

CARIBBEAN DEVELOPMENT BANK



**AGENCE FRANÇAISE DE DÉVELOPPEMENT
LOAN AND GRANT FINANCING TO CARIBBEAN DEVELOPMENT BANK**

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Considered at the Two Hundred and Seventieth Meeting of the Board of Directors held in St. Vincent and the Grenadines on March 9, 2016.

MARCH 2016

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CARIBBEAN DEVELOPMENT BANK
TWO HUNDRED AND SEVENTIETH MEETING OF THE BOARD OF DIRECTORS
TO BE HELD IN ST. VINCENT AND THE GRENADINES
MARCH 9, 2016

PAPER BD 24/16

AGENCE FRANÇAISE DE DÉVELOPPEMENT
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1 INTRODUCTION

1.01 In recognition of the need for diversification of the funding sources of the Caribbean Development Bank (CDB) and in response to the desire to build relationships with a range of development agencies, CDB has engaged in negotiations with the Agence Française de Développement (AFD) to access financing to meet its lending programme. AFD is the primary agency through which the Government of France provides funding for sustainable development projects. The proposed financing will augment the resources available to CDB to meet the demands of its Borrowing Member Countries (BMCs) for infrastructure projects with environmental and climate benefits.

1.02 The financing consists of:

- (a) a line of credit, approved by the Foreign States Committee of AFD on September 30, 2015 of an amount up to the United States dollar equivalent of thirty million Euros (EUR30,000,000), and which shall not exceed thirty-three million United States dollars (USD33,000,000) (the LOC), with disbursements and repayments to be effected in USD; and
- (b) a grant of up to three million Euros (EUR3,000,000) (the Grant), approved by the Board of AFD, for the purpose of financing a technical assistance programme for CDB's BMCs.

1.03 Under the approvals by AFD for extension of the LOC and the Grant both agreements must be executed by May 31, 2016.

2 THE PROPOSAL

2.01 The LOC will form part of CDB's Ordinary Capital Resources (OCR), and will be used to finance infrastructure projects with an environmental and climate co-benefit in BMCs which are eligible for funding under the OECD Development Assistance Committee (DAC) rules (Eligible BMCs). Barbados, Trinidad and Tobago and The Bahamas are not eligible for financing, in addition to which, AFD is not entitled to take action in British territories and hence these territories are also ineligible. The tenor of the LOC is expected to be twelve years, including a maximum four-year grace period. If successfully concluded, this will be CDB's first loan from AFD and will be used for on-lending to Eligible BMCs.

2.02 The Grant will be included in CDB's Other Special Funds (OSF), and will be used to provide grants to Eligible BMCs to finance feasibility studies and/or short term and long-term technical assistance needs with respect to institutional capacity; training of government personnel; development of sectoral strategies; and procurement capacity.

3 FEATURES OF THE LOC

3.01 The following are the significant indicative terms of the LOC:

- (a) **Interest Rate:** CDB will pay interest on the LOC at a floating interest rate on a semi-annual basis. The interest rate will be equivalent to 6 month LIBOR plus a margin to be determined with reference to 6 month EURIBOR plus 56 to 66 basis points (bps)¹. The indicative margin may be adjusted as a result of material changes in the financial markets when the loan is executed.
- (b) **Front-end fee:** CDB will pay a front-end fee of 0.5% of the aggregate principal amount committed, payable no later than the execution date of the Credit Facility Agreement. This fee is non-refundable.
- (c) **Commitment Fee:** CDB will pay a commitment fee of 0.5% per annum on the undisbursed amount from the execution date of the Credit Facility Agreement.
- (d) **Maturity:** The maximum maturity of the LOC is twelve years after execution date of the Credit Facility Agreement.
- (e) **Grace Period:** The maximum grace period is four years after the execution date of the Credit Facility Agreement.
- (f) **Repayment:** Principal is repayable in sixteen equal semi-annual following the expiry of the Grace Period.
- (g) **Exchange Risk:** There will be no exchange risk since the currency of disbursement and repayment will be USD, which is CDB's functional currency.
- (h) **General:** The proposed agreement does not require the placing by CDB of the entire amount of the liability on its books upon execution. The liability is recognised when drawdowns are made from AFD in response to disbursement requirements of applicable projects.
- (i) **Procurement:** French entities or individuals will also be eligible for procurement.

4 TECHNICAL ASSISTANCE GRANT:

4.01 AFD will provide a grant of three million Euros (EUR3,000,000) for technical assistance to CDB for the purpose of facilitating the identification and implementation of projects in CDB's eligible BMCs. French entities or individuals will also be eligible for procurement.

5 EXPECTED RESULT

5.01 The LOC will enhance liquidity levels during the year, and will have no adverse impact on CDB's borrowing capacity and policy limits since the amount of available headroom currently stands in excess of USD700 million.

¹ The equivalent of 6 month EURIBOR plus 56 to 66 bps was 6 month LIBOR plus 114 to 124 bps on May 5, 2015, and 6 month LIBOR plus 104 to 115 bps on February 12, 2016. 6 month LIBOR was 0.41 bps on May 5, 2015 (date of Letter of Interest) and 0.86 bps on February 12, 2016 (recent quote). Therefore the resulting interest rate would have been set in the range of 1.55% to 1.65% on May 5, 2015 and 1.89% to 2.01% on February 12, 2016 for the first semester of the loan. The rate would reset every six months. The margin over 6 month LIBOR will be determined as at the signing date of the LOC.

5.02 The draft Credit Facility Agreement is attached as Appendix 1.

6 RECOMMENDATION

6.01 It is recommended that the Board of Directors:

- (a) approve CDB borrowing up to the amount of the United States dollar equivalent of thirty million Euros (EUR30,000,000), which shall not exceed thirty-three million United States dollars (USD33,000,000) on the signing date of the Credit Facility Agreement, from AFD's resources, for inclusion in CDB's OCR to finance applicable infrastructure projects in Eligible BMCs;
- (b) approve CDB entering into an agreement with AFD providing for the Line of Credit substantially on the terms and conditions contained in the draft Credit Facility Agreement at Appendix 1 hereto, with such modifications as Management may consider necessary, after conclusion of negotiations with AFD, to give effect to the arrangements contemplated herein;
- (c) approve CDB accepting a grant in an amount not exceeding three million Euros (EUR3,000,000) from AFD's resources for inclusion in CDB's OSF, for the purpose of facilitating the identification and implementation of projects in Eligible BMCs; and
- (d) agree that such financing and the terms and conditions thereof be reported to the Board at its first convenient scheduled meeting immediately following the conclusion of such financing.

AFD AGREEMENT N° CZZ 1851.01 C

DRAFT

CREDIT FACILITY AGREEMENT

dated as of [●]

between

AGENCE FRANÇAISE DE DEVELOPPEMENT

The Lender

and

CARIBBEAN DEVELOPMENT BANK

The Borrower

Nothing in this draft credit facility agreement (“CFA”) constitutes an offer or an undertaking from the *Agence Française de Développement* (hereinafter "AFD"). This draft shall be used as a basis for the discussions between the Borrower and AFD regarding the conditions to be applied to the credit facility agreement once AFD has decided to give its consent to such credit facility.

AFD's decision to grant credit facility is subject to (i) the negotiations of the terms of the financing documents and (ii) the absence of any adverse change affecting the international monetary market or the capital markets or affecting the financial conditions of the Borrower.

The amounts and figures specified in this draft CFA are indicative only and may be amended during the process of negotiations.

Under no circumstances shall this draft CFA give rise to AFD's liability towards the Borrower, its shareholders, other lenders/co-financiers or any other entity.

The terms of this draft CFA are confidential. Neither AFD nor the Borrower shall disclose any aspect of the financing without the prior written express consent of the other party, unless (i) such disclosure of information is required by law; or (ii) such disclosure of information to the legal advisers, the accountants or the tax advisers of the Borrower or AFD is necessary.

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CREDIT FACILITY AGREEMENT

BETWEEN:

- (1) **CARIBBEAN DEVELOPMENT BANK**, a multilateral regional development bank incorporated under the laws of [●insérer pays de l'Emprunteur] whose registered office is at [●insérer adresse du siège de l'Emprunteur], registered under number [●insérer le n° d'immatriculation] at [insérer le nom du registre d'immatriculation], and represented by M. Warren SMITH, in his capacity as President, who is duly authorised to sign this Agreement,

("CDB" or the "Borrower");

AND

- (2) **AGENCE FRANCAISE DE DEVELOPPEMENT**, a French public entity (*établissement public*) governed by French law with registered office at 5, Rue Roland Barthes, 75598 Paris Cedex 12, France, registered with the Trade and Companies Register of Paris under number 775 665 599, represented by M. Régis MARODON, in his capacity as Director for Latin America and the Caribbean, who is duly authorised to sign this Agreement,

("AFD" or the "Lender");

(hereinafter jointly referred to as the "**Parties**" and each a "**Party**");

WHEREAS:

The Borrower intends to provide mid and long-term facilities in order to fund infrastructure projects in eligible CDB's Borrowing Member Countries in particular infrastructure projects with environmental and climate co-benefits (the "**Project**"), as described further in Schedule 2 (*Project Description*).

The Borrower has requested that the Lender makes a facility available for the purposes of financing the Project.

Pursuant to a resolution n° C20150301 of AFD's Foreign States Committee dated 30th September 2015, the Lender has agreed to make the Facility available to the Borrower pursuant to the terms and conditions of this Agreement.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Capitalised words and expressions used in this Agreement (including those appearing in the recitals above and in the Schedules) shall have the meaning given to them in Schedule 1A (*Definitions*), except as otherwise provided in this Agreement.

1.2 Interpretation

Words and expressions used in this Agreement shall be construed pursuant to the provisions of Schedule 1B (*Construction*), unless the contrary intention appears.

2. FACILITY, PURPOSE AND CONDITIONS OF UTILISATION

2.1 Facility

Subject to the terms of this Agreement, the Lender makes available to the Borrower a Facility in a maximum amount of thirty three million US Dollars (USD 33,000,000), and should not exceed thirty million Euros (EUR 30,000,000) at Signing Date.

2.2 Purpose

The Borrower shall apply all amounts borrowed by it under this Facility exclusively towards financing the Project, excluding Taxes, in accordance with the Project's description as set out in Schedule 2 (*Project Description*).

2.3 Monitoring

The Lender cannot be held responsible for the use of any amount borrowed which is not in accordance with the provisions of this Agreement.

2.4 Conditions precedent

- (a) No later than the Signing Date, the Borrower shall provide to the Lender all of the documents set out in Part I of Schedule 4 (*Conditions Precedent*).
- (b) A Drawdown Request may not be delivered to the Lender unless:
 - (i) in the case of the first Drawdown, the Lender has received all of the documents as listed in Part II of Schedule 4 (*Conditions Precedent*) in form and substance satisfactory to the Lender and has notified the Borrower upon being so satisfied;
 - (ii) in the case of any subsequent Drawdown, the Lender has received all of the documents set out in Part III of Schedule 4 (*Conditions Precedent*) in form and substance satisfactory to the Lender and has notified the Borrower upon being so satisfied; and
 - (iii) on the date of the Drawdown Request and on the proposed Drawdown Date for the relevant Drawdown, no Payment Systems Disruption Event has occurred and the conditions set out in this Agreement have been fulfilled, including:

- (1) no Event of Default is continuing or would result from the proposed Drawdown;
- (2) the Drawdown Request has been made in accordance with the terms of Clause 3.2 (*Drawdown Request*);

each representation given by the Borrower in relation to Clause 10 (*Representations and warranties*) is true

3. DRAWDOWN OF FUNDS

3.1 Drawdown amounts

The Facility will be made available to the Borrower during the Availability Period, in several Drawdowns, provided that the amount of such Drawdowns does not exceed the Available Credit and the number of Drawdowns does not exceed four (4).

The amount of the proposed Drawdown shall be:

- (a) a minimum of five million US Dollars (USD 5,000,000) or an amount equal to the Available Credit if such amount is less than five million US Dollars (USD 5,000,000); and
- (b) a maximum of fifteen million US Dollars (USD 15,000,000).

3.2 Drawdown Request

Provided that the conditions set out in Clause 2.4 (*Conditions precedent*) are satisfied, the Borrower may draw on the Facility by delivery to the Lender of a duly completed Drawdown Request. Each Drawdown Request shall be delivered by the Borrower to the **AFD Agency Director at the address specified in Clause 16.1 (Notices)**.

Each Drawdown Request will be regarded as having been duly completed, and will be irrevocable, if:

- (a) the Drawdown Request is substantially in the form set out in Schedule 5A (*Form of Drawdown Request*);
- (b) the Drawdown Request is received by the Lender at the latest fifteen (15) Business Days prior to the Deadline for Drawdown;
- (c) the proposed Drawdown Date is a Business Day falling within the Availability Period;
- (d) the amount of the Drawdown complies with Clause 3.1 (*Drawdown amounts*); and
- (e) all of the documents set out in Schedule 4 (*Conditions Precedent*) are attached to the Drawdown Request, comply with the abovementioned Schedule and with the requirements of Clause 3.4 (*Payment Mechanics*), and are in form and substance satisfactory to the Lender.

Any documentary evidence shall be Certified by the Borrower.

3.3 Payment Completion

Subject to Clause 14.7 (*Payment Systems Disruption*), if each of the conditions set out in Clause 2.4(b) (*Conditions precedent*) of this Agreement has been met, the Lender shall make a requested Drawdown available to the Borrower not later than the Drawdown Date.

The Lender shall provide the Borrower with a letter of confirmation of Drawdown substantially in the form set out in Schedule 5B (*Form of Drawdown and Rate Confirmation Letter*).

3.4 Payment Mechanics

The funds shall be made available by the Lender in the form of an advance (an “Advance”) for the purpose of funding the Eligible Investments.

The Parties agree that the first Advance may be used to refinance the Borrower’s Eligible Investments in respect of Beneficiary Clients incurred between 30th September 2015 and the date of the first Drawdown, subject to the written consent of the Lender for the refinancing.

3.4.1 Initial Advance

Provided that the relevant conditions set out in Clause 2.4 (b) (*Conditions precedent*) have been satisfied, the Lender shall pay to the Borrower an initial Advance of an amount equal to fifteen million US Dollars (USD 15,000,000).

In order to fund an Eligible Investment on the initial Advance, the Borrower shall obtain a prior non objection from the Lender. For such purpose, the Borrower shall provide the Lender with the following documents:

- (i) an Allocation Request, substantially in the form set out in Schedule 5E (*Form of Allocation Request Letter*);
- (ii) an Allocation Request file (i) providing further details on the identified Eligible Investment(s) and Beneficiary Client(s) as set out in Schedule 6 (*Allocation Request Supporting Documentation*) and (ii) demonstrating that the Eligible Investment(s) included in the Allocation Request satisfy the conditions set out in Schedule 2 (*Project Description*) and Schedule 3 (*Exclusions List*).

Provided that the Lender considers the conditions for the allocation have been satisfied, the Lender shall notify the Borrower of the allocation together with the list of the relevant Eligible Investment(s). The Borrower shall not be authorised to finance an investment by using the Facility without a prior allocation notification from the Lender.

