

EDCF LOAN AGREEMENT

NO. PHL-24

Loan Agreement

Program Loan for
COVID-19 Emergency Response Program II
- Vaccination Program

between

**THE GOVERNMENT OF REPUBLIC OF THE
PHILIPPINES**

and

**THE EXPORT-IMPORT BANK OF KOREA
(Government Agency for the EDCF)**

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LOAN AGREEMENT

This Loan Agreement entered into this 17th day of December 2021 between THE GOVERNMENT OF REPUBLIC OF THE PHILIPPINES (hereinafter called the "**Borrower**") and THE EXPORT-IMPORT BANK OF KOREA (hereinafter called the "**Bank**") which has been entrusted by THE GOVERNMENT OF THE REPUBLIC OF KOREA with the operation and management of the Economic Development Cooperation Fund (hereinafter called the "**EDCF**").

WITNESSETH:

WHEREAS, THE GOVERNMENT OF THE REPUBLIC OF KOREA and THE GOVERNMENT OF REPUBLIC OF THE PHILIPPINES entered into the Agreement dated June 3, 2003 concerning EDCF Loans to be extended to THE GOVERNMENT OF REPUBLIC OF THE PHILIPPINES or its designated agency for the implementation of projects to be agreed upon between the two Governments;

WHEREAS, based upon the above Agreement, THE GOVERNMENT OF THE REPUBLIC OF KOREA and THE GOVERNMENT OF REPUBLIC OF THE PHILIPPINES entered into the Framework Arrangement dated May 4, 2018 concerning the EDCF Loan up to an aggregate commitment amount in Korean Won not exceeding the equivalent of One Billion US Dollars (US\$1,000,000,000) for the years 2017 through 2022; and

WHEREAS, in the light of the said Agreement and Framework Arrangement, the Bank has agreed to extend a loan to the Borrower to finance implementation of the Program Loan for COVID-19 Emergency Response Program II – Vaccination Program described in the Description of the Program attached hereto Schedule 1 (hereinafter called the "**Program**") upon the terms and conditions set forth in this Loan Agreement;

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

ARTICLE I Definitions

Section 1.01. Loan Agreement

The following documents shall constitute an integral part of this Loan Agreement:

- (i) General Terms and Conditions Applicable to EDCF Loan Agreements;
- (ii) Disbursement Procedures under the EDCF Loan.

Section 1.02. Definitions

Unless the context otherwise requires, the several terms defined in the General Terms and Conditions Applicable to EDCF Loan Agreements (hereinafter called the "**General Terms and Conditions**") have the respective meanings therein set forth and the following additional terms have the following meanings:

"External Indebtedness" means money borrowed or guaranteed for money borrowed which is (i) denominated or payable in a currency other than the lawful currency of the Borrower's country; and (ii) owed to a person other than a person that is organized under the laws of, or is a resident of the Borrower's country.

"Interest Payment Date" means each of the dates of June 20 and December 20 of each year.

"Loan" means the loan facility to be made available in favor of the Borrower or the aggregate principal amount of the loan facility disbursed and from time to time outstanding, as the context may so require.

"Program Completion Date" means the date when the final disbursement under the Loan Agreement is made.

"Program Executing Agency" means the Department of Finance which has been authorized to implement the Program.

"Repayment Date" means each of the Forty (40) semi-annual consecutive dates of June 20 and December 20 from and including the date which shall be the 20th day of the month falling One Hundred and Twenty Six (126) months after the date of this Loan Agreement.

ARTICLE II

The Loan

Section 2.01. Amount and Purpose of Loan

(a) The Bank agrees to lend to the Borrower, on the terms and conditions set forth in this Loan Agreement, an amount not exceeding One Hundred Million US Dollars (US\$100,000,000), to finance the implementation of the Program.

(b) The amount of the Loan shall be denominated in US Dollar.

Section 2.02. Use of Proceeds of Loan

(a) The Borrower shall cause the proceeds of the Loan to be used as budgetary support required for the Government of Republic of the Philippines. The proceeds of the Loan shall be allocated in accordance with the Allocation of the Loan Proceeds attached hereto as Schedule 2.

(b) The Borrower shall not allocate the resources of the Loan to finance the expenses described in Schedule 4.

(c) The final disbursement under this Loan Agreement shall be made until December 31, 2021, and no further disbursements shall be made by the Bank thereafter unless otherwise agreed upon between the Bank and the Borrower.

ARTICLE III

Repayment and Interest

Section 3.01. Repayment of Principal

(a) The Borrower shall repay the Bank the principal amount of the Loan disbursed in US Dollar in Forty (40) semi-annual installments on each of the Repayment Dates.

(b) The Repayment Date and the US Dollar amount to be repaid on each of the Repayment Dates shall be specified in the Amortization Schedule in the form and substance of Schedule 3 attached hereto. The Amortization Schedule shall be made by the Bank. The Bank shall notify the Borrower of the Amortization Schedule when the final disbursement under the Loan Agreement is made.

