
LOAN NUMBER 9403-UA
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LOAN NUMBER 9405-UA
LOAN NUMBER 9406-UA

Loan Agreement

(Public Expenditures for Administrative Capacity Endurance in Ukraine Project)

between

UKRAINE

and

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT

**LOAN NUMBER 9403-UA
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LOAN AGREEMENT

AGREEMENT dated as of the Signature Date between UKRAINE ("Borrower") and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("Bank").

WHEREAS (A) following an international effort to provide development support to Ukraine and having satisfied itself as to the feasibility and priority of the project as further described in Schedule 1 to this Agreement ("Project"), the Borrower has requested the Bank to extend a loan to assist in the financing of the Project;

(B) the Borrower has also obtained from the International Development Association ("Association"), on an exceptional basis, a credit in the amount of €946,600,000 ("Credit"), which Credit has been extended for the Project by the Association under the Financing Agreement (as defined in the Appendix to this Agreement);

NOW THEREFORE, The Borrower and the Bank hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) apply to and form part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — LOAN

- 2.01. The Bank agrees to lend to the Borrower the amount of four hundred sixty-five million and nine hundred fifty thousand Euros (€465,950,000) to assist in financing the Project, consisting of the following and collectively ("Loan"):
 - (a) the amount of €425,700,000 as such amount may be converted from time to time through a Currency Conversion ("Loan A");
 - (b) the amount of €20,250,000 as such amount may be converted from time to time through a Currency Conversion ("Loan B");

- (c) the amount of €10,000,000 as such amount may be converted from time to time through a Currency Conversion ("Loan C"); and
 - (d) the amount of €10,000,000 as such amount may be converted from time to time through a Currency Conversion ("Loan D").
- 2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section III of Schedule 2 to this Agreement.
- 2.03. The Front-end Fee is one quarter of one percent (0.25%) of the Loan amount.
- 2.04. The Commitment Charge is one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.
- 2.05. The interest rate is the Reference Rate plus the Variable Spread or such rate as may apply following a Conversion; subject to Section 3.02(e) of the General Conditions.
- 2.06. The Payment Dates are February 15 and August 15 in each year.
- 2.07. The principal amount of the Loan shall be repaid in accordance with Schedule 3 to this Agreement.
- 2.08.
 - (a) Loan A, Loan B, Loan C, and Loan D are to be guaranteed by the UK Guarantee, the Dutch Guarantee, the Lithuanian Guarantee and the Latvian Guarantee respectively.
 - (b) The Borrower agrees that the Bank's payment obligations in connection with Loan A, Loan B, Loan C, and Loan D guaranteed by the UK Guarantee, the Dutch Guarantee, the Lithuanian Guarantee and the Latvian Guarantee respectively is contingent upon the UK Guarantee Agreement, the Dutch Guarantee Agreement, Lithuanian Guarantee Agreement and the Latvian Guarantee Agreement being respectively signed, delivered to the Bank and effective prior to disbursement of Loan A, Loan B, Loan C, and Loan D respectively.
 - (c) The Borrower's right to withdraw the portion of the Loan proceeds guaranteed by the UK Guarantee, the Dutch Guarantee, the Lithuanian Guarantee and the Latvian Guarantee respectively is subject to the signing, delivery to the Bank and effectiveness of the UK Guarantee Agreement, the Dutch Guarantee Agreement, Lithuanian Guarantee Agreement and the Latvian Guarantee Agreement respectively.

ARTICLE III — PROJECT

- 3.01. The Borrower declares its commitment to the objectives of the Project. To this end, the Borrower shall, through the Ministry of Finance ("MoF"), carry out the Project in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

ARTICLE IV — REMEDIES OF THE BANK

- 4.01. In addition to events specified in Section 7.03 of the General Conditions, the Bank reserves the right to cancel any of Loan A, Loan B, Loan C, and Loan D to be guaranteed by the UK Guarantee, the Dutch Guarantee, Lithuanian Guarantee and the Latvian respectively, if, upon consultations with the UK Guarantor, the Dutch Guarantor, the Lithuanian Guarantor and the Latvian Guarantor respectively, and the Borrower, the Bank determines that the UK Guarantee Agreement, the Dutch Guarantee Agreement, the Lithuanian Guarantee Agreement and the Latvian Guarantee Agreement respectively will not be signed in a reasonable amount of time.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Additional Conditions of Effectiveness consist of the following:
- (a) the Financing Agreement has been executed and delivered and all conditions precedent to its effectiveness or to the right of the Borrower to make withdrawals thereunder (other than the effectiveness of this Agreement) have been fulfilled.
 - (b) the Borrower has adopted the Project Operational Manual ("POM") in accordance with Section I.B. of Schedule 2 to this Agreement.
- 5.02. The Effectiveness Deadline is the date sixty (60) days after the Signature Date.
- 5.03. For purposes of Section 9.05 (b) of the General Conditions, the date on which the obligations of the Borrower under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the Signature Date.
- 5.04. Without limitation to Section 10.02 (b) of the General Conditions, any modification to this Agreement shall be executed by written instrument agreed by the parties hereto. Such amendment shall become effective as set forth in the amending agreement.
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ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Borrower's Representative is its Minister of Finance.