3.4.2. Additional Advances

Provided that the relevant conditions set out in Clause 2.4 (b) (*Conditions precedent*) have been satisfied and upon request from the Borrower, the Lender shall pay additional Advances to the Borrower.

3.4.3 Deadline for utilisation

The Borrower agrees that all funds paid in the form of Advances shall be used in full no later than twelve (12) months after the final Drawdown.

3.4.4 Justification for utilisation of funds

The Borrower agrees to deliver to the Lender no later than twelve (12) months after the final Drawdown, a final report on the use of the funds (the “Final Report”) substantially in the form set out in Schedule 7 (*Funds Use Justification*) signed by an authorised signatory of the Borrower certifying that one hundred per cent (100%) of both the penultimate Advance and the final Advance have been used and including, for each financed Eligible Investment, a detailed breakdown of the sums paid.

3.4.5 Applicable exchange rate

If any instalments made by the Borrower to Beneficiary Clients pursuant to Eligible Investments are denominated in a currency other than US Dollars, the Borrower shall convert the relevant instalment amount into the equivalent amount in US Dollars using the exchange rate for the relevant currency applied by the central bank of the country of the relevant currency on the payment date of the relevant instalment.

3.4.6 Failure to provide justification for the use of proceeds

The Lender may request that the Borrower repays all amounts in respect of which utilisation has not been duly or sufficiently justified in the Final Report. The Borrower shall repay such amounts to the Lender within twenty (20) calendar days of receipt of the notification from the Lender. Any repayment by the Borrower under this Clause shall be treated as a mandatory prepayment in accordance with the provisions of Clause 8.2 (*Mandatory prepayment*).

4. INTEREST

4.1 Interest Rate

4.1.1 Selection of Interest Rate

For each Drawdown, the Borrower may select a fixed Interest Rate or a floating Interest Rate, which shall apply to the amount set out in the relevant Drawdown Request, by stating the selected Interest Rate, i.e., fixed or floating, in the Drawdown Request delivered to the Lender substantially in the form set out in Schedule 5A (*Form of Drawdown Request*), subject to the following conditions:

(a) Floating Interest Rate

Regardless of the amount of the requested Drawdown, the Borrower may select a floating Interest Rate, which shall be the percentage rate per annum, being the aggregate of:

- six-month LIBOR; and
- the Margin.

Notwithstanding the above, in the case of the first Drawdown, if the Interest Period is less than one hundred and thirty-five (135) days, the applicable LIBOR shall be:

- one-month LIBOR if the relevant Interest Period is less than sixty (60) calendar days; or
- three-month LIBOR if the relevant Interest Period is between sixty (60) days and one hundred and thirty-five (135) calendar days.

(b) Fixed Interest Rate

Regardless of the amount of the requested Drawdown, the Borrower may select a fixed Interest Rate for such requested Drawdown. The fixed Interest Rate shall be calculated on the Rate Setting Date as the sum of the Fixed Reference Rate for the relevant Drawdown plus the Margin.

The Borrower may specify a maximum amount for the fixed Interest Rate in respect of each Drawdown in a Drawdown Request. If the fixed Interest Rate as calculated on the Rate Setting Date exceeds the maximum amount for the fixed Interest Rate

specified in the relevant Drawdown Request, such Drawdown Request shall be cancelled and, the amount of the requested Drawdown specified in the cancelled Drawdown Request shall be credited to the Available Credit.

4.1.2 Minimum Interest Rate

The Interest Rate determined in accordance with Clause 4.1.1 (*Selection of Interest Rate*), regardless of the elected option, shall not be less than zero point twenty-five per cent (0.25%) per annum, notwithstanding any decline in the rates.

4.1.3 Conversion from a floating Interest Rate to a fixed Interest Rate

The floating Interest Rate shall be converted to a fixed Interest Rate in accordance with the conditions set out below:

(i) Rate Conversion upon the Borrower's request

The Borrower may request at any time that the Lender converts the floating Interest Rate applicable to a Drawdown or several Drawdowns to a fixed Interest Rate.

To this effect, the Borrower shall send to the Lender a Rate Conversion Request substantially in the form set out in Schedule 5C (*Form of Rate Conversion Request*). The Borrower may specify a maximum amount for the fixed Interest Rate in the Rate Conversion Request. If the fixed Interest Rate exceeds the maximum amount specified by the Borrower in the Rate Conversion Request, such Rate Conversion Request shall be cancelled.

The fixed Interest Rate will be effective two (2) Business Days after the Rate Setting Date.

(ii) Rate Conversion mechanics

The fixed Interest Rate applicable to the relevant Drawdown(s) shall be determined in accordance with Clause 4.1.1(ii) (*Fixed Interest Rate*) above on the Rate Setting Date referred to in subparagraph (i) above. The Lender shall promptly send to the Borrower a letter of confirmation of Rate Conversion substantially in the form set out in Schedule 5D (*Form of Rate Conversion Confirmation*).

A Rate Conversion is final and effected without costs.

4.2 Calculation and payment of interest

The Borrower shall pay accrued interest on Drawdown(s) on each Payment Date.

The amount of interest payable by the Borrower on a relevant Payment Date and for a relevant Interest Period shall be equal to the sum of any interest owed by the Borrower on the amount of the Outstanding Principal in respect of each Drawdown. Interest owed by the Borrower in respect of each Drawdown shall be calculated on the basis of:

- (i) the Outstanding Principal owed by the Borrower in respect of the relevant Drawdown as at the immediately preceding Payment Date or, in the case of the first Interest Period, on the corresponding Drawdown Date;
- (ii) the exact number of days which have accrued during the relevant Interest Period on the basis of a three hundred and sixty (360) day year; and

- (iii) the applicable Interest Rate determined in accordance with the provisions of Clause 4.1 (*Interest Rate*).

4.3 Late payment and default interest

4.3.1 Late payment and default interest on all amounts due and unpaid (except for interest)

If the Borrower fails to pay any amount payable by it to the Lender under this Agreement (whether a payment of principal, a Prepayment Indemnity, any fees or incidental expenses of any kind except for any unpaid overdue interest) on its due date, interest shall accrue on the overdue amount, to the extent permitted by law, from the due date up to the date of actual payment (both before and after an arbitral award, if any) at the Interest Rate applicable to the current Interest Period (default interest) increased by three point five per cent (3.5%) (late-payment interest). No formal prior notice from the Lender shall be necessary.

4.3.2 Late payment and default interest on unpaid overdue interest

Interest which has not been paid on its due date shall bear interest, to the extent permitted by law, at the Interest Rate applicable to the on-going Interest Period (default interest), increased by three point five per cent (3.5%) (late-payment interest), to the extent that such Interest has been due and payable for at least one (1) year. No formal prior notice from the Lender shall be necessary.

The Borrower shall pay any outstanding interest under this Clause 4.3 (*Late payment and default interest*) immediately on demand by the Lender or on each Payment Date following the due date for the outstanding payment.

- 4.3.3 Receipt of any payment of late payment interest or default interest by the Lender shall neither imply the grant of any payment extension to the Borrower, nor operate as a waiver of any of the Lender's rights hereunder.

4.4 Communication of Interest Rates

The Lender shall promptly notify the Borrower of the determination of each Interest Rate in accordance with this Agreement.

4.5 Effective global rate (*taux effectif global*)

In order to comply with the requirements of Articles L. 313-1, L. 313-2 and R. 313-1 of the French Consumer Code and L. 313-4 of the French Monetary and Financial Code, the Lender informs the Borrower, and the Borrower accepts, that the effective global rate (*taux effectif global*) applicable to the Facility may be valued at an annual rate of [*in letters*] per cent (*in figures* %) on the basis of a three hundred and sixty-five (365) day year, and an Interest Period of six (6) months, subject to the following:

- (a) the above rates are given for information purposes only;
- (b) the above rates are calculated on the basis that:
 - (i) drawdown of the Facility is in full on the Signing Date;
 - (ii) no Drawdown made available to the Borrower will bear interest on the floating rate; and
 - (iii) the fixed rate for the duration of the facility should be equal to [●] per cent. ([●]%)

- (c) the above rates take into account the commissions and costs payable by the Borrower under this Agreement, assuming that such commissions and costs will remain fixed and will apply until the expiry of the term of this Agreement.

5. MARKET DISRUPTION

- (a) If a Market Disruption Event affects the interbank market in the Eurozone and it is impossible to determine the applicable LIBOR on a Rate Setting Date for the relevant Interest Period, the Lender shall inform the Borrower without delay.
- (b) Upon the occurrence of the event described in paragraph (a) above, the applicable Interest Rate for the relevant Interest Period will be the sum of:
 - (i) the Margin; and
 - (ii) the percentage rate per annum corresponding to the cost to the Lender of funding the Drawdown(s) from whatever source it may reasonably select. Such rate shall be notified to the Borrower as soon as possible and, in any case, prior to the Payment Date for interest owed under the relevant Interest Period.
- (c) “Market Disruption Event” means the occurrence of one of the following events:
 - (i) LIBOR is not determined by the ICE Benchmark Administration (“IBA”), at 11:45 am London time, two (2) Business Days before the first day of the relevant Interest Period; or
 - (ii) before close of business of the relevant interbank market, two (2) Business Days before the first day of the relevant Interest Period or on the Rate Setting Date, the Borrower receives notification from the Lender that (i) the cost to the Lender of obtaining matching resources in the relevant interbank market would be in excess of LIBOR for the relevant Interest Period; or (ii) it cannot or will not be able to obtain matching resources on the relevant interbank market in the ordinary course of business to fund the relevant Drawdown for the relevant time period.

6. FEES

6.1 Commitment fees

From the Signing Date onwards, the Borrower shall pay to the Lender a commitment fee of zero point fifty per cent (0.50 %) per annum.

The commitment fee shall be computed on the amount of the Facility pro-rated for the actual number of days elapsed decreased by the amount of any Drawdowns made available and, as the case may be, by any amount of the Facility cancelled in accordance with the provisions of Clause 8.3 (*Cancellation by the Borrower*) and Clause 8.4 (*Cancellation by the Lender*).

The first commitment fee shall be calculated for the period from (i) the Signing Date (excluded) up to (ii) the immediately following Payment Date (included). Subsequent commitment fees shall be calculated for periods commencing on the day immediately following a Payment Date (included) and ending on the next Payment Date (included).

The accrued commitment fee shall be payable (i) on each Payment Date within the Availability Period; (ii) on the Payment Date following the last day of the Drawdown Period; and (iii) in the event the Available Credit is cancelled in full, on the Payment Date following the effective date of such cancellation.

6.2 Appraisal fee

No later than the Signing Date, the Borrower shall pay to the Lender an appraisal fee, or front-end fee, of zero point fifty per cent (0.50 %) calculated on the maximum amount of the Facility, net of any tax or any other form of retention applicable to it. The appraisal fee is not refundable.

7. **REPAYMENT**

Following expiry of the Grace Period, the Borrower shall repay the Lender the principal amount of the Facility in sixteen (16) equal semi-annual instalments, due and payable on each Payment Date.

The first instalment shall be due and payable on September 30th 2020 and the last instalment shall be due and payable on March 31st 2028.

At the end of the Drawdown Period, the Lender shall deliver to the Borrower an amortisation schedule in respect of the drawn Facility taking into account, if applicable, any potential cancellation of the Facility pursuant to Clauses 8.3 (*Cancellation by the Borrower*) and/or 8.4 (*Cancellation by the Lender*).

8. **PREPAYMENT AND CANCELLATION**

8.1 Voluntary prepayment

No prepayment of the whole or any part of the Facility is allowed during the Grace Period. As from the day after the last day of the Grace Period, the Borrower may prepay the whole or any part of the Facility, subject to the following conditions:

- (a) the Borrower shall notify the Lender of its intention to prepay by not less than thirty (30) Business Days' written and irrevocable notice prior to the contemplated prepayment date;
- (b) the amount to be prepaid shall be equal to one or several instalment(s) in principal;
- (c) the contemplated prepayment date shall be a Payment Date;
- (d) all prepayments shall be made together with the payment of accrued interest, any fees, indemnities and related costs in connection with the prepaid amount as provided under this Agreement; and
- (e) there is no outstanding amount.

No later than the Payment Date on which the prepayment is made, the Borrower shall pay the full amount of the prepayment indemnities due and payable pursuant to Clause 9.3 (*Prepayment Indemnity*).

The Borrower may not re-borrow whole or any part of the Facility which has been prepaid or cancelled.

8.2 Mandatory prepayment

The Borrower shall immediately prepay whole or part of the Facility upon receipt of a notice from the Lender informing the Borrower of any of the following events:

- (a) Illegality: it becomes unlawful for the Lender pursuant to its applicable law to perform any of its obligations as contemplated by this Agreement or to fund or maintain the Facility;
- (b) Additional Costs: the amount of any Additional Costs referred to in Clause 9.5 (*Additional Costs*) is significant and likely to adversely affect the Borrower's financial situation and the Borrower has refused to pay such Additional Costs;
- (c) Change of Control: a change of Control of the Borrower occurs;
- (d) Default: the Lender declares an Event of Default in accordance with Clause 13 (*Events of Default*); or
- (e) Failure to justify use of funds: the Borrower fails to justify in a manner satisfactory to the Lender the use of the Advances by the deadline for the use of funds (Clause 3.4.3 (*Deadline for use of funds*));

In the case of each of the events specified in the above paragraphs, the Lender reserves the right, after having notified the Borrower in writing, to exercise its rights as a creditor in the manner specified in paragraph (b) of Clause 13.2 (*Acceleration*).

8.3 Cancellation by the Borrower

Prior to the Deadline for Drawdown, the Borrower may cancel the whole or any part of the Available Credit by giving the Lender a three (3) Business Days' prior notice. Upon receipt of such notice of cancellation, the Lender shall cancel the amount notified by the Borrower.

8.4 Cancellation by the Lender

The Lender may cancel the whole or any part of the Available Credit upon delivery of a notice to the Borrower which shall be immediately effective, if:

- (a) the Available Credit is not equal to zero on the Deadline for Drawdown;
- (b) the first Drawdown has not occurred on the expiry date of a fourteen (14) month period from approval of the Facility by the competent organs of the Lender, as mentioned in the Recitals;
- (c) an Event of Default has occurred and is continuing; or
- (d) an event referred to in Clause 8.2 (*Mandatory prepayment*) has occurred,

except where, in the case of paragraphs (a) and (b) of this Clause 8.4 (*Cancellation by the Lender*), the Lender has proposed to postpone the Deadline for Drawdown or the deadline for the first Drawdown on the basis of new financial conditions which will apply to any Drawdowns under the Available Credit and the Borrower has agreed to the proposal.

8.5 Restrictions

- (a) Any notice of prepayment or cancellation given by a Party pursuant to this Clause 8 (*Prepayment and Cancellation*) shall be irrevocable, and, unless otherwise provided in this Agreement, any such notice shall specify the date or dates on which the relevant prepayment or cancellation is to be made and the amount of that prepayment or cancellation;
- (b) The Borrower shall not prepay or cancel all or any part of the Facility except at the times and in the manner expressly provided for in this Agreement;

- (c) Any prepayment amount will be applied against the remaining instalments in inverse order of maturity;
- (d) The Borrower may not re-borrow whole or any part of the Facility which has been prepaid or cancelled.