Section 3.02. Payment of Interest

(a) The Borrower shall pay the Bank interest on the principal amount of the Loan disbursed and outstanding at the rate of One point Five percent (1.5%) per

annum. Such interest shall be paid in arrears on each Interest Payment Date, provided that the first interest for any disbursement made within Sixty (60) days prior to any Interest Payment Date may be paid on the next succeeding Interest Payment Date.

(b) The Borrower shall pay the Bank interest in the same currency as the principal amount to which such interest accrues is denominated in this Loan Agreement.

Section 3.03. Place of Payment

All sums payable by the Borrower to the Bank under this Loan Agreement shall be paid to the account of the Bank (Account No. 640-000058-904) with Yeouido-Gwangjang Branch of KEB Hana Bank at 101, Yeouigongwon-ro, Yeongdeungpo-gu, Seoul, Republic of Korea or to such other account as the Bank shall designate by written notice to the Borrower.

ARTICLE IV Disbursement

Section 4.01. Disbursement Procedure

(a) The Loan shall be disbursed in US Dollar by the Bank in accordance with the provisions of the Disbursement Procedure attached hereto as Schedule 5.

(b) The disbursement shall be made on the condition that the Bank is satisfied with the completion of Policy Actions as described in Schedule 1.

(c) The Borrower shall designate an account of the Bangko Sentral ng Pilipinas for the account of the Borrower into which all disbursements on the loan shall be deposited (hereinafter called the "Designated Account"), details of which shall be given before requesting the Bank to make disbursement.

Section 4.02. Service Charge

(a) The Borrower shall pay to the Bank the service charge in the amount equal to One-Tenth of One percent (0.1%) of the amount of each disbursement.

(b) An amount equal to such service charge shall be financed out of the proceeds of the Loan. The Bank shall pay such amount to itself as the service charge on the date of each disbursement. Such disbursement out of the Loan shall constitute a valid disbursement of the Loan under this Loan Agreement.

ARTICLE V

Particular Covenants

Section 5.01. General Terms and Conditions

Other terms and conditions generally applicable to the Loan Agreement shall be set forth in the General Terms and Conditions Applicable to EDCF Loan Agreements with the following supplemental stipulations:

(a) The term of the "Project" referred to in the General Terms and Conditions shall be read as the "Program".

(b) The Article VI Procurement in the General Terms and Conditions shall not be applicable.

(c) General Terms and Conditions Section 3.05. (*Computation*) shall be amended as follows:

Interest and overdue charge shall be computed on the basis of a year of 360 days and actual days elapsed. Any fraction of the supplementary currency unit (Cent, ¢) resulting from the computation of any amount due under the Loan Agreement shall be disregarded.

(d) General Terms and Conditions Section 4.03. (*Currency*) shall be amended as follows:

The Loan shall be denominated in US Dollar and US Dollar shall be the currency of account, disbursement and any payment to be made by the Borrower hereunder.

(e) The following section shall be added to ARTICLE VII (*Disbursement*) of the General Terms and Conditions:

Section 7.06. Conditions Precedent to Disbursement

The Bank is not obligated to make any disbursement unless all of the conditions set forth in each of the following items are satisfied at the time of making each disbursement. The satisfaction of such conditions shall be determined by the Bank.

(a) The documents set forth in Section 7.03. of the General Terms and Conditions satisfy the requirements set forth in such section (and are satisfactory to the Bank).

(b) No event that triggers the Acceleration of Maturity set forth in Section 8.02. of the General Terms and Conditions has occurred.

(c) The Borrower has not breached any provision of this Loan Agreement, and there is no threat that such breach may occur on or after the relevant disbursement.

(f) The following (e) shall be added to Section 8.02. of the General Terms and Conditions:

(e) An event which makes improbable for the parties to carry out the Program, or significant part thereof.

(g) The following (d) shall be added to Section 11.01. of the General Terms and Conditions:

(d) The Monetary Board's (MB's) final approval of the Loan.

(h) General Terms and Conditions Section 11.02. (*Effective Date*) shall be amended as follows:

The Loan Agreement shall become effective on the date on which the Bank declares itself satisfied with the evidence of authority and the specimen signatures, the Legal Opinion, MB's final approval of the Loan, and the Guarantee, if any, mentioned in Section 11.01. above. The Bank shall immediately notify the Borrower in writing of the effective date of the Loan Agreement.

(i) General Terms and Conditions Section 12.04. (*Non-Discrimination*) shall be amended as follows:

Regarding repayment of principal and payment of interest or any other charges payable under the Loan Agreement, the Borrower shall undertake not to treat such debts to the Bank less favorably than any other External indebtedness of the Borrower.

Section 5.02. Execution of the Program

(a) The Borrower shall implement the Program with due diligence and efficiency.

(b) Should the funds available from the proceeds of the Loan be insufficient for

the implementation of the Policy Actions described in Schedule 1, the Borrower shall make arrangements promptly to provide such funds as shall be needed.

(c) The Borrower and the Bank shall from time to time, at the request of either party, exchange views on the progress achieved in carrying out the Program.

