub-projects will be co-financed with ISPA.

2. Project components

The Sub-projects include investment programmes to improve water supply and wastewater collection and treatment, which will comprise the following components.

Final Beneficiary	Water supply schemes	Wastewater schemes
Buzau	<p>Extension of ca. 2 km network, supplying some 1,400 people;</p> <p>Replacement of ca. 45 km pipes, representing 26% of the total network;</p> <p>Upgrading pumping stations by installation of variable speed pumps, ultrasonic flowmeters, and SCADA equipment for optimised operation;</p> <p>Procurement of digital mapping & GIS equipment, and mobile leak detection units;</p> <p>Completion of primary and secondary consumer metering by installation of ca. 7,000 water meters, and supply of meter calibration and maintenance equipment.</p>	<p>Rehabilitation, and partly re-construction of the wastewater treatment plant with a load of 233,000 p.e. and a average DWF of 500 l/s;</p> <p>Extension of ca. 25 km sewer network for some 24,000 people;</p> <p>Rehabilitation of ca. 11 km main collectors, construction of 5 retention basins, and unclogging of main sewers;</p> <p>Procurement of one mobile CCTV unit for sewer maintenance, and a mobile sludge extractor.</p>
Piatra Neamt	<p>Upgrade of groundwater wells at Vaduri, including installation of new pumps and SCADA equipment;</p> <p>Quality improvement of raw water treatment plant in Bitca Doamnei;</p> <p>Extension of ca. 8 km network serving some 5,000 people;</p> <p>Replacement of ca. 9 km pipes, and rehabilitation of appurtenances and 5 pumping stations;</p> <p>Procurement of digital mapping & GIS equipment, and mobile leak detection units;</p> <p>Completion of primary and secondary consumer metering by installation of ca. 2400 water meters, and distribution zone metering by 33 bulk meters, as well as supply of meter calibration and maintenance equipment;</p>	<p>Rehabilitation of the WWTP with 205,000 p.e. and a DWF of 400 l/s;</p> <p>Extension of ca. 42 km sewer network, and construction of six sewer pumping stations;</p> <p>Replacement of ca. 6 km sewers, and rehabilitation of two sewer pumping stations;</p> <p>Procurement of one mobile CCTV unit for sewer maintenance, and a mobile sludge extractor.</p>
Satu Mare	<p>Re-drilling and re-equipping of 15 wells with a total yield of 730 l/s;</p> <p>Doubling of a 7 km transmission main DN 600 linking the wellfield with Martinesti WTP;</p>	<p>Refurbishment of the WWTP for a load of 180,000 p.e. and a DWF of 430 l/s;</p> <p>Rehabilitation of key sections</p>

	Refurbishment of Martinesi WTP, and reduction of capacity to 600 l/s;	Refurbishment of s pumping stations.
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The investments are of a programme nature, so that size and characteristics of components can be modified to achieve the same objectives, provided this is with the prior agreement of the Bank.

3. Timetable

Individual Sub-projects will be implemented over the period 2003 to 2007.

SCHED

ROMANIA – MUNICIPAL WATER INFRASTRUCTURE PROJECT II

Amortisation Table

Due date of repayment instalment	Amounts to be repaid expressed as percentage of the Loan
1. 15 June 2010	2.63 ^a
2. 15 December 2010	2.63
3. 15 June 2011	2.63
4. 15 December 2011	2.63
5. 15 June 2012	2.63
6. 15 December 2012	2.63
7. 15 June 2013	2.63
8. 15 December 2013	2.63
9. 15 June 2014	2.63
10. 15 December 2014	2.63
11. 15 June 2015	2.63
12. 15 December 2015	2.63
13. 15 June 2016	2.63
14. 15 December 2016	2.63
15. 15 June 2017	2.63
16. 15 December 2017	2.63
17. 15 June 2018	2.63
18. 15 December 2018	2.63
19. 15 June 2019	2.63
20. 15 December 2019	2.63
21. 15 June 2020	2.63
22. 15 December 2020	2.63
23. 15 June 2021	2.63
24. 15 December 2021	2.63
25. 15 June 2022	2.63
26. 15 December 2022	2.63
27. 15 June 2023	2.63
28. 15 December 2023	2.63
29. 15 June 2024	2.63
30. 15 December 2024	2.63
31. 15 June 2025	2.63
32. 15 December 2025	2.63
33. 15 June 2026	2.63
34. 15 December 2026	2.63
35. 15 June 2027	2.63
36. 15 December 2027	2.63
37. 15 June 2028	2.63
38. 15 December 2028	2.69