9. ADDITIONAL PAYMENT OBLIGATIONS

9.1 Costs and expenses

- 9.1.1 The Borrower shall pay directly or, if applicable, shall reimburse the Lender in case of advance made by the Lender, the amount of all costs and expenses (including legal fees) incurred by the Lender in connection with the negotiation, preparation and signing of: (i) this Agreement or any other documents referred to in this Agreement (including any legal opinion) and (ii) any other documents relating to this Agreement executed after the Signing Date.
- 9.1.2 If an amendment to this Agreement is required, the Borrower shall reimburse to the Lender all costs (including legal fees) reasonably incurred in responding to, evaluating, negotiating or complying with that requirement.
- 9.1.3 The Borrower shall reimburse to the Lender all costs and expenses (including legal fees) incurred by it in connection with the enforcement or preservation of any of its rights under this Agreement.
- 9.1.4 The Borrower shall pay directly or, if applicable, reimburse the Lender in case of advance made by the Lender, the amount of all costs and expenses in connection with the transfer of funds to, or for the account of, the Borrower from Paris to any other place agreed with the Lender, as well as any transfer fees and expenses in connection with the payment of all sums due under the Facility.

9.2 Cancellation Indemnity

If the Facility is cancelled in full or in part in accordance with the terms of Clauses 8.3 (*Cancellation by the Borrower*) and/or 8.4 (*Cancellation by the Lender*) paragraphs (a), (b) and (c), the Borrower shall pay a cancellation indemnity equal to two point five per cent (2.5%) of the cancelled amount of the Facility.

Each cancellation indemnity shall be payable on the Payment Date immediately following a cancellation of all or part of the Facility.

9.3 Prepayment Indemnity

On account of any losses suffered by the Lender as a result of the prepayment of the whole or any part of the Facility in accordance with Clauses 8.1 (*Voluntary prepayment*) or 8.2 (*Mandatory prepayment*), the Borrower shall pay to the Lender an indemnity equal to the aggregate amount of:

- the Prepayment Indemnity; and
- any costs arising out of the break of any interest rate hedging swap transactions put in place by the Lender in connection with the amount prepaid.

9.4 Taxes and duties

- (i) Registration costs

The Borrower shall pay directly, or, if applicable, reimburse the Lender in case of an advance made by the Lender the costs of all stamp duty, registration costs and other similar taxes payable in respect of this Agreement.

(ii) **Withholding Tax**

The Borrower undertakes that all payments made to the Lender under this Agreement shall be free of any Withholding Tax.

If a Withholding Tax is required by law, the Borrower undertakes to gross-up the amount of any such payment to such amount which leaves the Lender with an amount equal to the payment which would have been due if no payment of Withholding Tax had been required.

The Borrower shall reimburse to the Lender all expenses and/or Taxes for the Borrower's account which have been paid by the Lender (if applicable), with the exception of any Taxes due in France.

9.5 **Additional Costs**

The Borrower shall pay to the Lender, within five (5) Business Days of the Lender's request, Additional Costs incurred by the Lender as a result of: (i) the coming into force of any new law or regulation, or any amendment to or any change in, or any change in the interpretation or application of, any existing law or regulation; or (ii) compliance with any law or regulation made after the Signing Date.

In this Clause, "Additional Costs" means:

- (i) any cost resulting from the occurrence after the Signing Date of one of the event referred to in the first paragraph of the present Clause, which was not taken into account to set forth the financial conditions of the Facility; or
- (ii) any reduction of any amount due and payable under any Financing Document,

which is incurred or suffered by the Lender to the extent that it is attributable to the Lender making available the Available Credit or performing its obligations under this Agreement.

9.6 **Currency indemnity**

If any sum due by the Borrower under this Agreement, or any order, judgment or award given or made in relation to such a sum, has to be converted from the currency in which that sum is payable into another currency, for the purpose of:

- (i) making or filing a claim or proof against the Borrower; or
- (ii) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

the Borrower shall indemnify the Lender against and, within three (3) Business Days of the Lender's request and as permitted by law, pay to the Lender, the amount of any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between: (A) the exchange rate used to convert the relevant sum from the first currency to the second currency; and (B) the exchange rate or rate(s) available to the Lender at the time of its receipt of that sum. This obligation to indemnify the Lender is independent of any other obligation of the Borrower under this Agreement.

The Borrower waives any right it may have in any jurisdiction to pay any amount due under the Financing Documents in a currency or currency unit other than that in which it is expressed to be payable.

9.7 Due dates

Any indemnity or reimbursement payable by the Borrower to the Lender under this Clause 9 (*Additional Payment Obligations*) is due and payable on the Payment Date immediately following the circumstances which have given rise to the relevant indemnity or reimbursement.

Notwithstanding the above, any indemnity to be paid in connection with a prepayment pursuant to Clause 9.3 (*Prepayment Indemnity*) is due and payable on the date of the relevant prepayment.

10. REPRESENTATIONS AND WARRANTIES

All the representations and warranties set out in this Clause 10 (*Representations and warranties*) are made by the Borrower for the benefit of the Lender on the Signing Date. All the representations and warranties in this Clause 10 (*Representations and warranties*) are also deemed to be made by the Borrower on the date on which all of the conditions precedent listed in Part II of Schedule 4 (*Conditions Precedent*) are satisfied, on the date of each Drawdown Request, on each Drawdown Date and on each Payment Date, except that the repeating representations contained in Clause 10.10 (*No misleading information*) are deemed to be made by the Borrower in relation to the information provided by the Borrower since the date on which the representation was last made.

10.1 Status

The Borrower is a company duly incorporated and validly existing under the laws of its jurisdiction of incorporation.

The Borrower has the power to own its assets and carry on its business as it is being conducted. The constitutional documents of the Borrower are in compliance with all applicable laws and regulations.

10.2 Power and authority

The Borrower has the power to enter into, perform and deliver this Agreement and to perform all contemplated obligations. The Borrower has taken all necessary action to authorise its entry into, performance and delivery of this Agreement and the transactions contemplated by this Agreement.

10.3 Validity and admissibility in evidence

All Authorisations required:

- (a) to enable the Borrower to lawfully enter into, and exercise its rights and comply with its obligations under, this Agreement; and
- (b) to make this Agreement admissible in evidence in the courts of the jurisdiction of incorporation of the Borrower or in arbitration proceedings,

have been obtained and are in full force and effect and no circumstances exist which could result in the revocation, non-renewal or modification, in whole or in part, of any such Authorisations.

10.4 No filing or stamp taxes

Under the laws of the jurisdiction of incorporation of the Borrower, it is not necessary that this Agreement be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration or similar taxes or fees be paid on or in relation to this Agreement or the transactions contemplated therein.

10.5 Binding obligations

The obligations expressed to be assumed by the Borrower under this Agreement comply with all laws and regulations applicable to the Borrower in its jurisdiction of incorporation and are legal, valid, binding and enforceable obligations which are effective in accordance with their written terms.

10.6 Free transfer of funds

All amounts due by the Borrower to the Lender under this Agreement are freely transferable to France or to any other country.

10.7 No conflict with other obligations

The entry into and performance by the Borrower of, and the transactions contemplated by, this Agreement do not conflict with any domestic or foreign law or regulation applicable to it, its constitutional documents (or any similar documents) or any agreement or instrument binding upon the Borrower or affecting any of its assets.

10.8 Governing Law and enforcement

The choice of French law as the governing law of this Agreement will be recognised and enforced by the courts and arbitral tribunals in the jurisdiction of incorporation of the Borrower.

Any judgment obtained in relation to this Agreement in a court or any award by an arbitral tribunal will be recognised and enforced in the jurisdiction of incorporation of the Borrower.

10.9 No default

No Event of Default is continuing or is reasonably likely to occur.

No breach of the Borrower is continuing in relation to any other agreement binding upon it, or affecting any of its assets, which has, or is reasonably likely to have, a Material Adverse Effect.

10.10 No misleading information

All information and documents supplied by the Borrower to the Lender were true, accurate and up-to-date as at the date they were provided or, if appropriate, as at the date at which they are stated to be given and have not been varied, revoked, cancelled or renewed on revised terms, and are not misleading in any material respect as a result of an omission, the occurrence of new circumstances or the disclosure or non-disclosure of any information.

10.11 Pari passu ranking

The Borrower's payment obligations under this Agreement rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors.

10.12 Taxes

The Borrower:

- is not overdue in the filing of any Tax returns; and
- has not been notified of any claim or investigation by the tax authorities against it in respect of any failure to pay any Tax which may not be challenged in good faith by the Borrower.

10.13 No proceedings pending or threatened

Save for any threatened or pending claims expressly disclosed by the Borrower, no litigation, arbitration or administrative proceedings of, or before, any court, arbitral tribunal or other authority which, if adversely determined, are reasonably likely to have a Material Adverse Effect, have, to the best of the Borrower's knowledge and belief, been started or threatened against it or any of its assets.

10.14 Insolvency proceedings

No corporate action, legal proceedings or other similar procedure or step has been taken in relation to the Borrower regarding the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) or a composition, compromise, assignment or arrangement with any creditor of the Borrower.

10.15 Origin of funds, Acts of Corruption, Fraud and Anti-Competitive Practices

The Borrower represents and warrants that:

- (i) the Borrower's equity and quasi equity and the funds invested in the Project are not of an Illicit Origin; and
- (ii) it has not been subject to a sentence pronounced less than five years previously by a *res judicata* decision for an Act of Corruption, Fraud or Anti-Competitive Practice in the last five (5) years.

10.16 Insurances

The Borrower represents and warrants that it has taken out all necessary insurance policies for the continuity of its operations and is up-to-date with the payment of any related premiums.

10.17 No Material Adverse Effect

The Borrower represents and warrants that no event or circumstance which is likely to have a Material Adverse Effect has occurred or is likely to occur.

10.18 Rating

The Borrower represents and warrants that its rating by Moody's Investors Service is "Aa1" as at the Signing Date.

11. UNDERTAKINGS

The undertakings in this Clause 11 (*Undertakings*) take effect on the Signing Date and remain in full force and effect for as long as any amount is outstanding under this Agreement.

11.1 Corporate existence

The Borrower shall:

- (a) maintain its corporate existence and the general nature of its business and shall not amend or alter its corporate existence, its registered office, its corporate objectives or the nature of its business without the prior consent of the Lender;
- (b) not amend or alter its articles of association (or any equivalent constitutional documents) after the Signing Date in a manner which is likely to adversely affect the interests or rights of the Lender; and
- (c) not enter into any merger, demerger, consolidation or other similar corporate restructuring without the prior written consent of the Lender.

11.2 Compliance with laws and regulations

The Borrower shall:

- (a) comply in all respects with all laws and regulations to which it and/or the Project is subject, particularly in relation to all applicable environmental protection, safety and labour laws;
- (b) file all of its tax returns and pay and discharge all Taxes within the time period allowed, unless and only to the extent that such payment is being contested by the Borrower in good faith and provision is made and maintained for those Taxes and is disclosed in the Borrower's Financial Statements; and
- (c) obtain, maintain in full force and effect and comply in all material respects with all provisions, conditions and restrictions (if any) set out in any agreement, authorisation, approval or decision of any administration, public authority or tribunal, and do all that is necessary under any applicable law or regulation to ensure that it performs its obligations pursuant to any such agreement, authorisation, approval or decision.

11.3 Authorisations

The Borrower shall promptly obtain, comply with and do all that is necessary to maintain in full force and effect any Authorisation required under any applicable law or regulation to enable it to perform its obligations under this Agreement and to ensure the legality, validity, enforceability and admissibility in evidence of this Agreement.

11.4 Pari passu ranking

The Borrower undertakes to ensure that its payment obligations under this Agreement at all times rank at least *pari passu* with its other present and future unsecured and unsubordinated payment obligations.

11.5 Security

The Borrower shall not create or allow to exist any new debt with a maturity of more than one (1) year (including, but not limited to, borrowings in the interbank market, negotiable debt instruments, bond issues), any Security over any of its assets or income streams or any personal guarantee except:

- where the aggregate value of the Security is less than thirty million US Dollars (USD 30,000,000); or

- where prior written consent of the Lender has been obtained; and

- upon request by the Lender, to grant to the Lender this Security or guarantee, or a similar Security or guarantee, with equivalent ranking.

11.6 Project Documents

The Borrower shall inform the Lender of any decision or any event that may noticeably affect the performance of the Project and/or the compliance with all or any of the obligations of the Borrower under this Agreement.

11.7 Monitoring

The Borrower shall allow the Lender and its representatives to carry out inspections in relation to the implementation of the Project and the Eligible Investments financed by the Facility as well as the accounting and financial position of the Borrower.

The Borrower shall: (i) co-operate and provide all reasonable assistance and information to the Lender and its representatives when carrying out such inspections, the timing and format of which shall, in each case, be determined by the Lender following consultation with the Borrower; and (ii) provide such the Lender and its representatives with access to its financial records and its employees. The Borrower shall reimburse the Lender for any costs incurred by the Lender in respect of one inspection per year.

Depending on the circumstances, the financial analysis referred to in Clause 12.4 (*Financial Analysis and credit rating*) shall be carried out at the same time and independently from the inspection and monitoring in relation to the Project.

The Borrower shall retain, and make available for inspection by the Lender, all documents relating to the Project (including the documents relating to the Eligible Investments) for a period of ten (10) years following the Deadline for Drawdown.

11.8 Financial year and Auditors

If there is a change of Auditors, the Borrower shall appoint as its Auditors a reputable auditing firm with the necessary experience to fulfil their duties as auditors.

The Borrower shall inform the Lender before changing its Auditors or alternate Auditors.

11.9 Business Relationships

The Borrower undertakes:

- (a) not knowingly to enter into a Business Relationship, and/or shall terminate any Business Relationship without any delay with any person or entity which appears on any Financial Sanctions List; and
- (b) not to finance materials or sectors subject to United Nations, European Union or French Embargo .

11.10 Origin of funds, no Acts of Corruption, Fraud or Anti-Competitive Practices

The Borrower undertakes:

- (a) to ensure that its equity and quasi equity and the funds invested in the Project are not of Illicit Origin;

- (b) that its activities shall not give rise to any Act of Corruption, Fraud or Anti-Competitive Practices;
- (c) as soon as it becomes aware of, or suspects, any Act of Corruption, Fraud or Anti-Competitive Practice, to inform the Lender without any delay;
- (d) in the event referred to in paragraph (c) above or at the Lender's request if the Lender suspects that the acts or practices referred to in paragraph (c) have occurred, to take all necessary actions to remedy the situation in a manner satisfactory to the Lender and within the time period determined by the Lender;
- (e) to notify the Lender without any delay if it has knowledge of any information which leads it to suspect the Illicit Origin of its equity and quasi equity or any funds invested in the Project; and
- (f) to inform the Lender of any change to its statutes which publication is prescribed by law, as well as any transaction which would result in changing the ownership of 5% or more of its shareholding or in a change of its Control.

11.11 Fight against money laundering and terrorist financing

The Borrower undertakes:

- to apply with respect to its customers the procedures of implementation of vigilance obligation in accordance with the Financial Action Task Force (FATF) standards on money laundering;
- to authorise the Lender to carry out, or procure that a third party carries out on its behalf, verification on the Borrower's implementation of its vigilance obligation relating to the fight against money laundering and terrorist financing.