Section 5.03 Reports and Information

(a) The Borrower shall furnish the Bank with a report on the progress achieved in carrying out the Program in such detail as the Bank may reasonably request.

(b) Within thirty (30) days from disbursement, the borrower shall report to the Bank on the amounts deposited in the Designated Account described in the Section 4.01 and credited in local currency to Treasury Single Account (TSA) including the exchange rate used to convert the loan proceeds into local currency.

(c) Within six (6) month after the end of the fiscal year during which the disbursement occurs, the Borrower is required to submit to the Bank the audit report by the Commission on Audit (COA) or its delegate concerning movement of funds in the Designated Account to confirm the timing, correct conversion of funds, and transfer into the Government Treasury Account.

(d) Within six (6) months after the Program Completion Date or such later date as shall be agreed upon between the Borrower and the Bank, the Borrower shall furnish the Bank with a Program Completion Report in such form and detail as the Bank may reasonably request.

(e) Within one (1) month after its approval by the Commission on Audit, the Borrower shall furnish the audit report on the consolidated National Government for the fiscal year 2021 issued by the COA.

(f) Until all the obligations of the Borrower under this Loan Agreement are fully performed, the Borrower shall furnish the Bank with such other information as the Bank may reasonably request concerning the Program.

ARTICLE VI Miscellaneous

Section 6.01. Delegation of Authority

(a) The Borrower hereby designates the Department of Finance as the Program Executing Agency (PEA), as its agent for the purposes of taking any action or

entering into any agreement required or permitted under Sections 4.01, 5.01, 5.02 and 5.03 of this Loan Agreement.

(b) Any action taken or any agreement entered into by the Program Executing Agency pursuant to the authority conferred under paragraph (a) of this Section shall be fully binding on the Borrower and shall have the same force and effect as if taken by the Borrower.

Section 6.02. Addresses

The following addresses are specified for the purposes of Section 12.05. of the General Terms and Conditions:

For the Bank

Postal Address: THE EXPORT-IMPORT BANK OF KOREA
38 Eunhaeng-ro, Yeongdeungpo-gu,
Seoul 07242, Republic of Korea
Attention: Asia Division III & Global PPP Unit, EDCF
Telephone No.: (82-2) 3779-6581
Fax No.: (82-2) 3779-6735
Telex No.: K26595 EXIMBK
SWIFT BIC: EXIKKRSEXXX

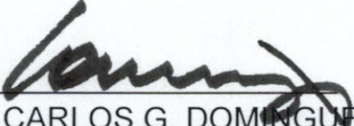
For the Borrower

Postal Address: DEPARTMENT OF FINANCE
DOF Building, Bangko Sentral ng Pilipinas Complex
Roxas Boulevard corner Pablo Ocampo Street
Manila 1004, Republic of the Philippines
Attention: Secretary of Finance
(with copy to the Undersecretary for the International
Finance Group)
Telephone No.: (632) 525-4194, (632) 523-9911
Fax No.: (632) 523-9216

IN WITNESS WHEREOF, the parties hereto, acting through their duly authorized representatives, have caused this Loan Agreement to be signed in their respective names, as of the day and year first above written.

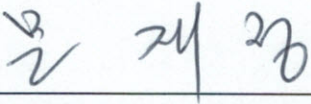
For and on behalf of

**The Government of Republic of
the Philippines**

By 
Name: CARLOS G. DOMINGUEZ
Title: Secretary of Finance

For and on behalf of

**The Export-Import Bank of Korea
(Government Agency for the EDCF)**

By 
Name: MOON JAE-JEONG
Title: Chief Representative
Manila Representative Office

Schedule 1

Description of the Program

1. Outline of the Program

(a) Objectives: To build and implement systematic policy measures to vaccinate the Filipinos against COVID-19 virus.

(b) Program Executing Agency: Department of Finance

2. Scope of the Program

The scope of the Program shall be the Policy Actions (PAs) which compose each Pillar (Pillar A: 2 PAs, Pillar B: 4 PAs, Pillar C: 1 PA) agreed between the Government of Republic of the Philippines and the Bank.

Pillar	Policy Actions	Trigger Indicators
A. Establishment of policies and institutional arrangements	(1) To establish a national policy or master plan in connection with COVID-19 vaccination	National Vaccination plan
	(2) To assign roles of major committee and/or organizations to expedite the vaccine procurement and administration process	Relevant republic act or government resolution(s)
B. Implementation of a nationwide vaccination	(3) To profile eligible population and determine the priority groups (by age, morbidity, region, etc.)	Vaccine deployment strategies
	(4) To secure COVID-19 vaccine approved by FDA-Philippines	Relevant republic act or government resolution(s)
	(5) To establish effective mechanism for vaccine stock and logistics management	Relevant republic act or government resolution(s)
	(6) To allocate budget for vaccine procurement.	Budget for vaccines

C. Monitoring and management	(7) To set up the guideline to observe any adverse effects, to provide treatment and compensation	The post-vaccination management plan, and compensation policy
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* *Trigger indicators can be changed with mutual consent between the Government of Republic of the Philippines and the Bank.*

3. Estimated annual fund requirements

(in Thousands of US Dollars)

Year	EDCF
Year 1 (2021)	100,000
Total	100,000

4. The Program is expected to be completed by December 31, 2021.

Schedule 2

Allocation of Loan Proceeds

1. Allocation

The allocation of the proceeds of the Loan is set out in the table below.