6.02. For purposes of Section 10.01 of the General Conditions:

(a) the Borrower's address is:

Ministry of Finance
12/2 M. Hrushevskoho Str.,
Kyiv, 01008
Ukraine; and

(b) the Borrower's Electronic Address is:

Facsimile:
+38 (044) 425-90-26

E-mail:
infomf@minfin.gov.ua

6.03. For purposes of Section 10.01 of the General Conditions:

(a) the Bank's address is:

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America; and

(b) the Bank's Electronic Address is:

Telex:

Facsimile:

E-mail:

248423(MCI) or
64145(MCI)

1-202-477-6391

abanerji@worldbank.org

AGREED as of the Signature Date.

UKRAINE

By



Authorized Representative

Name: Sergii Marchenko

Title: Minister of Finance of Ukraine

Date: 09 June 2022

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By



Authorized Representative

Name: Arup Banerji

Title: Regional Country Director

Date: June 9, 2022

SCHEDULE 1

Project Description

The objective of the Project is to contribute to sustaining the Borrower's administrative and service delivery capacity to exercise core government functions at the national and regional levels.

The Project consists of the following Part:

Part 1. Supporting the Borrower in: (a) maintaining core government functions through the payment of Salaries of Eligible Employees; and (b) provision of audits.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. The Borrower shall vest responsibility for overall coordination and implementation of the Project in the MoF.
2. The Borrower, through the MoF, shall appoint the deputy minister of finance as a Project coordinator to be responsible for project implementation, monitoring and reporting.
3. The Borrower, through the MoF, shall, at all times during Project implementation, ensure that its Department of Expenditures of Public Authorities and its Department of Expenditures of Humanitarian Sector are each maintained with mandate, composition and resources acceptable to the Bank and are responsible for reporting to the Project coordinator referred to in paragraph 2 above on consolidated wage bill expenditures and monitoring of wage bill spending in accordance with the provisions of the POM.

B. Project Operational Manual.

1. The Borrower shall prepare, adopt, and thereafter carry out the Project in accordance with the POM in form and substance acceptable to the Bank, containing, *inter alia*, detailed: (i) implementation and institutional arrangements for the Project; (ii) administrative; (iii) procurement; (iv) financial management and accounting; (v) monitoring and evaluation; (vi) eligibility criteria for the selection of Eligible Employees under the Project; (vii) verification protocols and procedures for payment of Salaries of Eligible Employees; (viii) grievance mechanism for the Project; and (ix) such other technical, administrative, fiduciary or coordination arrangements as may be necessary to ensure effective Project implementation.
2. The Borrower shall not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the POM or any provision thereof, without the prior written agreement of the Bank.
3. Notwithstanding the foregoing, in the event of any inconsistency between the provisions of the POM and those of this Agreement, the provisions of this Agreement shall prevail.

C. Environmental and Social Standards.

1. The Borrower shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Bank.
2. Without limitation upon paragraph 1 above, the Borrower shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan ("ESCP"), in a manner acceptable to the Bank. To this end, the Borrower shall ensure that:
 - (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, as provided in the ESCP;
 - (b) sufficient funds are available to cover the costs of implementing the ESCP;
 - (c) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and
 - (d) the ESCP, or any provision thereof, is not amended, repealed, suspended or waived, except as the Bank shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.
3. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
4. The Borrower shall ensure that:
 - (a) all measures necessary are taken to collect, compile, and furnish to the Bank through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Bank, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports in form and substance acceptable to the Bank, setting out, inter alia: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and
 - (b) the Bank is promptly notified of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.

5. The Borrower shall establish, publicize, maintain and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of Project-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Bank.

Section II. Project Monitoring Reporting and Evaluation

The Borrower shall furnish to the Bank each Project Report not later than one (1) month after the end of each calendar semester, covering the calendar semester.