11.12 Environmental and social responsibility

In order to promote sustainable development, the Parties agree that it is necessary to promote compliance with internationally recognised environmental and labour standards, including fundamental conventions of the International Labour Organization (“ILO”) and the international environmental laws and regulations applicable in the Borrower's jurisdiction of incorporation.

For such purpose and with respect to its business activities, the Borrower shall comply with international standards for the protection of the environment and labour laws, in accordance with the applicable laws and regulations of the country in which the Project is being implemented. The Borrower shall also request that the Beneficiary Clients comply with such standards in the conduct of their business.

To comply with the environmental and labour standards set out above, the Borrower shall take into account its social and environmental responsibility, for example by:

- providing an exclusion list setting out the projects that the Borrower undertakes not to fund;
- implementing an environmental and social risk management policy in relation to the projects funded by the Borrower; and
- implementing a corporate social responsibility policy (the “CSR”).

On each anniversary of the signing of this Agreement, the Borrower shall deliver to the Lender an annual report in relation to its environmental and social responsibility policy.

11.13 Exclusivity

The Borrower shall not submit to any other funder than the Lender a Drawdown Request in respect of an Eligible Investment to be financed by the Facility (however, in the case of a partial financing of an Eligible Investment by the Facility, this covenant may apply only to the part of the Eligible Investment financed by the Facility).

11.14 Financial covenants

The Borrower shall at all times comply with the financial covenants set out in any law or regulation applicable to it.

The Borrower shall at all times:

- ensure that the Cost to Income Ratio is lower than seventy per cent (70 %);
- ensure that the Capital Adequacy Ratio is greater than fifteen per cent (15 %);
- ensure that the Non Performing Loan Ratio is lower than five per cent (5 %).

11.15 Beneficiary Clients

The Borrower undertakes to ensure that the Beneficiary Clients are the sole beneficiaries of the Eligible Investments.

11.16 Implementation of the Project

The Borrower shall implement the Project, and in particular in relation to the Eligible Investments, exclusively according to the eligibility criteria set out in Schedule 2 (*Project Description*), excluding any other project in relation to Beneficiary Clients.

11.17 Re-utilisation of the funds

In the event of the early repayment of a loan by a Beneficiary Client before the term of the Facility, the Borrower shall use the repaid funds within 12 months from the repayment date to finance new Eligible Investments, provided that the Borrower shall re use such funds for an amount equal to the average principal amount still due until the last instalment.

11.18 Project evaluation

The Borrower acknowledges that the Lender may carry out, or procure that a third party carries out on its behalf, an evaluation of the Project. This evaluation will be used to produce a performance report containing information on the Project, such as: total amount and duration of the Facility, objectives of the Project, expected and actual performance of the Project, assessment of its relevance, efficiency, impact and viability/sustainability. The Borrower agrees to the publication of this performance report, in particular, on the Lender's website (www.afd.fr).

12. INFORMATION UNDERTAKINGS

The undertakings in this Clause 12 (*Information Undertakings*) take effect on the Signing Date and remain in full force and effect for as long as any amount is outstanding under this Agreement.

12.1 Financial Statements

The Borrower shall provide to the Lender:

- (a) as soon as they are available and in any event within 180 calendar days after the end of each financial year, its audited Financial Statements (including a balance sheet, income statement and any schedules thereto) prepared by Auditors in accordance with the Applicable Accounting Principles for that financial year;
- (b) on demand, all supplemental information related to:
 - (i) the accounts statement of the Borrower and its business activities, including a break-down of its outstanding credits by sector and by term, the spreading of risks, an analysis of available resources according to origin and term, and the resources and commitments statement (including off-balance sheet commitments);
 - (ii) its methods, rules and financial reporting procedures, the credit delegation framework,

The Borrower shall ensure that all of the Financial Statements provided in accordance with this Clause 12.1 (*Financial Statements*) are prepared in accordance with the Applicable Accounting Principles.

12.2 Compliance certificate

The Borrower shall supply to the Lender, together with the Financial Statements provided pursuant to paragraph (a) of Clause 12.1 (*Financial Statements*), a compliance certificate signed and attested to be true by a duly authorised representative of the Borrower and by the Auditors, setting out the calculations, in sufficient amount of detail, evidencing that the Borrower's obligations under Clause 11.14 (*Financial covenants*) have been complied with as at the date of the Financial Statements.

12.3 Certificate of compliance with the laws against money laundering and the financing of terrorism

The Borrower shall forward to the Lender annually, and at the latest fifteen (15) calendar days after the end of the previous financial year, a certificate of compliance with the laws against money laundering and the financing of terrorism substantially in the form set out in Schedule 9 (*Anti-Money Laundering And Anti-Terrorism Financing Certificate*).

12.4 Financial analysis and credit Rating

The Borrower agrees that the Lender may, if it considers necessary, perform monitoring operations each year in regard to its financial and accounting condition.

In addition, the Borrower shall provide the Lender with all reports and information in relation to any change to its Rating as determined by the Borrower's Rating Agency within thirty (30) calendar days after any such change has occurred.

12.5 Reports

The Borrower undertakes to provide to the Lender as soon as the same is available:

- (a) management letters sent by the Auditors; and
- (b) annual reports.

12.6 Progress reports and monitoring of Project and Results Indicators

- (a) For the entire duration of the implementation of the Project and until the submission of the final report, the Borrower shall provide to the Lender on a half-yearly basis a technical and financial progress report in relation to the implementation of the Project, together with the quantification of the Results Indicators in accordance with Schedule 2 (*Project Description*) and Schedule 8 (*Monitoring of Project Implementation and Results Indicators*), and where applicable, the record of financing granted for the Project.

These reports shall also reference execution of the Technical Assistance programme.

- (b) Within twelve (12) months after the last payment transfer, the Borrower shall provide to the Lender a general progress report in relation to the Project.

The general progress report shall emphasise the positive contribution of the Project to development and to the execution of the Borrower's strategy in the field of infrastructure projects with environmental and/or climate co-benefits, as well as emphasise the reinforcement of the Borrower's capacities and internal competences within this field.

The monitoring of the Project shall be performed by the Borrower who shall guarantee comprehensiveness and accuracy of the requested information. As the case may be, the information may be collected by other parties involved in the Project (consultants, training institutions, etc.) and then compiled and collated by the Borrower.

12.7 Beneficiary Clients

The Borrower undertakes to:

- (a) submit on demand from the Lender, all information related to the Beneficiary Clients, including:
- any information (including personal information, in case this changes) related to the identity of each Beneficiary Clients; and
 - any information the Lender may reasonably request in relation to the financial position of the Beneficiary Clients;
- (b) inform the Lender of the anticipated repayment of an Eligible Investment by a Beneficiary Client within fifteen (15) Business Days after the said repayment and to submit to the Lender, on an annual basis, a report on the utilisation of the proceeds of any anticipated repayment of the Eligible Investments agreed with the Beneficiary Clients

12.8 Information - miscellaneous

The Borrower shall provide to the Lender:

- (a) immediately upon becoming aware of them, details of any event or circumstance which is or may be an Event of Default or which has or may have a Material Adverse Effect, the nature of such an event and all the actions taken or to be taken to remedy it (if any);
- (b) promptly upon becoming aware of them, detailed information regarding any litigation, arbitration or administrative proceedings which are current, threatened or pending

against the Borrower and which might, if adversely determined, have a Material Adverse Effect;

- (c) promptly upon becoming aware of them, details of any incident or accident directly related to the implementation of the Project which might have a significant impact on the Project site, the working conditions of its employees or contractors' employees working on the construction of the said projects, the nature of such incident or accident, together with details of any action taken or proposed to be taken, as applicable, by the Borrower to remedy it;
- (d) promptly, details of any decision or event which might affect the organisation, completion or operation of the projects financed by the Eligible Investments;
- (e) copies of any amendment to its constitutional documents which is required to be made by law; and
- (f) promptly, any further information regarding its financial condition, assets and operations or any documents or other communications given or received by it that the Lender may reasonably request.

13. EVENTS OF DEFAULT

13.1 Events of Default

Each of the events or circumstances set out in this Clause 13.1 (*Events of Default*) is an Event of Default.

(a) Payment default

The Borrower does not pay on the due date any amount payable by it under this Agreement in the manner required under this Agreement. However, without prejudice to Clause 4.3 (*Late payment and default interest*), no Event of Default will occur under this paragraph (a) if such payment is made in full by the Borrower within five (5) Business Days of the due date.

(b) Undertakings and obligations

The Borrower does not comply with any term of this Agreement, including, without limitation, any of the undertakings it has given pursuant to Clause 11 (*Undertakings*) and Clause 12 (*Information Undertakings*).

Save for the undertakings given pursuant to Clauses 11.9 (*Business Relationships*) and 11.10 (*Origin of funds, no Acts of Corruption, Fraud or Anti-Competitive Practices*) of this Agreement in respect of which no grace period is permitted, no Event of Default will occur under this paragraph (b) if the non-compliance is capable of remedy and is remedied within five (5) Business Days of the earlier of (A) the Lender giving notice of failure to comply to the Borrower; and (B) the Borrower becoming aware of the breach or within the time limit determined by the Lender in the case referred to in subparagraph (d) of Clause 11.10 (*Origin of funds, no Acts of Corruption, Fraud or Anti-Competitive Practices*).

(c) Misrepresentation

A representation or warranty made by the Borrower in this Agreement, including under Clause 10 (*Representations and warranties*), or in any document delivered by or on behalf of the Borrower under or in relation to this Agreement, is incorrect or misleading when made or deemed to be made.

(d) **Cross default**

- (i) Any financial indebtedness of the Borrower (other than the Facility) is not paid on its due date or, if applicable, within any grace period granted pursuant to the relevant documentation.
- (ii) A creditor has cancelled or suspended its commitment towards the Borrower pursuant to any financial indebtedness or has declared the financial indebtedness due and payable prior to its specified maturity or requested prepayment in full of the financial indebtedness, in each case, as a result of an event of default or any provision having a similar effect (howsoever described) pursuant to the relevant documentation.
- (iii) No Event of Default will occur under this clause 13.1(d) (*Cross default*) if the relevant amount of financial indebtedness or the commitment for financial indebtedness falling within paragraphs (i) and (ii) above is less than ten million US Dollars (USD 10,000,000) (or its equivalent in any other currency(ies)).

(e) **Insolvency**

The Borrower is unable, or admits its inability, to pay its debts as they fall due, suspends making payments of any of its debts or, by reason of actual or anticipated financial difficulties, begins negotiations with one or more of its creditors for the rescheduling or restructuring of any of its indebtedness.

(f) **Insolvency proceedings**

A resolution of a meeting of the shareholders, directors or other officers of the Borrower is passed, judicial proceedings are commenced or any other analogous step or procedure is taken regarding the suspension of payments, a moratorium with any creditors or the liquidation, dissolution, administration, reorganisation or the restructuring of the Borrower or any similar procedure or arrangement.

(g) **Unlawfulness**

It is or becomes unlawful or impossible for the Borrower to perform any of its obligations under this Agreement.

(h) **Material adverse change**

Any event (including a change in the political situation of the country of the Borrower) or measure which is likely to have a Material Adverse Effect occurs or is likely to occur.

(i) **Withdrawal or suspension of the Project**

The Borrower withdraws from, or ceases to participate in, the Project.

(j) **Intervention by an Authority**

An Authority:

- (i) seizes or expropriates all or part, or one or several, of the Borrower's assets which are required to continue its activities; or

- (ii) takes possession or control of all or part of any of the Borrower's assets which are required to continue its activities; or
- (iii) takes any measure with a view to the liquidation, winding-up, administration, reorganisation or restructuring of the Borrower; or
- (iv) takes any other measure that would prevent the Borrower from continuing all or part of its activities or operations.

(k) **Authorisations**

Any Authorisation required for the Borrower in order to perform or comply with its obligations under this Agreement or required in the ordinary course of the Eligible Drawdown(s) is not obtained within the required timeframe or is cancelled or becomes invalid or otherwise ceases to be in full force and effect.

(l) **Judgments, rulings or decisions having a Material Adverse Effect**

Any judgment or arbitral award or any judicial or administrative decision affecting the Borrower has or is reasonably likely to have a Material Adverse Effect or one or more steps or proceedings is/are commenced which has/have or is/are reasonably likely to have a Material Adverse Effect or makes/make it unlikely that the Borrower will be able to perform any of its obligations under this Agreement.

(m) **Audit**

The Auditors refuse to certify or issue a qualified opinion regarding the Financial Statements of the Borrower, and this is likely to have a Material Adverse Effect.

(n) **Downgrade or loss of Rating**

The Borrower's Rating falls below A3 or its equivalent rating as determined by a Rating Agency using an alternative ratings scale.

The Borrower no longer has a Rating and the Parties fail to agree on an alternative solution within twenty (20) Business Days.

(o) **Suspension of free convertibility and free transfer**

Free convertibility and free transfer of the amounts due by the Borrower under this Agreement, or any other facility provided by the Lender to the Borrower or any other borrower of the jurisdiction of the Borrower, is challenged.

13.2 Acceleration

On and at any time after the occurrence of an Event of Default, the Lender may, without providing any formal demand or commencing any judicial or extra-judicial proceedings, by written notice to the Borrower:

- (a) cancel the Available Credit; and/or
- (b) declare that all or part of the Facility, together with any accrued or outstanding interest and all other amounts outstanding under this Agreement, are immediately due and payable.

Without prejudice to the above, in the event that an Event of Default occurs as set out in Clause 13.1 (*Events of Default*), the Lender reserves the right to, upon written notice to the

Borrower, (i) suspend or postpone any Drawdowns under the Facility; and/or (ii) suspend the finalisation of any agreements relating to other possible financial offers which have been notified by the Lender to the Borrower; and/or (iii) suspend or postpone any loan under any loan agreement entered into between the Borrower and the Lender.

13.3 Notification of an Event of Default

In accordance with Clause 12.8 (*Information - miscellaneous*), the Borrower shall promptly notify the Lender upon becoming aware of any event which is or is likely to be an Event of Default and inform the Lender of all the measures contemplated by the Borrower to remedy it.

14. ADMINISTRATION OF THE FACILITY

14.1 Payments

All payments received by the Lender under this Agreement shall be applied towards the payment of expenses, fees, interest, principal amounts or any other sum due under this Agreement in the following order:

- 1) incidental costs and expenses;
- 2) fees;
- 3) late-payment interest and default interest;
- 4) accrued interest;
- 5) principal repayments.

Any payments received from the Borrower shall be applied first in or towards payment of any sums due and payable under the Facility or under other loans extended by the Lender to the Borrower, should it be in the Lender's interest to apply these sums to such loans, in the order set out above.

14.2 Set-off

Without prior approval of the Borrower, the Lender may, at any time, set-off matured obligations owed by the Borrower against any amounts held by the Lender on behalf of the Borrower or any matured obligations owed by the Lender to the Borrower. If the obligations are in different currencies, the Lender may convert either obligation at the prevailing currency exchange rate for the purpose of the set-off.

All payments made by the Borrower under this Agreement shall be calculated and made without set-off. The Borrower is prohibited from making any set-off.