(in US Dollars)

Category	Estimated Amount		
	Foreign Currency	Local Currency	Total
Base Cost	99,900,100	-	99,900,100
Service Charge	99,900	-	99,900
Total	100,000,000	-	100,000,000

Schedule 3

Amortization Schedule

	Due Date	Amount (in USD)
1		
2		
3		
4		
5		
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※ Note: Each installment will be finalized after the final disbursement in accordance with paragraph (b) of Section 3.02 and 7.05 of the General Terms and Conditions.

Schedule 4

Negative Import List

1. The Bank may consider the expenditures under the contract supported by the Program as ineligible if they are related to the following:

(a) Expenditures for goods included in the following groups or sub-groups of the Standard International Trade Classification, Revision 3 (SITC, Rev.3), published by the United Nations in Statistical Papers, Series M, No. 34/ Rev.3 (1986), or any successor groups or sub-groups under future revisions to the SITC, as designated by the Bank by notice to the Borrower;

Group (sub-group)	Description of Item
112	Alcoholic beverages
121	Tobacco, unmanufactured tobacco refuse
122	Tobacco, manufactured (whether or not containing tobacco substitutes)
525	Radioactive and associated materials
667	Pearls, precious and semi-precious stones, Un-worked or worked
718.7	Nuclear reactors, and parts thereof; fuel elements (cartridges), non-irradiated, for nuclear reactors
728.43	Tobacco processing machinery
897.3	Jewelry of gold, silver or platinum group metals (except watches and watch cases) and goldsmiths' or silversmiths' wares (including set gems)
971	Gold, non-monetary (excluding gold ores and concentrates)

(b) Expenditures for goods supplied under a contract that any national or international financing institution or agency will have financed or has agreed to finance, including any contract financed under any other loan or grant from EDCF, other than the loan to finance the implementation of the Program.

(c) Expenditures for goods intended for a military or paramilitary purpose or for luxury consumption;

(d) Expenditures for narcotics;

(e) Expenditures for environmentally hazardous goods, the manufacture, use or import of which is prohibited under the laws of the Borrower or international agreements to which the Borrower is a party;

(f) Expenditures on account of any payment prohibited by the Borrower in compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations.

Schedule 5

Disbursement Procedures

The purpose of these Disbursement Procedures is to set forth the procedures to be followed by the Borrower for disbursement of proceeds of the Loan extended by the Bank. Terms not otherwise defined here shall have the meanings ascribed to them in the General Terms and Conditions.

1. Application for Disbursement

The disbursement shall be made on the condition that the Bank is satisfied with the completion of Policy Actions as described in Schedule 1. The Borrower shall present an Application for Disbursement in the form of Annex 1.

2. Bank's Payment

When the Bank finds the Application for Disbursement and its supporting documents in order and in conformity with the provisions of the Loan Agreement and the terms of the relevant contract, the Bank shall make disbursement. Disbursement shall be made within thirty (30) business days from the date of receipt of the Application by paying into the account of the Borrower with a bank designated by the Borrower.

3. Advice of Disbursement to the Borrower

The Bank will expeditiously process each disbursement application received from the Borrower. If and to the extent the disbursement application is approved, payment is promptly arranged and the Borrower shall be advised of such disbursement. If for any reason the application is not approved, the Bank shall promptly notify the Borrower of the extent of disapproval with reasons.

(Annex 1)

APPLICATION FOR DISBURSEMENT

Date:

Ref. No.:

To: The Export-Import Bank of Korea
Seoul, Korea
Attn: Director, EDCF Operations Department I

Gentlemen,

1. Pursuant to the Loan Agreement No. [•] dated [•] between The Export-Import Bank of Korea (hereinafter referred to as the "Bank") and [•] (*Name of the Borrower*), the undersigned hereby requests disbursement of the sum of [•] (*Amount*) for the implementation of the EDCF Program Loan for COVID-19 Emergency Response Program II - Vaccination Program.

2. Please make disbursement of the requested amount by paying it into the account of [•] (*Name of the Borrower*) (*account No.* [•]) with [•] (*Name and Address of the Borrower's Bank*) by the [•] (requested date of disbursement).

3. The undersigned certifies that:

(a) the expenditures financing from the Program are to be used for the purposes specified in the Loan Agreement and such expenditures supported by the Program are not related with the items described in Schedule 4 (Negative Import List) of the Loan Agreement.

(b) as of the date of this request there is no existing default under the Loan Agreement; and

(c) all Conditions Precedent for the disbursement described in Section 5.01. (e) of the Loan Agreement have been fulfilled and relevant documents have been submitted to the Bank to its satisfaction.