Section III. Withdrawal of Loan Proceeds

A. General.

Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Borrower may withdraw the proceeds of the Loan to: (a) finance Eligible Expenditures; and (b) pay: (i) the Front-end Fee; and (ii) each Interest Rate Cap or Interest Rate Collar premium; in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table:

Category	Amount of Loan A Allocated (expressed in EUR)	Amount of Loan B Allocated (expressed in EUR)	Amount of Loan C Allocated (expressed in EUR)	Amount of Loan D Allocated (expressed in EUR)	Percentage of Expenditures to be financed (inclusive Taxes)
(1) Salaries of Eligible Employees under Part 1.(a) of the Project	424,635,750	20,199,375	9,975,000	9,975,000	Up to 100%
(2) Consulting services under Part 1.(b) of the Project					

(3) Front-end Fee	1,064,250	50,625	25,000	25,000	Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07 (b) of the General Conditions
(4) Interest Rate Cap or Interest Rate Collar premium					Amount due pursuant to Section 4.05 (c) of the General Conditions
TOTAL AMOUNT	425,700,000	20,250,000	10,000,000	10,000,000	

B. Withdrawal Conditions; Withdrawal Period.

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made:
 - (a) for payments made prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed €446,795,200 may be made for payments made prior to this date but on or after March 1, 2022, for Eligible Expenditures under Category (1); or
 - (b) under Category (1), until and unless the Borrower has furnished evidence satisfactory to the Bank in accordance with the verification protocols set forth in the POM, showing that the Salaries for Eligible Employees have been paid; or
 - (c) under Loan A, until and unless the Bank and the UK Guarantor have signed the UK Guarantee Agreement and the UK Guarantee Agreement has been delivered to the Bank and has become effective; or
 - (d) under Loan B, until and unless the Bank and the Dutch Guarantor have signed the Dutch Guarantee Agreement and the Dutch Guarantee Agreement has been delivered to the Bank and has become effective; or
 - (e) under Loan C, until and unless the Bank and the Lithuanian Guarantor have signed the Lithuanian Guarantee Agreement and the Lithuanian

Guarantee Agreement has been delivered to the Bank and has become effective; or

- (f) under Loan D, until and unless the Bank and the Latvian Guarantor have signed the Latvian Guarantee Agreement and the Latvian Guarantee Agreement has been delivered to the Bank and has become effective.
2. No withdrawal shall be made for payments of Eligible Expenditures that have already been financed by the Financing Agreement or the MDTF Grant Agreement, or for which withdrawals have been requested from the Financing Agreement or the MDTF Grant Agreement.
 3. The Closing Date is March 31, 2023.

Section IV. Other Undertakings

A. UK Guarantee

1. In the event the UK Guarantee Agreement is signed, the Borrower acknowledges and confirms that a portion of the Loan is guaranteed by a UK Guarantee, pursuant to which the UK Guarantor will guarantee certain obligations of the Borrower under this Agreement, subject to the terms and conditions set forth therein.
2. The Borrower understands and agrees that, in the event of any payment to the Bank by the UK Guarantor under the UK Guarantee Agreement as a result of any non-payment by the Borrower under this Agreement, the UK Guarantor may have certain rights of subrogation and the Bank may assign to the UK Guarantor any right to receive repayment from the Borrower under this Agreement, all subject to the terms and conditions of the UK Guarantee Agreement.

B. Dutch Guarantee

1. In the event the Dutch Guarantee Agreement is signed, the Borrower acknowledges and confirms that a portion of the Loan is guaranteed by a Dutch Guarantee, pursuant to which the Dutch Guarantor will guarantee certain obligations of the Borrower under this Agreement, subject to the terms and conditions set forth therein.
2. The Borrower understands and agrees that, in the event of any payment to the Bank by the Dutch Guarantor under the Dutch Guarantee Agreement as a result of any non-payment by the Borrower under this Agreement, the Dutch Guarantor may have certain rights of subrogation and the Bank may assign to the Dutch Guarantor any right to receive repayment from the Borrower under this Agreement, all subject to the terms and conditions of the Dutch Guarantee Agreement.

C. Lithuanian Guarantee

1. In the event the Lithuanian Guarantee Agreement is signed, the Borrower acknowledges and confirms that a portion of the Loan will be guaranteed by a Lithuanian Guarantee, pursuant to which the Lithuanian Guarantor will guarantee certain obligations of the Borrower under this Agreement, subject to the terms and conditions set forth therein.
2. The Borrower understands and agrees that, in the event of any payment to the Bank by the Lithuanian Guarantor under the Lithuanian Guarantee Agreement as a result of any non-payment by the Borrower under this Agreement, the Lithuanian Guarantor may have certain rights of subrogation and the Bank may assign to the Lithuanian Guarantor any right to receive repayment from the Borrower under this

Agreement, all subject to the terms and conditions of the Lithuanian Guarantee Agreement.