14.3 Business Days

If a payment is due on a day which is not a Business Day, the due date for that payment shall be the next Business Day if the next Business Day is in the same calendar month or the preceding Business Day if the next Business Day is not in the same calendar month.

During any extension of the Payment Date for a principal or unpaid amount under this Agreement, interest shall be payable on that amount during the extension period at the rate applicable on the original Payment Date.

14.4 Currency of payment

The currency of each amount payable under this Agreement is US Dollars, except as provided in Clause 14.6 (*Place of payment*).

14.5 Day count convention

Any interest, fee or expense accruing under this Agreement will be calculated on the basis of the actual number of days elapsed and a year of three hundred and sixty (360) days in accordance with London interbank market practice.

14.6 Place of payment

- (a) Any funds to be transferred by the Lender to the Borrower under the Facility will be paid to the bank account specifically designated for such purpose by the Borrower, provided that the Lender has given its prior consent on the selected bank.
- (b) Any payment to be made by the Borrower to the Lender shall be paid on the due date by no later than 11:00 am (Paris time) to the following bank account:

Name A/C: Agence Française de Développement

RIB Code : 31489 00010 00226560281 47

IBAN Code: FR76 3148 9000 1000 2265 6028 147

Crédit Agricole CIB SWIFT code (BIC): BSUIFRPP

opened by the Lender with Crédit Agricole CIB in Paris, or to any other account notified by the Lender to the Borrower.

The correspondent bank is:

JP MORGAN CHASE BANK NEW YORK

BIC Swift: CHASUS33XXX

Address: 4 New York Plaza – Floor 15th

New York NY 10004

ABA Number: 021000021

Account number: 786419036

- (c) The Borrower shall request from the bank responsible for transferring any amounts to the Lender that it provides the following information in any wire transfer messages in a comprehensive manner and in the order set out below:
- Principal: name, address, bank account number
 - Principal's bank: name and address
 - Reference: name of the Borrower, name of the Project, reference number of the Agreement

- (d) All payments made by the Borrower shall comply with this Clause 14.6 (*Place of payment*) in order for the relevant payment obligation to be deemed discharged in full.

14.7 Payment Systems Disruption

If the Lender determines (in its discretion) that a Payment Systems Disruption Event has occurred or the Borrower notifies the Lender that a Payment Systems Disruption Event has occurred, the Lender:

- (a) may, and shall if requested by the Borrower, enter into discussions with the Borrower with a view to agreeing any changes to the operation and administration of the Facility as the Lender may deem necessary in the circumstances;
- (b) shall not be obliged to enter into discussions with the Borrower in relation to any of the changes mentioned in paragraph (a) above if, in its opinion, it is not practicable to do so in the circumstances and, in any event, it has no obligation to agree to such changes; and
- (c) shall not be liable for any cost, loss or liability arising as a result of its taking, or failing to take, any actions pursuant to this Clause 14.7 (*Payment Systems Disruption*).

15. MISCELLANEOUS

15.1 Language

The language of this Agreement is English. If this Agreement is translated into another language, the English version shall prevail in the event of any conflicting interpretation or in the event of a dispute between the Parties.

All notices given or documents provided under, or in connection with, this Agreement shall be in English.

The Lender may request that a notice or document provided under, or in connection with, this Agreement which is not in English is accompanied by a certified English translation, in which case, the English translation shall prevail unless the document is a constitutional document of a company, legal text or other official document.

15.2 Certifications and determinations

In any litigation or arbitration proceedings arising out of or in connection with this Agreement, entries made in the accounts maintained by the Lender are *prima facie* evidence of the matters to which they relate.

Any certification or determination by the Lender of a rate or amount under this Agreement will be, in the absence of manifest error, conclusive evidence of the matters to which it relates.

15.3 Partial invalidity

If, at any time, a term of this Agreement is or becomes illegal, invalid or unenforceable, neither the validity, legality nor enforceability of the remaining provisions of this Agreement will in any way be affected or impaired.

15.4 No Waiver

Failure to exercise, or a delay in exercising, on the part of the Lender of any right under the Agreement shall not operate as a waiver of that right.

Partial exercise of any right shall not prevent any further exercise of such right or the exercise of any other right or remedy under the applicable law.

The rights and remedies of the Lender under this Agreement are cumulative and not exclusive of any rights and remedies under the applicable law.

15.5 Assignment

The Borrower may not assign or transfer, in any manner whatsoever, all or any of its rights and obligations under this Agreement without the prior written consent of the Lender.

The Lender may assign or transfer any of its rights or obligations under this Agreement to any other third party and may enter into any sub-participation agreement relating thereto.

15.6 Legal effect

The Schedules annexed hereto and the recitals hereof form part of this Agreement and have the same legal effect.

15.7 Entire agreement

As of the Signing Date, this Agreement represents the entire agreement between the Parties in relation to the matters set out herein, and supersedes and replaces all previous documents, agreements or understandings which may have been exchanged or communicated as part of the negotiations in connection with this Agreement.

15.8 Amendments

No amendment may be made to this Agreement unless expressly agreed in writing between the Parties.

15.9 Confidentiality - Disclosure of information

- (a) The Borrower shall not disclose the content of the Financing Documents to any third party without the prior consent of the Lender except to:
 - (i) its shareholders, auditors and legal advisers; and
 - (ii) any other person to whom the Borrower has a disclosure obligation under any applicable law, regulation or judicial ruling.
- (b) Notwithstanding any existing confidentiality agreement, the Lender may disclose any information or documents in relation to the Project to: (i) its auditors, rating agencies, legal advisers or supervisory bodies such as the European Anti-Fraud Office; (ii) any person or entity to whom the Lender may assign or transfer all or part of its rights or obligations under this Agreement; and (iii) any person or entity for the purpose of taking any protective measures or preserving the rights of the Lender under this Agreement.
- (c) Furthermore, the Borrower shall ensure that the Beneficiary Client allows the Lender to publish on its Website or by any other means, information related to the executed Eligible Investments which have been financed by the Facility.

15.10 Limitation

The statute of limitations of any claims under this Agreement shall be ten (10) years, except for any claim of interest due under this Agreement.

16. notices

16.1 Notices

Any notice, request or other communication to be given or made under or in connection with this Agreement shall be given or made in writing and, unless otherwise stated, may be given or made by fax or by letter sent by post to the address and number of the relevant Party set out below:

For the Borrower:

CARIBBEAN DEVELOPMENT BANK

Address: P.O. Box 408 – Wildey – St. Michael – Barbados, W.I. BB11000

Telephone: (246) 431.1600

Facsimile: (246) 426.7269

Attention: President

For the Lender:

AFD – SANTO DOMINGO REGIONAL OFFICE

Address: Avenida Gustavo Mejía Ricart No. 98 Esq. Abraham Lincoln,

Edificio Corporativo 2010, Local 201,

Ens. Piantini, Santo Domingo - Republica Dominicana

Telephone: +1 809 547 12 89

Facsimile: +1 809 381 05 92

Attention: AFD Director

With a copy to:

AFD – PARIS HEAD OFFICE

Address: 5, rue Roland Barthes – 75598 Paris Cedex 12, France

Telephone: + 33 1 53 44 31 31

Facsimile: + 33 1 53 44 35 56

Attention: Director for Latin America and the Caribbean

or such other address, fax number, department or officer as one Party notifies to the other Party.

16.2 Delivery

Any notice, request or communication given or made or any document sent by a Party to the other Party in connection with this Agreement will only be effective:

- (a) if by fax, when received in a legible form; and

(b) if by letter sent by poste, when delivered to the correct address,

and, where a particular person or a department is specified in Clause 16.1 (*Notices*), if such notice, request or communication has been addressed to that person or department.

16.3 Electronic communications

Any communication made by one person to another under or in connection with this Agreement may be made by electronic mail or other electronic means if the Parties:

- (i) agree that, unless and until notified to the contrary, this is to be an accepted form of communication;
- (ii) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and
- (iii) notify each other of any change to their address or any other such information supplied by them.

Any electronic communication made between the Parties will be effective only when actually received in a readable form.

17. GOVERNING LAW, ENFORCEMENT AND SERVICE OF PROCESS

17.1 Governing Law

This Agreement is governed by French law.

17.2 Arbitration

Any dispute arising out of or in connection with this Agreement shall be referred to and finally settled by arbitration under the Rules of Conciliation and Arbitration of the International Chamber of Commerce applicable on the date of commencement of arbitration proceedings by one or more arbitrators to be appointed in accordance with such Rules.

The seat of arbitration shall be Paris and the language of arbitration shall be English.

This arbitration clause shall remain in full force and effect if this Agreement is declared void or is terminated or cancelled and following expiry of this Agreement. The Parties' contractual obligations under this Agreement are not suspended if a Party initiates legal proceedings against the other Party.

The Parties expressly agree that, by signing this Agreement, the Borrower irrevocably waives all rights of immunity in respect of jurisdiction or performance on which it could otherwise rely.

17.3 Service of process

Without prejudice to any applicable law, the Borrower irrevocably chooses its registered office at the address provided in Clause 16 (*Notices*) for service of process and the Lender irrevocably chooses its registered office at the address "AFD – PARIS HEAD OFFICE" also listed in Clause 16 (*Notices*) for service of judicial and extrajudicial documents in connection with any action or proceedings referred to above.

18. DURATION

This Agreement comes into force on the Signing Date and remains in full force and effect for so long as any amount is outstanding under this Agreement.

Notwithstanding the above, the obligations under Clauses 12.8 (*Information - miscellaneous*) and of subparagraph (b) of Clause to 15.9 (*Confidentiality - Disclosure of information*) shall survive and remain in full force and effect for a period of five (5) years after the last Payment Date.

Executed in two (2) originals, in [●], on [●].

BORROWER

CARIBBEAN DEVELOPMENT BANK

Represented by:

Name: Warren SMITH

Capacity: President

LENDER

AGENCE FRANÇAISE DE DÉVELOPPEMENT

Represented by:

Name: Régis MARODON

Capacity: Director for Latin America and the Caribbean

SCHEDULE 1A - DEFINITIONS

Acceleration	means the declaration by the Lender as immediately due and payable all or part of the Facility upon the occurrence of an Event of Default or of any event or circumstances provided for under Clause 13.1 (<i>Events of Default</i>) which may qualify as an Event of Default pursuant to Clause 13.2 (<i>Acceleration</i>).
Act of Corruption	means any of the following: <ul style="list-style-type: none"> (a) the act of promising, offering or giving, directly or indirectly, to a Public Official or to any person who directs or works, in any capacity, for a private sector entity, an undue advantage of any nature, for the relevant person himself or herself or for another person or entity, in order that this person acts or refrains from acting in breach of his or her legal, contractual or professional obligations and, having for effect to influence his or her own actions or those of another person or entity; or (b) the act of a Public Official or any person who directs or works, in any capacity, for a private sector entity, soliciting or accepting, directly or indirectly, an undue advantage of any nature, for the relevant person himself or herself or for another person or entity, in order that this person acts or refrains from acting in breach of his or her legal, contractual or professional obligations and, having for effect to influence his or her own actions or those of another person or entity.
Agreement	means this credit facility agreement, including its recitals, Schedules and, if applicable, any amendments made in writing thereto.
Allocation Request	means the request, substantially in the form of Schedule 5E (<i>Form of Allocation Request Letter</i>), sent by the Borrower to the Lender to impute a proposed loan on the Facility.
Anti-Competitive Practices	means: <ul style="list-style-type: none"> (a) any concerted or implicit action having as its object and/or as its effects to impede, restrict or distort fair competition in a market, including without limitation when it tends to (i) limit market access or free exercise of competition by other companies; (ii) prevent price setting by the free play of markets by artificially favouring the increase or decrease of such prices; (iii) limit or control any production, markets, investment or technical progress; or (iv) share out markets or sources of supply; (b) any abuse by a company or group of companies of a dominant position within a domestic market or in a substantial part thereof; or (c) any bid offer or predatory pricing having, as its object and/or its effect, to eliminate from a market, or to prevent a

	company or one of its products from accessing the market.
Applicable Accounting Principles	means the International Financial Reporting Standards (IFRS) promulgated by the International Accounting Standards Board (IASB), together with its pronouncements thereon from time to time.
Auditors	means the Borrower's auditors.
Authorisation(s)	means any authorisation, consent, approval, resolution, permit, licence, exemption, filing, notarisation or registration, or any exemptions in respect thereof, obtained from or provided by an Authority, whether granted by means of an act or deemed granted if no answer is received within a defined time limit, as well as any approval and consent given by the Borrower's creditors.
Authority(ies)	means any government or any body, department or commission exercising a public prerogative, or any administration, court, agency or state or any governmental, administrative, tax or judicial entity.
Availability Period	means the period from the Signing Date up to and including the Deadline for Drawdown.
Available Credit	means, at any given time, the maximum principal amount specified in Clause 2.1 (<i>Facility</i>) less (i) the aggregate amount of any Drawdowns drawn by the Borrower; (ii) the amount of any Drawdown to be made pursuant to any pending Drawdown Request; and (iii) any portion of the Facility which has been cancelled pursuant to Clauses 8.3 (<i>Cancellation by the Borrower</i>) and 8.4 (<i>Cancellation by the Lender</i>).
Beneficiary Client	means each legal or natural person that is a client of the Borrower benefiting from a loan for the purpose of financing an Eligible Investment.
Borrowing Member Countries	
Business Day	means a day (other than a Saturday or Sunday) on which banks are open for general business in Paris, London and New-York.
Business Relationship	means any professional or business relationship of a contractual nature entered into between a third party and the Borrower in connection with the Borrower's ordinary course of trading.
Capital Adequacy Ratio	means the result obtained by dividing:

	<p>Total Capital; by</p> <p>the aggregate of on-balance sheet and off-balance sheet assets, weighted for credit risk, in accordance with the provisions of the Basel Committee on Banking Supervision.</p>
Certified	means for any copy, photocopy or other duplicate of an original document, the certification by a legal representative of the Borrower, or any other duly authorised person, as to the conformity of the copy, photocopy or duplicate with the original document.
Control	<p>means, for any person or entity:</p> <ul style="list-style-type: none"> (a) a direct or indirect holding of a percentage of a company's share capital granting that person or entity a majority of the voting rights at that company's general meetings; or (b) holding the majority of the voting rights pursuant to an agreement entered into with any other shareholder(s) which does not conflict with the company's interests; or (c) the power, by means of such person or entity's voting rights, to determine the outcome of any decision made at the company's general meetings; or (d) the power to appoint or dismiss the majority of the members of the company's administrative or supervisory board or its board of directors.
Cost to Income Ratio	<p>means the result obtained by dividing:</p> <p style="padding-left: 40px;">Operational Costs; by</p> <p style="padding-left: 40px;">Operational Income.</p>
Deadline for Drawdown	means March 31 st , 2019, the date after which no further Drawdown may be drawn by the Borrower.
Drawdown	means the drawdown of all or part of the funds made available by the Lender to the Borrower in connection with the Facility pursuant to the conditions set out in Clause 3 (<i>Drawdown of funds</i>) or the principal amount of such Drawdown which remains due and payable at a given time.
Drawdown Confirmation	means each notice in the form of Schedule 5B (<i>Form of Drawdown and Rate Confirmation Letter</i>) sent by the Lender to the Borrower detailing the financial conditions in response to a Drawdown Request Letter.
Drawdown Date	means the date on which a Drawdown is made available by the Lender.