(Name of the Borrower)

(Authorized Signature)

Name:

Title:

Documents Pertaining to EDCF Loan Agreements

General Terms and Conditions Applicable to EDCF Loan Agreements

Disbursement Procedures under the EDCF Loan

***ECONOMIC DEVELOPMENT
COOPERATION FUND***

**General Terms and Conditions
Applicable to EDCF Loan Agreements**

***ECONOMIC DEVELOPMENT
COOPERATION FUND***

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General Terms and Conditions Applicable to EDCF Loan Agreements

ARTICLE I

Purpose; Application to Loan Agreements

Section 1.01. Purpose

The purpose of these General Terms and Conditions Applicable to EDCF Loan Agreements (the "**General Terms and Conditions**") is to set forth certain terms and conditions generally applicable to loans made by the Bank from the resources of the EDCF.

Section 1.02. Application of General Terms and Conditions

The Loan Agreement shall provide that the parties thereto accept the provisions of the General Terms and Conditions. To the extent so provided in the Loan Agreement, the General Terms and Conditions shall apply thereto and shall govern the rights and obligations thereunder of the parties with the same force and effect as if they were fully set forth therein. No revocation or amendment of the General Terms and Conditions shall be effective in respect of any such Loan Agreement unless both parties thereto have so agreed.

Section 1.03. Inconsistency with Loan Agreement

If any provision of the Loan Agreement or the Guarantee, if any, is inconsistent with a provision of the General Terms and Conditions, the provision of the Loan Agreement or the Guarantee, as the case may be, shall govern.

ARTICLE II

Definitions; References; Headings

Section 2.01. Definitions

The following terms shall have the following meanings wherever used in the General Terms and Conditions:

"Average Rate" means the average of the telegraphic transfer selling rates of Korean Won against US Dollar as quoted and publicly displayed by the Bank, during the one month period from the sixteenth (16th) day of two calendar months prior to the month when the first procurement contract for goods and services or the consulting service contract is signed respectively, to the fifteenth (15th) day of one calendar month prior thereto.

"Bank" means the Export-Import Bank of Korea, which has been entrusted by the Government of the Republic of Korea with the operation and management of the EDCF.

"Banking Day" means a day on which banks are open for business in Seoul,

the Republic of Korea and in the country of the Borrower.

"Borrower" means the party to the Loan Agreement to which the Bank has agreed to make the Loan.

"Complaint" means a procurement-related complaint raised from interested parties, which is an actual bidder/consultant seeking to obtain the contract at issue including potential bidders/consultants, arising under the situations of (i) prior to the submission of bids, (ii) after submission of bids but prior to contract award; and (iii) after contract award.

"EDCF" means the Economic Development Cooperation Fund which is the fund established by the Government of the Republic of Korea under the Economic Development Cooperation Fund Act of the Republic of Korea.

"EDCF Safeguard Policy" means environmental and social guidelines or standard of the latest version issued by the Bank

"Effective Date" means the date on which the Loan Agreement shall have come into force and effect pursuant to Section 11.02.

"Guarantee" means the irrevocable and unconditional letter of guarantee to be issued by the Guarantor in favor of the Bank in accordance with the provision of Section 5.01.

"Guarantor" means the issuer of the Guarantee.

"Korean Won" or the sign " ₩ " means the lawful currency of the Republic of Korea.

"Loan" means the loan provided for in the Loan Agreement.

"Project" means the project or program for which the Bank has agreed to make the Loan, as described in the Loan Agreement and as the description thereof may be amended from time to time by agreement between the Bank and the Borrower.

"Project Executing Agency" means the entity or entities responsible for carrying out the Project as specified in the Loan Agreement.

"Purchasing Rate" means the exchange rate of Korean Won against US Dollar when the Bank purchases US Dollars in the foreign exchange market in the Republic of Korea for the implementation of the Project in accordance with the Borrower's request.

"Standstill Period" means the period following the Notification of Intention to Award within which Complaints can be filed. After its expiry, the Borrower will

have no obligation to respond to the Complaints.

"US Dollar" or the sign "US\$" means the lawful currency of the United States of America.

Section 2.02. References

Except where the context otherwise requires, references to a specified Article or Section shall be construed as references to that specified Article or Section of the General Terms and Conditions.

Section 2.03. Headings

The headings of the Articles and Sections and the Table of Contents hereof are inserted for convenience of reference only and shall have no effect on the interpretation of any provision of the General Terms and Conditions.

ARTICLE III

Loan; Repayment; Interest

Section 3.01. Loan

(a) The amount of the Loan in Korean Won shall be the aggregate of i) the amount allocated for the procurement of goods and services (hereinafter called the "**Goods and Services Portion**") and ii) the amount allocated for the employment of consulting services (hereinafter called the "**Consulting Services Portion**"). Each of the Goods and Services Portion and the Consulting Services Portion is set out in the Allocation of Loan Proceeds attached to the Loan Agreement as Schedule 2.