ROMANIA – MUNICIPAL WATER INFRASTRUCTURE PROJECT II

Final Beneficiaries' obligations

I. General obligations applicable to all Final Beneficiaries

1. Final Beneficiaries shall set-up a PIU and a maintenance, replacement and development fund under conditions acceptable to the Bank.
2. Final Beneficiaries shall present an operation and maintenance programme to the satisfaction of the Bank by 31 December 2007. The programme shall cover a one-year period starting from 1 January 2008.
3. Final Beneficiaries shall present an updated master plan for water and wastewater services indicating prioritised and cost further investments to ensure full compliance with the relevant EC Directives following the completion of the ISPA/EIB measures and a concept for ensuring financial sustainability of regional companies' business (water/wastewater and district heating).
4. Final Beneficiaries shall ensure that annually audited accounts are prepared by internationally recognised auditors confirming that separate accounting systems for water and wastewater services and district heating activities are kept and that cross-subsidisation is applied between these services, are presented to the Bank at the end of each calendar year up until 31 December 2007 or, if taking place before this date, until the establishment of an autonomous legal entity for the provision of water and wastewater services.
5. Adequate increases in water and wastewater tariffs in real terms shall be approved by responsible authorities in order to ensure recovery of operation, maintenance and asset replacement and debt service costs for all non-grant funded investments.
6. Appropriate wastewater charges shall be introduced for industries, based on effluent quantity and quality, and the cost of treatment.
7. Industrial wastewater shall be pre-treated and/or recycled in compliance with EC Directives, not harmful to plant process design, and monitored/enforced by competent environmental authorities.
8. Final Beneficiaries shall provide evidence that a solution for the safe disposal of sludge compliant with applicable EC Directives has been implemented.

II. Sub-project specific obligations

1. Buzau

Combined water/wastewater tariffs shall be increased by 50% in real terms relative to the tariff as set on 1 Dec 2002.

2. Satu Mare

Combined water/wastewater tariffs shall be increased by 45% in real terms relative to the tariff as set on 1 July 2002.

The Final Beneficiary shall provide evidence that environmental permit has duly taken account of the results of public consultation.

3. Piatra Neamt

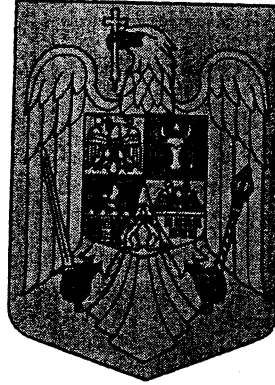
Combined water/wastewater tariffs shall be increased by 60% in real terms relative to the tariff as set on 1 Dec 2002.

III.

Timetable

The implementation of obligations shall be in conformity with the deadlines defined in the

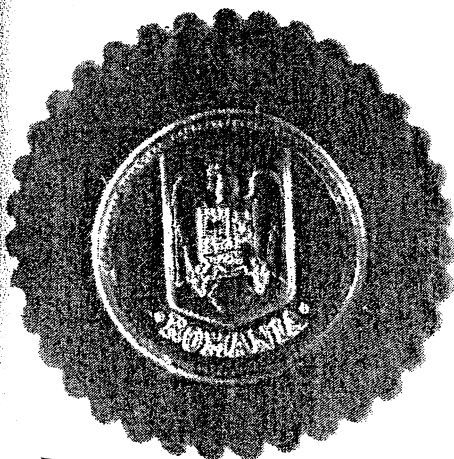
ANNEX I




THE MINISTRY OF FOREIGN AFFAIRS OF ROMANIA

Hereby certifies that the Government of Romania has fully empowered
Mr. Mihai Nicolae TĂNĂSESCU, Minister of Public Finance to sign

**The Finance Contract
between Romania and the European Investment Bank
Concerning
Romania- Municipal Water Infrastructure Project II**



MINISTER OF FOREIGN AFFAIRS


MIRCEA GEOANĂ

Bucharest, 3rd March 2004
No. 945