Drawdown Period	<p>means the period starting on the first Drawdown Date up to and including the first of the following date:</p> <p>(i) the date on which the Available Credit is equal to zero ;</p> <p>(ii) the Deadline for Drawdown.</p>
Drawdown Request	means a request substantially in the form set out in Schedule 5A (<i>Form of Drawdown Request</i>).
Eligible Investment(s)	means the investment(s) (i) made in accordance with the conditions provided for in Schedule 2 (<i>Project Description</i>), in sectors other than those listed in Schedule 3 (<i>Exclusions List</i>), (ii) which the clients of the Borrower are willing to finance through a loan.
Eligible Drawdowns Financing Account	means the account on which additional Advances shall be paid in accordance with Clause 3.4.2 (b) (<i>Additional advances</i>).
Embargo	means any economic sanction aiming at prohibiting any import and/or export (any supply, sale or transfer) of one or more several goods, products or services going to and/or from a country for a given period and as published and amended from time to time by the United Nations, the European Union or France.
Event of Default	means an event or circumstance set out in Clause 13.1 (<i>Events of Default</i>) or which may constitute an event or circumstance set out in Clause 13.1 (<i>Events of Default</i>).
Facility	means the credit facility made available by the Lender in accordance with this Agreement up to the maximum principal amount set out in Clause 2.1 (<i>Facility</i>).
Financial Sanctions Lists	<p>means the list(s) of specially designated persons, groups or entities which are subject to financial sanctions by the United Nations, the European Union and France.</p> <p>For information purposes only and for the convenience of the Borrower, who may not rely on them, the following references or website addresses are provided:</p> <p>For the lists maintained by the United Nations, the following website may be consulted:</p> <p>https://www.un.org/sc/suborg/en/sanctions/un-sc-consolidated-list</p> <p>For the lists maintained by the European Union, the following website may be consulted:</p> <p>http://eeas.europa.eu/cfsp/sanctions/consol-list_en.htm</p> <p>For the lists maintained by France, the following website may be consulted:</p> <p>https://www.tresor.economie.gouv.fr/4248_dispositif-national-de-gel-terroriste</p>

Financial Statements	means, for any given financial year, the Borrower's annual consolidated financial statements for the period ending on the year end date for that financial year.
Fixed Reference Rate	<p>means the fixed rate, determined on a Rate Setting Date, which, if applied to a drawdown having the specificities listed hereunder (<i>I – Theoretical drawdown specificities</i>), permits that (i) the current value of the future fixed interests flows and capital repayment flows of this drawdown, and (ii) the current value of the future LIBOR floating interests flows and capital repayment flows of the same drawdown, be equal.</p> <p>I – Theoretical drawdown specificities</p> <ul style="list-style-type: none"> - the schedule of payments (differed amortization, principal repayment) corresponds to that of the Facility defined in Clause 7 (<i>Repayment</i>) of this Agreement; and - the maturity dates for repayment of capital are the maturity dates of the Facility. <p>II – Elements of reference</p> <p>In relation to the theoretical drawdown at the LIBOR variable rate referred to in (ii) of the first paragraph of this definition, the value of future flows of interests shall be calculated on the basis of the curve of LIBOR forward rates (i.e. the anticipated levels of LIBOR, for each maturity date, on the Rate Setting Date) originating from the US Dollars swaps rate market.</p> <p>In relation to the theoretical drawdown at a fixed rate and the theoretical drawdown at a floating rate referred to in (i) and (ii) of the first paragraph of this definition, the discounting is executed on the basis of the Overnight Index Swap (OIS) originating from the US Dollars interest rate swaps market.</p> <p>The rate curves of the fixed rate theoretical drawdown and floating rate theoretical drawdown mentioned in (i) and (ii) of the first paragraph of this definition shall be executed in accordance with the provisions of paragraph II (<i>Elements of reference</i>) on the Rate Setting Date, on the basis of quotations provided by Reference Financial Institutions from 11:00 am onwards, Paris time.</p>
Fraud	means any unfair practice (acts or omissions) deliberately intended to mislead others, to intentionally conceal elements there from, or to betray or vitiate his/her consent, to circumvent any legal or regulatory requirements and/or to violate internal rules and procedures of the Borrower or a third party in order to obtain an illegitimate benefit.
Fraud against the Financial Interests of the European Community	means any intentional action or omission intended to damage the European Union budget, and involving, (i) the use or presentation of false incorrect or incomplete statements or document, which has as effect the misappropriation or wrongful retention of funds or any illegal reduction in resources available pursuant to the general budget of the European Union; (ii) the non-disclosure of

	information with the same effect; and (iii) the misappropriation of such funds for purposes other than those for which such funds were originally granted.
Grace Period	means the period from the Signing Date up to and including the date falling forty eight (48) months after such date, during which no principal repayment under the Facility is due and payable.
Illicit Origin	means funds obtained through: <ul style="list-style-type: none"> (a) the commission of any predicate offence as designated in the FATF 40 recommendations Glossary "<i>catégories désignées d'infractions</i>" (http://www.fatf-gafi.org/media/fatf/documents/recommendations/pdfs/FATF_Recommendations.pdf) (b) any Act of Corruption; or (c) any Fraud against the Financial Interests of the European Community, if and when applicable.
Initial Financial Statements	means the Financial Statements of the Borrower for the financial year ending on 2014 December 31 st , as certified by the Auditors.
Interest Period(s)	means each period from a Payment Date (exclusive) up to the next Payment Date (inclusive). For each Drawdown drawn under the Facility, the first interest period shall start on the Drawdown Date (exclusive) and end on the next successive Payment Date (inclusive).
Interest Rate	means the interest rate expressed as a percentage and determined in accordance with Clause 4.1 (<i>Interest Rate</i>).
LIBOR	means the indication of the London Interbank Offered Rates (LIBOR) for US Dollar deposits from leading commercial banks published by the ICE Benchmark Administration (IBA) two Business Days before the first day of the Interest Period.
Margin	means [<i>insérer pourcentage en lettres</i>] ([<i>insérer pourcentage en chiffres</i>])% per annum.
Material Adverse Effect	means a material and adverse effect on: <ul style="list-style-type: none"> (a) the Project, insofar as it would jeopardise the continuation of the Project in accordance with this Agreement; (b) the business, assets, financial condition of the Borrower or its ability to honour its obligations under this Agreement; (c) the validity or enforceability of this Agreement; or

	(d) any right of remedy of the Lender under this Agreement.
Non-Performing Loan(s)	means the outstanding of a loan for which principal repayments or interest payments are overdue by 90 days or more.
Non-Performing Loan Ratio	means the aggregate of Non-Performing Loans over total loans receivables as stated in the Borrowers Financial Statements, expressed as a percentage.
Operational Costs	means the Borrower's: personnel costs; plus administrative costs; plus overhead costs; plus depreciation; but excluding any Loan Loss Reserve.
Operational Income	means the Borrower's: interest income; plus its other operational income; less the Borrower's interest costs.
Outstanding Principal	means, in respect of any Drawdown, the outstanding principal amount due in respect of such Drawdown, corresponding to the amounts of the Drawdown paid by the Lender to the Borrower less the aggregate of instalments of principal repaid by the Borrower to the Lender in respect of such Drawdown.
Payment Dates	means March 31 st and September 30 th of each year.
Payment Systems Disruption Event	means either or both of: (a) a material disruption to the payment or communication systems or to the financial markets which are, in each case, required to operate in order for payments to be made in connection with the Facility (or otherwise in order for the transactions contemplated by this Agreement to be carried out), provided that the disruption is not caused by, and is beyond the control of, any of the Parties; or (b) the occurrence of any other event which results in a disruption (of a technical or system-related nature) to the treasury or payment operations of a Party preventing that, or the other, Party:

	<p>(i) from performing its payment obligations under this Agreement; or</p> <p>(ii) from communicating with the other Parties in accordance with the terms of this Agreement,</p> <p>and which (in either case) is not caused by, and is beyond the control of either Party.</p>
Prepayment Indemnity	<p>means the indemnity calculated by applying a percentage to the amount of the Facility which has been repaid in advance:</p> <ul style="list-style-type: none"> - if the repayment occurs prior to the 4th anniversary (exclusive) of the Signing Date: two point five per cent (2.5%); - if the repayment occurs between the 4th anniversary (inclusive) of the Signing Date and the 6th anniversary (exclusive) of the Signing Date : two per cent (2%); - if the repayment occurs between the 6th anniversary (inclusive) of the Signing Date and the 9th anniversary (exclusive) of the Signing Date: one point five per cent (1.5%); - if the repayment occurs between the 9th anniversary of the Signing Date (inclusive) and the full repayment of the Facility: zero point seventy-five per cent (0.75%).
Project	means the project as described in Schedule 2 (<i>Project Description</i>).
Public Officer	means any holder of legislative, executive, administrative or judicial office whether appointed or elected, permanent or temporary, paid or unpaid, regardless of rank or any other person defined as a public officer under the domestic law of the Borrower's jurisdiction of incorporation, and any other person exercising a public function, including for a public agency or organisation, or providing a public service.
Rate Conversion	means the conversion of the floating rate applicable to all or part of the Facility into a fixed rate pursuant to Clause 4.1 (<i>Interest Rate</i>).
Rate Conversion Request	means a request substantially in the form attached as Schedule 5C (<i>Form of Rate Conversion Request</i>).
Rate Setting Date	<p>means:</p> <p>I - in relation to any Interest Period for which an Interest Rate is to be determined:</p> <ul style="list-style-type: none"> (i) the first Wednesday (or, if that date is not a Business Day, the immediately following Business Day) following the date of receipt by the Lender of the Drawdown Request, provided that the Drawdown Request is received by the

	<p>Lender at least two (2) full Business Days prior to said Wednesday;</p> <p>(ii) the second Wednesday (or, if that date is not a Business Day, the immediately following Business Day) following the date of receipt by the Lender of the Drawdown Request, if the Drawdown Request was not received by the Lender at least two (2) full Business Days prior to the first Wednesday specified in paragraph (a) above:</p> <p>II - in the case of a Rate Conversion:</p> <p>(i) the first Wednesday (or, if that date is not a Business Day, the immediately following Business Day) following the date of receipt by the Lender of the Rate Conversion Request, provided such date is at least two (2) full Business Days prior to the first Wednesday.</p> <p>(ii) the second Wednesday (or, if that date is not a Business Day, the immediately following Business Day) following the date of receipt by the Lender of the Rate Conversion Request, if such date is not at least two (2) full Business Days prior to the first Wednesday</p>
Rating	means the senior unsecured long term credit rating of the Borrower, as determined by the Rating Agencies.
Rating Agency	means Standard & Poor's, Moody's or Fitch Ratings.
Results Indicators	means indicators as defined in Schedule 8 (<i>Monitoring of Project and Results Indicators</i>).
Schedule(s)	means any schedule or schedules to this Agreement.
Security	means any pledge, mortgage, assignment, lien, charge, lease, guarantee or security interest or any other agreement or arrangement having an effect similar to a security of any type created or existing over an asset for the purposes of securing a person's obligations.
Signing Date	means the date of execution of this Agreement.
Subsequent Period	means the period starting on the day following the expiry date of the Allocation Period up until the Deadline for Drawdown.
Tax(es)	means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with a failure to pay or any delay in the payment of any such amounts).
Technical Assistance	means the technical assistance activities mentioned in Schedule 2 (<i>Project Description</i>).

Total Capital	means the total capital of the Borrower as construed under the Basel Capital Accord and currently consisting of the aggregate of Tier 1 Capital and Tier 2 Capital.
US Dollar(s) or USD	means the currency having legal tender in the United States of America.
Website	means the website of AFD (http://www.afd.fr/) or any other such replacement website.
Withholding Tax	means any deduction or withholding in respect of a Tax on any payment made under or in connection with this Agreement.

SCHEDULE 1B - CONSTRUCTION

“**assets**” includes present and future properties, revenues and rights;

any reference to the “**Borrower**”, a “**Party**” or a “**Lender**” includes its successors in title, permitted assigns and permitted transferees;

any reference to this Agreement or another agreement or document is a reference to this Agreement as amended, restated or supplemented and includes, if applicable, any document which replaces it through novation, in accordance with this Agreement;

a “**guarantee**” includes any *cautionnement*, *aval* and any *garantie* which is independent from the debt to which it relates;

a “**person**” includes any person, company, corporation, partnership, trust, government, state or state agency or any association, or group of two or more of the foregoing (whether or not having separate legal personality);

a “**regulation**” includes any legislation, regulation, rule, decree, official directive, instruction, request, advice, recommendation, decision or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, supervisory authority, regulatory authority, independent administrative authority, agency, department or any division of any other authority or organisation (including any regulation issued by an industrial or commercial public entity) having an effect on this Agreement or on the rights and obligations of a Party;

a provision of law is a reference to that provision as amended;

unless otherwise provided, a time of day is a reference to Paris time;

the Section, Clause and Schedule headings are for ease of reference only and do not affect the interpretation of this Agreement;

unless otherwise provided, words and expressions used in any other document relating to this Agreement or in any notice given in connection with this Agreement has the same meaning in that document or notice as in this Agreement;

an Event of Default is “continuing” if it has not been remedied or if the Lender has not waived any of its rights relating thereto;

a reference to a Clause or Schedule shall be a reference to a Clause or Schedule of this Agreement.

SCHEDULE 2 - PROJECT DESCRIPTION

I – CONTEXT

Despite its stability and relatively high level development reflected in the GDP/capita, the Caribbean region is facing major development challenges. Caribbean countries are amongst the most vulnerable territories in the world due to their geo-environmental conditions (high exposure to natural hazards, remoteness and isolation, fragile ecosystems), economic situation (narrow local markets, low diversification, cost of access to external markets), and social context (weakness and volatility of human capital). One of the specificities of these countries, labelled as Small Island Developing States (SIDS), lies in their lack of access to long-term resources to finance their development. Given their low level of diversification and inherent vulnerability, SIDS economies are highly dependent on external financial flows such as Official Development Assistance (ODA), Foreign Direct Investment (FDI), and remittances.

In addition to regional organizations, Caribbean countries joined efforts to create a regional development bank in 1969. The Caribbean Development Bank (CDB), a multilateral financial institution, is a major player in the region due to its history and unique presence. Active in 19 countries of the Caribbean, CDB is the financing institution with the broadest reach. CDB regional member countries include: Anguilla, Antigua and Barbuda, Barbados, Belize, British Virgin Islands, Cayman Islands, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, St Kitts and Nevis, St Lucia, St Vincent and the Grenadines, Suriname, The Bahamas, Trinidad and Tobago, Turks and Caicos Islands. CDB is the intermediary of several multilateral financiers such as the European Investment Bank (EIB), the Inter-American Development Bank (IDB), and the World Bank (WB) to support the development of the Organization of Eastern Caribbean States (OECS). Indeed, the size of OECS economies implies operations of limited amounts that cannot necessarily be covered by such institutions. CDB also receives resources grant from other institutions and partner countries (European Union, United States, DFID). The amount of outstanding loans is close to USD one billion CDB and 95% of its portfolio consists in sovereign lending.