(b) The Bank shall, by using the Average Rate, calculate and fix the amount of i) the Goods and Services Portion when it approves the first procurement contract for goods and services and ii) the Consulting Services Portion when it approves the first employment contract for the consulting services, if any, provided that where a part of the proceeds of the Goods and Services Portion and/or the Consulting Services Portion is disbursed in US Dollars in accordance with the provisions of the Loan Agreement, the whole of the corresponding Goods and Services Portion and/or the Consulting Services Portion shall be calculated by using the Purchasing Rate, respectively.

Section 3.02. Repayment of Principal

(a) The Borrower shall repay the principal amount of the Loan disbursed and outstanding in accordance with the Amortization Schedule attached to the Loan Agreement as Schedule 3.

(b) If all disbursements to be made under the Loan Agreement have been completed and the total of such disbursements is less than the full amount of the Loan stipulated therein, the difference between such amount of the Loan and the total of all disbursements shall be deducted proportionately from all subsequent installments of repayment of principal.

(c) The Borrower may, upon payment of all accrued interest and all other amounts then due under the Loan Agreement and upon giving not less than thirty (30) days' prior written notice to the Bank, prepay on any Repayment Date specified in the Loan Agreement, after the Bank sends the Notice of Completion of Disbursement pursuant to Section 7.05, without premium or penalty all or part of the principal amount of the Loan then outstanding. Any such prepayment shall be applied to the installments in inverse order of maturity. When the Borrower prepays any amount of the Loan, the Borrower shall not reborrow such prepaid amount and shall not draw down the undisbursed amount of the Loan.

Section 3.03. Interest

The Borrower shall pay interest semi-annually on each Interest Payment Date at the rate specified in the Loan Agreement on the principal amount of the Loan disbursed and outstanding from time to time. Interest shall accrue from the respective dates on which the Loan is disbursed.

Section 3.04. Overdue Charge

If the Borrower fails to make payment of all or any portion of the principal of the Loan or any other amount payable under the Loan Agreement on the due date therefor (whether at stated maturity, by acceleration or otherwise), the unpaid amount shall bear an overdue charge calculated at the rate of two percent (2%) per annum above the interest rate specified in the Loan Agreement for each day during the period from and including the due date therefor to but excluding the date of actual payment thereof.

Section 3.05. Computation

Interest and overdue charge shall be computed on the basis of a year of 365 days and actual days elapsed. Any fraction of Ten Korean Won (10.00) resulting from the computation of any amounts due under the Loan Agreement shall be disregarded.

Section 3.06. Application of Payment

All payments made to or collected by the Bank under the Loan Agreement or under the Guarantee shall be applied by the Bank in the following order of priority: (i) to principal then due and payable, (ii) to accrued interest then due and payable, (iii) to any fee then due and payable, (iv) to any cost then due and payable, (v) to any overdue charge then due and payable, and (vi) to prepayment of principal as specified in paragraph (c) of Section 3.02.b

ARTICLE IV Payments

Section 4.01. Place of Payment

The Borrower shall have all payments of principal of, interest and other charges on, the Loan credited to the Bank's account with such a bank as designated in

the Loan Agreement.

Section 4.02. Banking Day

Whenever any payment is to be made on a day which is not a Banking Day, such payment may be made on the next succeeding Banking Day.

Section 4.03. Currency

The Loan shall be denominated in Korean Won and Korean Won shall be the currency of account, disbursement and any payment to be made by the Borrower hereunder or the Guarantor under the Guarantee, if any, provided that a part of the Loan may be disbursed in US Dollars in accordance with the provisions of the Loan Agreement.

Section 4.04. Payments to be Free and Clear

(a) The principal of, interest and other charges on, the Loan shall be paid in full, without set-off or counterclaim, and free and clear of any tax or other deductions or withholdings of any nature.

(b) If the Borrower or the Guarantor, if any, shall be required by any law or regulation to make any deduction or withholding (on account of tax or otherwise) from any payment under the Loan Agreement or the Guarantee, the Borrower or the Guarantor shall pay such additional amount as may be necessary to ensure that the Bank receives the full amount it would have received if such deduction or withholding had not been made.

Section 4.05. Expenses

The Borrower shall pay, or cause to be paid, all banking charges and/or fees relating to disbursement of the Loan, repayment of principal, payment of interest, or any other charges which may arise in connection with the Loan Agreement.

Section 4.06. Loan Account

The Bank shall open and maintain on its books a loan account in the Borrower's name, showing the disbursements, outstanding amount of the Loan, repayments, prepayments, and the computation and payment of interest and other amounts due and sums paid under the Loan Agreement. Such loan account shall, in the absence of manifest error, be conclusive and binding on the Borrower as to the existence and amounts of the obligations of the Borrower.

Section 4.07. Notice

The Bank may, when it deems necessary, send the Borrower a Notice concerning Interest and Principal in the form of Annex 1 attached hereto.

ARTICLE V

Guarantee for Loan

Section 5.01. Guarantee for Loan

When the Bank requires a guarantee for the Loan, the Borrower shall deliver the Guarantee to the Bank, duly signed by the Guarantor acceptable to the Bank, immediately after the execution of the Loan Agreement. The Guarantee shall be substantially in the form of Annex 2 attached hereto.