D. Latvian Guarantee

1. In the event the Latvian Guarantee Agreement is signed, the Borrower acknowledges and confirms that a portion of the Loan will be guaranteed by a Latvian Guarantee, pursuant to which the Latvian Guarantor will guarantee certain obligations of the Borrower under this Agreement, subject to the terms and conditions set forth therein.
2. The Borrower understands and agrees that, in the event of any payment to the Bank by the Latvian Guarantor under the Latvian Guarantee Agreement as a result of any non-payment by the Borrower under this Agreement, the Latvian Guarantor may have certain rights of subrogation and the Bank may assign to the Latvian Guarantor any right to receive repayment from the Borrower under this Agreement, all subject to the terms and conditions of the Latvian Guarantee Agreement.

SCHEDULE 3

Commitment-Linked Amortization Repayment Schedule

The following table sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date ("Installment Share").

Principal Payment Date	Installment Share
On each February 15 and August 15: Beginning August 15, 2026, through February 15, 2032	2.57%
Beginning August 15, 2032, through February 15, 2040	4.07%
On August 15, 2040	4.04%

APPENDIX

Section I. Definitions

1. "Anti-Corruption Guidelines" means, for purposes of paragraph 6 of the Appendix to the General Conditions, the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006 and revised in January 2011 and as of July 1, 2016.
 2. "Category" means a category set forth in the table in Section III.A of Schedule 2 to this Agreement".
 3. "Department of Expenditures of Public Authorities" means the MoF's department responsible for monitoring monthly wage bill payments for civil servants and other employees of governmental bodies as further detailed in the POM, or any successor thereto.
 4. "Department of Expenditures of Humanitarian Sector" means the MoF's department responsible for monitoring monthly wage bill payments for School Employees as further detailed in the POM, or any successor thereto.
 5. "Dutch Guarantee" means a guarantee extended by the Dutch Guarantor under the Dutch Guarantee Agreement in a principal amount of €20,250,000, in respect of a portion of the Loan.
 6. "Dutch Guarantee Agreement" means the guarantee agreement entered into between the Bank and the Dutch Guarantor providing for the Dutch Guarantee, as such guarantee agreement may be amended from time to time, and such term includes all appendices, schedules and agreements supplemental to the Dutch Guarantee Agreement.
 7. "Dutch Guarantor" means the Kingdom of the Netherlands.
 8. "Eligible Employees" means civil servants and other employees of governmental bodies; School Employees (all as defined in the POM) in non-security sectors who meet the eligibility criteria set forth in the Project Operational Manual.
 9. "Environmental and Social Commitment Plan" or "ESCP" means the environmental and social commitment plan for the Project, dated May 12, 2022, as the same may be amended from time to time in accordance with the provisions thereof, which sets out the material measures and actions that the Borrower shall carry out or cause to be carried out to address the potential environmental and social risks and impacts of the Project, including the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any environmental and social instruments to be prepared thereunder.
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10. "Environmental and Social Standards" or "ESSs" means, collectively: (i) "Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts"; (ii) "Environmental and Social Standard 2: Labor and Working Conditions"; (iii) "Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management"; (iv) "Environmental and Social Standard 4: Community Health and Safety"; (v) "Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement"; (vi) "Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources"; (vii) "Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities"; (viii) "Environmental and Social Standard 8: Cultural Heritage"; (ix) "Environmental and Social Standard 9: Financial Intermediaries"; and (x) "Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure"; effective on October 1, 2018, as published by the Bank.
11. "Financing Agreement" means the agreement between the Borrower and the Association for the Project, of the same date as this Agreement, as such agreement may be amended from time to time. "Financing Agreement" includes all appendices, schedules and agreements supplemental to the Financing Agreement.
12. "General Conditions" means the "International Bank for Reconstruction and Development General Conditions for IBRD Financing, Investment Project Financing", dated December 14, 2018 (revised on August 1, 2020, December 21, 2020, April 1, 2021, and January 1, 2022).
13. "Latvian Guarantee" means a guarantee extended by the Latvian Guarantor under the Latvian Guarantee Agreement in a principal amount of €10,000,000, together with interest, in respect of a portion of the Loan.
14. "Latvian Guarantee Agreement" means the guarantee agreement entered into between the Bank and the Latvian Guarantor providing for the Latvian Guarantee, as such guarantee agreement may be amended from time to time, and such term includes all appendices, schedules and agreements supplemental to the Latvian Guarantee Agreement.
15. "Latvian Guarantor" means the Republic of Latvia.
16. "Lithuanian Guarantee" means a guarantee extended by the Lithuanian Guarantor under the Lithuanian Guarantee Agreement in a principal amount of €10,000,000, together with interest, in respect of a portion of the Loan.
17. "Lithuanian Guarantee Agreement" means the guarantee agreement entered into between the Bank and the Lithuanian Guarantor providing for the Lithuanian Guarantee, as such guarantee agreement may be amended from time to time, and