II – OBJECTIVES

The overall objective of the Project is to contribute to the economic development of the Caribbean region and improve resilience of national economies.

Specific objectives of the Project are financing sustainable infrastructure projects in CDB's Borrowing Member Countries, with environmental and climate co-benefits (a minimum of 50% of the global amount will be dedicated to projects in the area of adaptation and mitigation to climate change).

III – IMPLEMENTATION

The Project consists of a 12 year USD 33,000,000 Facility. The Facility will be added to the Borrower's Ordinary Capital Resources.

A minimum of three (3) different Borrowing Member Countries will be funded on the Facility.

A minimum of three (3) different Eligible Investments will be funded on the Facility.

The maximum amount to be refinanced on the Facility is USD 10,000,000 per Eligible Investment.

The Project is part of a programme which also includes a grant component of EUR 3,000,000 from the European Union under its Caribbean Investment Facility (CIF). This grant component consists of

Technical Assistance towards implementing ministries and agencies from CDB's Borrowing Members Countries.

IV – EXPECTED RESULTS

This Project will allow the development of sustainable infrastructure projects with significant environmental or climate impacts, thus contributing to Caribbean economies' resilience and vitality. In addition, the partnership between AFD and CDB will encourage the development of a favourable environment for regional cooperation and integration.

V. ELIGIBILITY CRITERIA

Eligible Investments are infrastructure projects¹, with environmental and climate co-benefits, fulfilling eligibility criteria as defined below.

1 – ELIGIBLE COUNTRIES

CDB will provide sovereign and non-sovereign loans in CDB's Borrowing Member Countries, except :

- countries which are not on the OECD's DAC List of ODA Recipients : Barbados, Trinidad and Tobago, The Bahamas, as of 2015;
- British territories where AFD is not entitled to take action : Montserrat, British Virgin Islands, Cayman Islands, Turks and Caicos Islands, and Anguilla, ;
- for sovereign loans only, will be excluded :
 - countries with AFD unpaid loans;
 - countries meeting public debt conditionality included in IMF-supported programmes;
 - countries under non-cooperative jurisdictions;
 - Haiti, only entitled to receive grants.

2 – TECHNICAL CRITERIA

The main sectors identified for Eligible Investments include, for example :

- renewable energy;
- water, sanitation, solid waste and wastewater treatment;
- adaptation of major infrastructures (including transports and roads) to climate change consequences;
- coastal protection, bank protection, drainage, berthing capacities.

At least 50% of the Facility will be dedicated to Climate Change Investments, as defined below.

Climate Change Investments are investments which have a positive impact on climate change. Climate Change Investments can be either:

- Greenhouse gas emissions (GHG) mitigation or carbon sequestration projects. A project contributes to mitigation when the emission reductions it brings about are higher than the emissions it generates during its lifespan. A project is recognized as a "climate/mitigation" project when the estimation of its carbon footprint shows that it reduces significantly GHG emissions. Energy efficiency projects (i.e.projects that allow energy consumers to use less energy for achieving the same level of energy output or to use the same level of energy to achieve more output) can be considered "climate/mitigation" projects. In the case of retrofitting of existing installations the investments must lead to the reduction of energy consumption of the installation by at least twenty percent (20%) as compared to the old equipment; or

¹ new investments or rehabilitation/retrofitting

- Climate change adaptation projects: Projects that limit the vulnerability of goods, persons and ecosystems to the consequences of climate change are considered as contributing to adaptation. For a project to be recognized as a climate change adaptation project, the analysis must demonstrate that it potentially contributes to reducing the vulnerability to climate change identified in the project area. A comparative analysis is conducted for this including (i) a study of the vulnerabilities to climate change in the project's geographical area and (ii) an analysis of the activities planned by the project in light of a positive list of actions that can contribute to reducing vulnerability or to strengthening the resilience of communities, goods or ecosystems to climate change.

Eligible Investments must not trigger any deforestation or disturbance of biodiversity hotspots (in particular forests, wetlands or any other protected areas).

The benefits of Eligible Investments on environment and climate will be appreciated by CDB on the basis of measurable impact indicators, as agreed ex ante with AFD.

3 – OTHER CRITERIA

Eligible Investments, financed through AFD's Facility, will be those for which French entities or individuals will be allowed to participate in any procurement process in relation to Eligible Investments.

Eligible Investments will be selected on the basis of prior environmental, climate and social studies.

AFD's prior non objection will be required for each Eligible Investment pre-identified by CDB according to eligibility criteria, as described in Schedule 5E (*Form of allocation request letter*) and Schedule 6 (*Allocation request supporting documentation*).

Financial criteria are the following :

- Minimum tenor of loans to Beneficiary Clients : 6 years
- Nature of loans to Beneficiary Clients : sovereign and non-sovereign loans

SCHEDULE 3 – EXCLUSIONS LIST

1. Production or trade in any product or activity deemed illegal under French and host country laws or regulations or international conventions and agreements.
2. Production or activities involving forced labour² or child labour³.
3. Trade in wildlife or wildlife products regulated under CITES⁴.
4. Drift net fishing in the marine environment using nets in excess of 2.5 km. in length.
5. Any activity involving or requiring destruction⁵ of Critical Habitat⁶ and any forest project under which no sustainable development and managing plan is carried out.
6. Production or use of or trade in hazardous materials such as asbestos fibers and products containing PCBs⁷.
7. Production, use of or trade in pharmaceuticals, pesticides/herbicides, chemicals, ozone depleting substances⁸ and other hazardous substances subject to international phase-outs or bans.
8. Cross-border trade in waste and waste products unless compliant to the Basel Convention and the underlying regulations.
9. Production or trade in⁹ weapons, ammunitions, tobacco and/or hard liquor for human consumption.
10. Gambling, casinos and any equivalent enterprises⁸⁺¹⁰.
11. Any business relating to pornography or prostitution.
12. Any activity involving significant alteration, damage or removal of any Critical Cultural Heritage¹¹.
13. Production and distribution of racist, anti-democratic or with the intent to discriminate part of the population.
14. Exploitation of diamond mines, and commercialization of diamonds, when the host country has not adhered to the Kimberley Process.
15. Any sector or service subject to United Nations, European Union and/or French embargo without any threshold.

² Forced labour means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty as defined by ILO conventions

³ Persons may only be employed if they are at least 14 years old, as defined in the ILO Fundamental Human Rights Conventions (Minimum Age Convention C138, Art. 2), unless local legislation specifies compulsory school attendance or the minimum age for working. In such cases the higher age shall apply.

⁴ CITES: Convention on International Trade in Endangered Species of Wild Fauna and Flora. (Washington, 1993).

⁵ Destruction means the (1) elimination or severe diminution of the integrity of a habitat caused by a major, long-term change in land or water use; or (2) modification of a habitat in such a way that the habitat's ability to maintain its role (see footnote under) is lost.

⁶ Critical habitat is a subset of both natural and modified habitat that deserves particular attention. Critical habitat includes areas with high biodiversity value that meet the criteria of the World Conservation Union (IUCN) classification, including habitat required for the survival of critically endangered or endangered species as defined by the IUCN Red List of Threatened Species or as defined in any national legislation; areas having special significance for endemic or restricted-range species; sites that are critical for the survival of migratory species; areas supporting globally significant concentrations or numbers of individuals of congregatory species; areas with unique assemblages of species or which are associated with key evolutionary processes or provide key ecosystem services; and areas having biodiversity of significant social, economic or cultural importance to local communities. Primary Forest or forests of High Conservation Value shall be considered Critical Habitats.

⁷ PCBs: Polychlorinated biphenyls - a group of highly toxic chemicals. PCBs are likely to be found in oil-filled electrical transformers, capacitors and switchgear dating from 1950-1985.

⁸ Ozone Depleting Substances (ODSs): Chemical compounds which react with and deplete stratospheric ozone, resulting in the widely publicized 'ozone holes'. The Montreal Protocol lists ODSs and their target reduction and phase out dates.

⁹ Activities excluded when representing more than 10 % of the balance sheet or the financed volume and for Financial Institutions more than 10% of the portfolio volume financing

¹⁰ Any direct financing of these projects or activities including them (hotel together with a casino for example). Urban development plans which could later incorporate such projects are not concerned

¹¹ Is considered as « Critical Cultural Heritage » any part of cultural heritage acknowledged by international or national community for its historical, social or cultural interest.

SCHEDULE 4 - CONDITIONS PRECEDENT

The following applies to all documents delivered by the Borrower as condition precedent:

if the document which is delivered is not an original but a photocopy, the original of the Certified photocopy shall be delivered to the Lender;

the final version of a document which draft was previously sent to, and agreed upon by the Lender, shall not materially differ from the agreed draft;

documents not previously sent and agreed upon, shall be satisfactory to the Lender.

PART I – CONDITIONS PRECEDENT TO BE SATISFIED ON THE SIGNING DATE

Delivery by the Borrower to the Lender of the following documents:

(a) Certified copy of (i) the memorandum and articles of association and (ii) the certificate of incorporation of the Borrower (the equivalent of the French *extrait K-bis*);

(b) Certified copy of the decision(s) of the board of directors of the Borrower:

- authorising the Borrower to enter into this Agreement;
- approving the terms and conditions of this Agreement;
- authorising French entities or individuals to participate in any procurement process in relation to Eligible Investments;
- approving the execution of this Agreement; and
- authorising a specified person or persons to execute this Agreement on its behalf;

(c) an original certificate issued by a duly authorised representative of the Borrower listing the person(s) authorised to sign, on behalf of the Borrower, the Drawdown Requests and any certificate in connection with this Agreement, and to take all other measures or sign other authorised or requested documents under this Agreement;

(d) evidence of the identity of the directors or any person duly authorised to sign the Financing Documents for and on behalf of the Borrower, the name and address of such persons and any other document or evidence required by the Lender for the purposes of its “know your customer” or anti-money laundering procedures;

(e) a specimen of the signature of each person listed in the last bullet point of paragraph (ii) and in the certificate mentioned in paragraph 0 above;

(f) Delivery to the Lender of a draft legal opinion, in form and substance satisfactory to the Lender, of a reputable law firm (the identity of which has been approved in advance by the Lender) established in the jurisdiction of the Borrower.

(g) Payment by the Borrower to the Lender of the instruction fees and expenses required to be paid under this Agreement.

(h) Non objection of the Lender on the Borrower's compliance policy, including the screening of the financial sanctions lists adopted by France, the European Union and the United Nations.

PART II - CONDITIONS PRECEDENT TO THE FIRST DRAWDOWN

Delivery by the Borrower to the Lender of the following documents:

- (i) evidence of any filing or registration, deposit or publication requirements of this Agreement and payment of any stamp duty, registration fees or similar duties in connection with this Agreement, as applicable.
 - (ii) the loan agreement template of the Borrower which shall be used by the Beneficiary Clients, which template shall be to the Lender's satisfaction, and which template shall include a specific clause authorising French entities or individuals to participate in any procurement process in relation to Eligible Investments;
 - (iii) a certificate of the Borrower certifying the opening of the Eligible Drawdowns Financing Account and providing account details for such Eligible Drawdowns Financing Account;
 - (iv) a certified copy of the Initial Financial Statements;
 - (v) the original certificate in the form of Schedule 9 (*Anti-Money Laundering And Anti-Terrorism Financing Certificate*) certifying that the Borrower conforms to the anti-money laundering and anti-terrorism financing undertakings pursuant to the provisions of Clause 11.10 (*Origin of funds, no Acts of Corruption, Fraud or Anti-Competitive Practices*).
 - (vi) a list of pre-identified Eligible Investments for the Drawdown;
- (b) delivery to the Lender of a final legal opinion issued by an independent law firm in the Borrower's jurisdiction in form and substance satisfactory to the Lender;
 - (c) non objection of the Lender on the effectiveness of the Borrower's compliance policy, including the screening of the financial sanctions lists adopted by France, the European Union and the United Nations.
 - (d) payment of all fees and expenses payable in accordance with the provisions of this Agreement.

PART III - CONDITIONS PRECEDENT FOR ALL DRAWDOWNS OTHER THAN THE FIRST ONE

- (a) Non objection of the Lender on the Eligible Investments to be funded on the Facility.

For such purpose, the Borrower shall provide the Lender with the following documents:

- (i) an Allocation Request, substantially in the form set out in Schedule 5E (*Form of Allocation Request Letter*);
- (ii) an Allocation Request file (i) providing further details on the identified Eligible Investment(s) and Beneficiary Client(s) as set out in Schedule 6 (*Allocation Request Supporting Documentation*) and (ii) demonstrating that

the Eligible Investment(s) included in the Allocation Request satisfy the conditions set out in Schedule 2 (*Project Description*) and Schedule 3 (*Exclusions List*).

Provided that the Lender considers the conditions for the allocation have been satisfied, the Lender shall notify the Borrower of the allocation together with the list of the relevant Eligible Investment(s). The Borrower shall not be authorised to finance an investment by using the Facility without a prior allocation notification from the Lender.

(b) Delivery by the Borrower to the Lender of the following documents :

(i) funds use report substantially in the form of Schedule 7 (*Funds Use Justification*), signed by a duly authorised representative of the Borrower certifying that at least eighty per cent (80%) of the last Advance immediately preceding the Advance requested in the Drawdown Request and one hundred per cent (100%) of the penultimate Advance have been utilised, and including, at the request of the Lender, a Certified copy of each of the loan agreements executed by the Borrower and the Clients Beneficiaries related to the Eligible Drawdowns, to which shall be attached, for each of these agreements, a statement of the loans made available by the Borrower pursuant to these agreements, and a detailed breakdown statement of the payment with respect to Eligible Drawdowns through the Eligible Drawdowns Financing Account;

(ii) the original certificate in the form of Schedule 9 (*Anti-Money Laundering And Anti-Terrorism Financing Certificate*) certifying that the Borrower conforms to the anti-money laundering and anti-terrorism financing undertakings pursuant to the provisions of Clause 11.10 (*Origin of funds, no Acts of Corruption, Fraud or Anti-Competitive Practices*).

SCHEDULE 5A - FORM OF DRAWDOWN REQUEST

[on the Borrower's letterhead]

To: AGENCE FRANÇAISE DE DÉVELOPPEMENT

On: [●date]

[Borrower's Name] – Credit Facility Agreement n° [●number] dated [●date]

Drawdown Request n°[●number]

Dear Sirs,

We refer to the Credit Facility Agreement n° [●number] entered into between the Borrower and the Lender dated [●date] (the “**Agreement**”). Capitalised words and expressions used but not defined herein have the meanings given to them in the Agreement.

This letter is a Drawdown Request.

We irrevocably request that the Lender makes a Drawdown available on the following terms:

Amount: [●amount in words] (US Dollars (USD [●amount in figures]) or, if less, the Available Credit.

Interest Rate: [fixed / floating]

The Interest Rate will be determined in accordance with Clause 4 (*Interest*) of the Agreement. The Interest Rate applicable to the requested Drawdown will be provided to us in writing and we accept this Interest Rate (subject to the paragraph below, if applicable).

For fixed Interest Rate only: If the Interest Rate applicable to the requested Drawdown is greater than [●percentage in words] ([●percentage in figures]%), we request that you cancel this Drawdown Request.