Section 5.02. Additional Guarantee

When the amount of the Loan is to be increased, the Borrower shall deliver to the Bank an additional Guarantee, signed by the Guarantor acceptable to the Bank, immediately after the Bank and the Borrower have agreed upon such increase.

ARTICLE VI Procurement

Section 6.01. Procurement Procedures

Goods and services (*the term "services" as used in the General Terms and Conditions includes consulting services*) to be financed out of the proceeds of the Loan shall be procured in accordance with the procurement procedures provided in the Loan Agreement.

Section 6.02. Bank's Review and Approval

The Bank may review the Borrower's procurement procedures, documents and decisions relating to procurement. The Loan Agreement shall specify the extent to which the review procedures shall apply in respect of goods and services to be financed out of the proceeds of the Loan.

Section 6.03. Approval of Contract

(a) When each of the procurement contracts for goods and/or services is entered into, the Borrower shall submit to the Bank a duly executed Application for Approval of Contract in the form of Annex 3 attached hereto together with one certified copy of the contract.

(b) When the Bank considers the contract eligible, it shall notify the Borrower of its approval by sending a Notice of Approval of Contract in the form of Annex 4 attached hereto.

Section 6.04. Modifications

Any modification or cancellation of a contract approved by the Bank shall require the prior written consent of the Bank thereto, provided, however, that

* When the Bank does not require a guarantee for the Loan, this whole Article V shall be disregarded.

any change which does not constitute an important modification of the contract and which does not affect the contract price shall not require such consent of the Bank.

Section 6.05. Procurement-related Complaints

(a) Procurement-related Complaints (the “**Complaints**”) should be submitted to the Borrower in a timely manner as set forth in these Guidelines and bidding documents. If submitted to the Bank, they will be transferred to the Borrower.

(b) After the submission of the bids, if the Standstill Period is used, Complaints must be submitted within the Standstill Period set out in the bidding documents.

(c) When so submitted or transferred to the Borrower, the Borrower shall address them promptly and fairly, and notify the complainant and the Bank of the result.

ARTICLE VII Disbursement

Section 7.01. Disbursement Procedures

The Loan shall be disbursed by the Bank as the progress of the Project renders it necessary and in accordance with the disbursement procedures provided in the Loan Agreement (the “**Disbursement Procedures**”).

Section 7.02. Constitution of Obligation

A disbursement effected in accordance with the Disbursement Procedures shall constitute a valid and binding obligation upon the Borrower under the terms of the Loan Agreement with relation to such disbursement as from the date of disbursement.

Section 7.03. Adequacy of Documents

(a) All documents or evidence required under the Disbursement Procedures must be adequate in form and substance to satisfy the Bank that the Loan to be disbursed is to be used solely for the purposes specified in the Loan Agreement.

(b) The Borrower shall provide the Bank with any additional documents or evidence which the Bank may reasonably request.

Section 7.04. Notice of Disbursement

After effecting each disbursement, the Bank shall send the Borrower a Notice of Disbursement in the form of Annex 5 attached hereto.

Section 7.05. Notice of Completion of Disbursement

(a) After effecting the final disbursement under the Loan Agreement, the Bank shall send the Borrower and the Guarantor, if any, a Notice of Completion of Disbursement in the form of Annex 6 attached hereto in duplicate. When the cumulative total of disbursements is less than the amount of the Loan and no

further disbursement is required for the Project, the Borrower shall notify the Bank of the fact in order that the Bank may know that the final disbursement has been made.

(b) The Borrower shall immediately return to the Bank one copy of the Notice of Completion of Disbursement signed by a duly authorized person.

ARTICLE VIII

Cancellation; Acceleration of Maturity

Section 8.01. Cancellation by the Borrower

After consultation with the Bank, the Borrower may, by notice to the Bank, cancel any amount of the Loan which has not been disbursed prior to the giving of such notice.

Section 8.02. Acceleration of Maturity

When any of the following events shall have occurred and be continuing, the Bank may, by notice to the Borrower and the Guarantor, if any, suspend in whole or in part the rights of the Borrower. If any of the following events shall have continued for a period of thirty (30) days from the date of such notice, the Bank may terminate disbursement and/or may declare all the principal of the Loan then outstanding, with the interest and any other charges thereon, to be forthwith due and payable whereupon the principal, interest and other charges shall immediately become due and payable:

(a) Default in repayment of principal and/or payment of interest or any other charges required under the Loan Agreement and/or any other Loan Agreement between the Bank and the Borrower;

(b) Default in the performance of any other terms and conditions, covenant or agreement on the part of the Borrower or the Guarantor, if any, under the Loan Agreement or the Guarantee, if any;

(c) Exceptional circumstances beyond the control of the parties (including war, civil war, earthquake, flood, etc.) which make it improbable, in the opinion of the Bank, that the Borrower or the Guarantor, if any, will be able to perform its obligations under the Loan Agreement or the Guarantee, if any; and

(d) Any other event specified in the Loan Agreement for the purposes of this Section.