such term includes all appendices, schedules and agreements supplemental to the Lithuanian Guarantee Agreement.

18. "Lithuanian Guarantor" means the Republic of Lithuania.
19. "Loan A" means the loan provided for under Section 2.01(a) of the Loan Agreement.
20. "Loan B" means the loan provided for under Section 2.01(b) of the Loan Agreement.
21. "Loan C" means the loan provided for under Section 2.01(c) of the Loan Agreement.
22. "Loan D" means the loan provided for under Section 2.01(d) of the Loan Agreement.
23. "Ministry of Finance" and "MoF" each means the Borrower's ministry responsible for finance, or any successor thereto.
24. "MDTF Grant Agreement" means the grant agreement for the Project between the Borrower and the World Bank acting as administrator of the MDTF, expected to be entered into once the MDTF has been established, as such grant agreement may be amended from time to time. "MDTF Grant Agreement" includes all appendices, schedules and agreements supplemental to the MDTF Grant Agreement.
25. "MDTF" means a multi donor trust fund expected to be established for the purposes of providing additional support to the Borrower including through the Project.
26. "Procurement Regulations" means, for purposes of paragraph 84 of the Appendix to the General Conditions, the "World Bank Procurement Regulations for IPF Borrowers", dated November 2020.
27. "Project Operational Manual" and "POM" each means the operational manual to be prepared and adopted by the Borrower in a manner satisfactory to the Bank as further described in Section I.B of Schedule 2 to this Agreement.
28. "Salaries" means the salaries of Eligible Employees, excluding *inter alia* those in the defense, military and security sector as set forth in the POM.
29. "School Employees" means pedagogical staff working in institutions providing general secondary education; and excluding all employees working in military

schools and schools with enhanced military and physical training, as further detailed in the POM.

30. "Signature Date" means the later of the two dates on which the Borrower and the Bank signed this Agreement and such definition applies to all references to "the date of the Loan Agreement" in the General Conditions.
31. "UK Guarantee" means a guarantee extended by the UK Guarantor under the UK Guarantee Agreement in a principal amount of €425,700,000, together with interest, in respect of a portion of the Loan.
32. "UK Guarantee Agreement" means the guarantee agreement entered into between the Bank and the UK Guarantor providing for the UK Guarantee, as such guarantee agreement may be amended from time to time, and such term includes all appendices, schedules and agreements supplemental to the UK Guarantee Agreement.
33. "UK Guarantor" means the United Kingdom of Great Britain and Northern Ireland.
34. "World Bank" means the Association and the Bank collectively.

Section II. Modifications to the General Conditions

The General Conditions are hereby modified as follows:

- I. Paragraph (b) of Section 3.01 is deleted in its entirety and replaced with the following:

"The Borrower shall pay the Bank a Commitment Charge on the Unwithdrawn Loan Balance at the rate specified in the Loan Agreement. The Commitment Charge on the Unwithdrawn Loan Balance of:

- (i) Loan A shall accrue from a date sixty (60) days after the date of the UK Guarantee Agreement to the respective dates on which amounts are withdrawn by the Borrower from the Loan Account or cancelled.
- (ii) Loan B shall accrue from a date sixty (60) days after the date of the Dutch Guarantee Agreement to the respective dates on which amounts are withdrawn by the Borrower from the Loan Account or cancelled.
- (iii) Loan C shall accrue from a date sixty (60) days after the date of the Lithuanian Guarantee Agreement to the respective dates on which amounts are withdrawn by the Borrower from the Loan Account or cancelled.

- (iv) Loan D shall accrue from a date sixty (60) days after the date of the Latvian Guarantee Agreement to the respective dates on which amounts are withdrawn by the Borrower from the Loan Account or cancelled.

Except as otherwise provided in Section 2.05(c), the Borrower shall pay the Commitment Charge semi-annually in arrears on each Payment Date.”