We confirm that each condition specified in Clause 2.4 (*Conditions precedent*) is satisfied on the date of this Drawdown Request and that no Event of Default is continuing or is likely to occur. We confirm that French entities or individuals will be allowed to participate in any procurement process in relation to Eligible Investments. We agree to notify the Lender immediately if any of the conditions referred to above is not satisfied on or before the Drawdown Date.

The proceeds of this Drawdown should be credited to the following bank account:

Name [of the Borrower]:	[●name]
Address [of the Borrower]:	[●address]
IBAN Account Number:	[●IBAN Account Number]
SWIFT Number:	[●SWIFT Number]
Bank and bank's address [of the Borrower]:	[●name and address of Bank]

correspondent bank and account number of [●*name of bank and account number*]
the Borrower's bank:

This Drawdown Request is irrevocable.

We have attached to this Drawdown Request all relevant supporting documents specified in Clause 2.4
(*Conditions precedent*) of the Agreement:

[List of supporting documents]

Yours sincerely,

.....

Authorised signatory of Borrower

SCHEDULE 5B – FORM OF DRAWDOWN AND RATE CONFIRMATION LETTER

[on Agence Française de Développement letterhead]

To: *[the Borrower]*

Date: [●]

Ref: Drawdown Request n° [●*number*] dated [●*date*]

[Borrower's Name] – Credit Facility Agreement n°[●*number*] dated [●*date*]

Drawdown Confirmation n°[●*number*]

Dear Sirs,

We refer to the Credit Facility Agreement n°[●*number*] entered into between the Borrower and the Lender dated [●*date*] (the “**Agreement**”). Capitalised words and expressions used but not defined herein have the meanings given to them in the Agreement.

By a Drawdown Request letter dated [●*date*], the Borrower has requested that the Lender makes available a Drawdown in the amount of [●*amount in words*] US Dollars (USD [●*amount in figures*]), pursuant to the terms and conditions of the Agreement.

The Drawdown which has been made available in connection with your Drawdown Request is as follows:

- Amount: [●*amount in words*] (EUR [●*amount in figures*])
- Applicable interest rate: [●*percentage in words*] ([●*percentage in figures*]%) per annum
- Effective global rate (per annum): [●*percentage in words*] ([●*percentage in figures*]%)
- Drawdown Date: [●*date*]

For fixed Interest Rate Drawdowns only

For information purposes only:

- Rate Setting Date: [●*date*]
- Fixed Reference Rate: [●*percentage in words*] ([●*percentage in figures*]%) per annum

Yours sincerely,

.....

Authorised signatory of *Agence Française de Développement*

SCHEDULE 5C - FORM OF RATE CONVERSION REQUEST

[on the Borrower's letterhead]

From: *[the Borrower]*

To: AGENCE FRANÇAISE DE DÉVELOPPEMENT

On: *[date]*

[Borrower's Name] – Credit Facility Agreement n°*[●number]* dated *[●date]*

Rate Conversion Request n°*[●number]*

Dear Sirs,

We refer to the Credit Facility Agreement n°*[●number]* entered into between the Borrower and the Lender dated *[●date]* (the “**Agreement**”). Capitalised words and expressions used but not defined herein have the meanings given to them in the Agreement.

Pursuant to Clause 0 (i) (*Conversion from a floating Interest Rate to a fixed Interest Rate*) of the Agreement, we hereby request that you convert the floating Interest Rate of the following Drawdowns:

- Drawdown dated *[●date]* for an amount of *[●amount in words]* US Dollars (USD *[●amount in figures]*);
- Drawdown dated *[●date]* for an amount of *[●amount in words]* US Dollars (USD *[●amount in figures]*);
- [...]

If the fixed Interest Rate applicable to the listed Drawdowns exceeds *[●percentage in words]* (*[●percentage in figures]*%), we request you to deem null and void this Rate Conversion Request letter.

Yours sincerely,

.....

Authorised signatory of Borrower

SCHEDULE 5D - FORM OF RATE CONVERSION CONFIRMATION

[on Agence Française de Développement letterhead]

To: *[the Borrower]*

Date: [●]

Re: Rate Conversion Request n° [●] dated [●]

Borrower's Name – Credit Facility Agreement n°[●] dated [●]

Rate Conversion Confirmation n°[●]

Dear Sirs,

SUBJECT: Conversion from a floating Interest Rate to a fixed Interest Rate

1. We refer to the Credit Facility Agreement n°[●] entered into between the Borrower and the Lender dated [●] (the “**Agreement**”). Capitalised words and expressions used but not defined herein have the meanings given to them in the Agreement.
2. We refer also to your Rate Conversion Request dated [●]. We confirm that the fixed Interest Rate applicable to the Drawdown(s) referred to in your Rate Conversion Request delivered in accordance with Clause 0(i) (*Conversion from a floating Interest Rate to a fixed Interest Rate*) of the Agreement is:
 - [●]% per annum.
4. This fixed Interest Rate, calculated in accordance with Clause 4.1.1 (*Selection of Interest Rate*) will apply to the Drawdown(s) referred to in your Rate Conversion Request from [●] (effective date).
5. Further, we notify you that:
 - the effective global rate per annum of the Facility is [●]%.

Yours sincerely,

.....

Authorised representative of *Agence Française de Développement*

SCHEDULE 5E – FORM OF ALLOCATION REQUEST LETTER

[on the Borrower's letterhead]

To: AGENCE FRANCAISE DE DEVELOPPEMENT

Date: [●date]

Subject: Allocation Request n°[●number]

[Borrower's Name] – Credit Facility Agreement n°[●number] dated [●date]

Dear Sirs,

1. We refer to the Credit Facility Agreement n°[●number] entered into between the Borrower and the Lender on [●date] (hereinafter the “**Agreement**”). Capitalised words and expressions used but not defined herein have the meanings given to them in the Agreement.
2. This letter is an Allocation Request.
3. We hereby request an allocation for a global amount of [●amount in words] US Dollars (USD [●amount in figures]) in relation to the financing of the following Eligible Investments:

<u>File number</u>	<u>Project name</u>	<u>Identity of Beneficiary Client</u>	<u>Requested allocation (USD)</u>
<u>TOTAL:</u>			

4. We have attached to this Allocation Request the following supporting documents:
 - The description of the information related to the Eligible Investments and Beneficiary Clients in accordance with Schedule 6 (*Allocation Request Supporting Documentation*);
 - The report evidencing that the submitted projects comply with the eligibility criteria stated in Schedule 2 (*Project Description*) and Schedule 3 (*Exclusions List*) of the Agreement.
5. We inform you that in accordance with the Agreement, the following documents are available to the Lender for consultation on-site:
 - Copies of the documents related to the projects and Beneficiary Clients assessment procedure; and
 - the eligible drawdowns approval documents.
6. Finally, we confirm that French entities or individuals will be allowed to participate in any procurement process in relation to Eligible Investments.

Yours sincerely,

.....

Authorised signatory of Borrower

SCHEDULE 6 – ALLOCATION REQUEST SUPPORTING DOCUMENTATION

<p><u>1. Information concerning the Beneficiary Client</u> (sovereign only)</p> <p>1.1 Name:</p> <p>1.2 Country:</p> <p>1.3 Details (including address, telephone and fax numbers):</p> <p>1.4 Relevant national public strategy :</p>	
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<p><u>2. Information concerning the Beneficiary Client</u> (non sovereign only)</p> <p>2.1 Name:</p> <p>2.2 Country:</p> <p>2.3 Details (including address, telephone and fax numbers):</p> <p>2.4 Founded on:</p> <p>2.5 Ownership :</p> <p>2.6 Membership of the Board of Directors</p> <p>2.7 Corporate management:</p> <p>2.8 Economic sector:</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;">Name</th> <th style="width: 33%;">Ownership(> 5%)</th> <th style="width: 33%;">Nationality</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <td>Total</td> <td align="center">100.00</td> <td> </td> </tr> <tr> <td colspan="3"> </td> </tr> <tr> <th style="width: 33%;">Name</th> <th style="width: 33%;">Position</th> <th style="width: 33%;">Nationality</th> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <td colspan="3"> </td> </tr> <tr> <th style="width: 33%;">Name</th> <th style="width: 33%;">Position</th> <th style="width: 33%;">Nationality</th> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <td colspan="3"> </td> </tr> </tbody> </table>	Name	Ownership(> 5%)	Nationality				Total	100.00					Name	Position	Nationality							Name	Position	Nationality						
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Total	100.00																														
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<p><u>3. Information concerning the Eligible Investment</u></p> <p>3.1 Type of investment:</p> <p>3.2 Description of the investment:</p> <p>3.3 Project location (region, town):</p> <p>3.4 Project timetable:</p> <p>3.5 Total cost:</p> <p>3.6 Funding sources other than the loan</p> <p>3.7 Environmental, climate and social impacts:</p> <p>3.8 Summary of the impact study (please attach impact study) :</p> <p>3.9 Appropriate indicators :</p> <p>3.10 Environmental and social risk class of investment :</p> <p>3.11 Loan agreement template of the Borrower which shall be used by the Beneficiary Clients, and which template shall include a specific clause authorising French entities or individuals to participate in any procurement process in relation to Eligible Investments.</p>	<p>Including the features of the financed investment making it eligible. Eligibility criteria should be referred to.</p>
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<p><u>4. Information concerning the financing by the Bank</u></p> <p>4.1 Type of loan:</p> <p>4.2 Amount of financing requested on the AFD Facility:</p> <p>4.3 Timetable for fund releases:</p> <p>4.4 Term of the Loan:</p> <p>4.5 Grace period:</p> <p>4.6 Interest rate applied and Borrower's margin:</p> <p>4.7 Repayment:</p> <p>4.9 Security or guarantees requested</p>	<p>Sovereign / Non sovereign</p>
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Officials' signatures:

SCHEDULE 7 –FUNDS USE JUSTIFICATION

The use of funds shall be documented, *inter alia*, by a list of loans complying with the eligibility criteria, by delivering copies of the loan application files, and by delivering copies of signed loan agreements.

The reporting on the use of funds shall demonstrate that the funds of the Facility have been used exclusively to finance investments which strictly comply with the eligibility criteria set out in Schedules 2 (*Project description*), information set out in Schedule 6 (*Allocation request supporting documentation*) and result indicators set out in Schedule 8 (*Monitoring of project implementation and result indicators*).

- periodicity: as set out in Clause 3.4 (*Payment mechanics*), before each Drawdown except the first one and at the latest, within 12 months following the date of the previous Drawdown; as well as, if deemed necessary, upon request by AFD
- the following presentation shall be provided:

Eligible Loans										Eligible Investments										Beneficiary Clients				
Loan number	Type of loan (sovereign / non sov.)	Amount of financing requested on the Credit Facility	Date of approval	Date of signature	Time table for disburs.	Term of loan	Grace period	Interest rate	Margin	Name of investment	Location	Sector	Type of investment	Climate change investment (yes / no)	Reduction in GHG emissions	E&S risk class of investment	Date of impact study	Time table for invest.	Total cost	Date of Allocation Request	Date of Allocation Notif.	Country	Name of Beneficiary Client	Legal form

Upon completion of the Project, the Borrower shall justify the use of funds of the Facility up to the amount of the Drawdowns actually disbursed.

SCHEDULE 8—MONITORING OF PROJECT IMPLEMENTATION AND RESULTS INDICATORS

I/ Project Monitoring

In addition to the reporting on the use of funds set out in Schedule 7 (*Funds use justification*), the Borrower shall report more broadly on the implementation of the Project. This monitoring reporting shall demonstrate that the Project has a direct positive contribution to the development and implementation of the Borrower's strategy and on the strengthening of its internal capacities in the field of the Project. The monitoring of the Project will be the responsibility of the Borrower, which will ensure the exhaustiveness, accuracy and timely delivery of the information required. If deemed necessary by the Borrower, this information may be collected from other partners (consultants, training institutions, etc.) and then centralized by the Borrower.

I.1 – Periodic reporting of the Project's implementation

On a yearly basis, the Borrower shall execute a written reporting on the following aspects:

- main objectives and targets set out in the Borrower's strategy in the field of the Project;

- Borrower's organisation with regards to the Project: resources allocated to implement its strategy in the field of the Project, main changes in the composition and organisation of its headquarters (job creations, recruitments, reorganisations, etc.), but also in Beneficiary Clients' countries;

- Borrower's policies, procedures and systems in place to manage and monitor the Project activities;

- main actions undertaken by the Borrower to adapt and improve its offer and its policy as to the Project, as well as any significant changes brought to its strategy;

- any other resource / action (human resources, consultants, etc.) mobilized by the Borrower to develop and implement its strategy in the field of the Project;

- quantitative indicators on the loan portfolio (global, i.e. not directly linked to the Facility) in the field of the Project : outstanding portfolio, in volume and in number of loans, breakdown by region, sector, type and size of Beneficiary Client, size of loan, average level of guarantees and main types of guarantees required, etc.

I.2 – Project completion report

Within 12 months following the completion of the Project, the Borrower shall provide the Lender with a final report on Project implementation. The structure and content of this report shall be similar to that of the periodic reports (see I.1 above) but will provide more detailed information, in particular with regards to qualitative aspects regarding the efficiency of the Project against its initial objectives (strengths and weaknesses, successes and failures, etc.).

II/ Results Indicators

The Borrower shall also monitor indicators evidencing the Project's impacts. The following indicators shall be monitored on a semi yearly basis :

Result Indicators	Baseline*	Value**
1. Eligible Investments	(millions EUR and USD)	(millions EUR and USD)
2. Final Beneficiaries	(number)	(number)
3. Reduction in GHG emissions	(tons of CO ₂ equiv. per year)	(tons of CO ₂ equiv. per year)

* *ex ante* value of the indicator

** value of the indicator at the stage of Project implementation

**SCHEDULE 9 – ANTI-MONEY LAUNDERING AND ANTI-TERRORISM FINANCING
CERTIFICATE**

[on the Borrower's letterhead]

I, the undersigned [●Surname, Name], Compliance Director / Inspection Director / Internal Audit Director of [●name of the Borrower], certify that:

- the procedure entitled [●name], dated [●date] is the operational internal procedure of [●name of the Borrower] with respects to anti-money laundering and anti-terrorism financing requirements;
- this procedure, currently applicable within [●name of the Borrower], extends to all the activities of our institution and complies with the forty (40) recommendations of the FATF;
- [●name of the Borrower] systematically takes into account in its systems, the updated financial and commercial sanctions lists adopted by the United Nations, the European Union and France, and controls its clients and operations in accordance with such lists.
- [●name of the Borrower] is subject to control by a national supervising authority ([●name of the authority]) and has not been subject to any investigation by the latter raising deficiencies within its anti-money laundering and anti-terrorism financing prevention procedures.
- [●name of the Borrower] trains each year [●number] staff to handle anti-money laundering and anti-terrorism financing matters.
- [●name of the Borrower] has, within the past year
 - suspended [●number] operations on suspicions of money laundering and terrorism financing,
 - refused [●number] operations on suspicions of money laundering and terrorism financing,
 - filed [●number] suspicious transaction reports with the financial intelligence unit of [●country];
- the internal audit / inspectorate of [●name of the Borrower] regularly controls the implementation by the bank's staff of its anti-money laundering and anti-terrorism financing operational procedure.

Signed in [●place], on [●date]