ARTICLE IX

Administration of Loan

Section 9.01. Management of Project

(a) The Borrower shall carry out the Project, or cause it to be carried out, with all due diligence and efficiency, and in conformity with appropriate engineering, financial, environmental and social requirements and practices.

(b) The Borrower shall at all times operate and maintain, or cause to be operated and maintained, any facilities relevant to the Project in conformity with appropriate engineering, financial, environmental and social requirements and practices, and promptly as needed, make or cause to be made all necessary repairs and renewals thereof.

(c) The Borrower shall cause all goods and services financed out of the proceeds of the Loan to be used solely for the implementation of the Project under the Loan Agreement.

(d) The Borrower and/or the Project Executing Agency shall furnish the Bank with the Environmental and Social Impact Assessment and/or Resettlement Plan satisfactory to the Bank and comply in all material respect with the EDCF Safeguard Policy which have been furnished to the Borrower.

Section 9.02. Reports and Information

(a) The Borrower shall enable, or take such steps as may be necessary to enable, the Bank's representatives to visit any facilities and construction sites included in the Project and to examine goods and services financed out of the proceeds of the Loan and any plant, installation, site, works, building, property, equipment, books, accounts, records and documents relevant to the performance of the obligations of the Borrower under the Loan Agreement.

(b) Should any circumstances arise which prevent, or threaten to prevent, the execution and completion of the Project on schedule, the Borrower shall promptly notify the Bank of such circumstances.

(c) The Borrower shall send, or cause to be sent, to the Bank, promptly upon formulation, details of all plans which would result in any important modification of the Project and these shall be the subject of agreement between the Bank and the Borrower.

Section 9.03. Exchange of View

Each party to the Loan shall, from time to time, as the other party thereto shall reasonably request, afford the other party all reasonable opportunity for exchange of views between the Bank and the Borrower with regard to any and all matters relating to the Loan.

ARTICLE X

Governing Law; Arbitration

Section 10.01. Governing Law

The Loan Agreement and the Guarantee, if any, shall be governed by and construed in accordance with the laws of the Republic of Korea.

Section 10.02. Arbitration

(a) All disputes or controversies arising from the Loan Agreement or the Guarantee, if any, which cannot be settled between the Bank and the Borrower (together with the Guarantor, if any), shall be submitted to arbitration by an Arbitral Tribunal as hereinafter provided.

(b) The parties to such arbitration shall be the Bank on the one side and the Borrower and the Guarantor, if any, on the other side.

(c) The Arbitral Tribunal shall consist of three arbitrators appointed as follows: (i) one arbitrator shall be appointed by the Bank; (ii) a second arbitrator shall be appointed by the Borrower and the Guarantor, if any, or if they shall not agree, by the Guarantor; (iii) and the third arbitrator (the "**Umpire**") shall be appointed by agreement of the parties or, if they shall not agree, by an appropriate organ for the settlement of international disputes. In case any arbitrator appointed in accordance with this Section shall resign, die or become unable to act as an arbitrator, a successor arbitrator shall be appointed without delay in the same manner as herein prescribed for the appointment of the original arbitrator and such successor shall have all the powers and duties of the original arbitrator.

(d) An arbitration proceeding may be instituted under this Section upon notice by the party instituting such proceeding to the other party or parties. Such notice shall contain a statement setting forth the nature of the controversy or claim to be submitted to arbitration, the nature of the relief sought and the name of the arbitrator appointed by the party instituting such proceeding. Within thirty (30) days after the giving of such notice, the other party or parties shall notify the party instituting the proceeding of the name of the arbitrator appointed by such other party or parties.

(e) The Arbitral Tribunal shall convene at such time and place as shall be fixed by the Umpire. Thereafter, the Arbitral Tribunal shall determine where and when it shall sit.

(f) Subject to the provisions of this Section and except as the parties shall otherwise agree, the Arbitral Tribunal shall decide all questions relating to its competence and shall determine its procedure. All decisions of the Arbitral Tribunal shall be by majority vote.

(g) The Arbitral Tribunal shall afford to all parties a fair hearing and shall render its award in writing. Such award may be rendered by default. An award signed by a majority of the Arbitral Tribunal shall constitute the award of such Tribunal.

A signed counterpart of the award shall be transmitted to each party. Any such award rendered in accordance with the provisions of this Section shall be final and binding upon the parties, and each party shall abide by and comply with any such award.

(h) The parties shall fix the amount of the remuneration of the arbitrators and such other persons as shall be required for the conduct of the arbitration proceedings. If the parties shall not agree on such amount before the Arbitral Tribunal convenes, the Arbitral Tribunal shall fix such amount as shall be reasonable under the circumstances. Each party shall defray its own expenses in the arbitration proceedings. The Arbitral Tribunal may, before it commences its activities, collect equal sums from both parties in such amounts as may be considered necessary to cover its expenses. The expenses of the Arbitral Tribunal shall finally be borne by one or both parties according to the terms of the award. Any question concerning the division of the costs of the Arbitral Tribunal or the procedure for payment of such costs shall be determined by the Arbitral Tribunal.

(i) If within thirty (30) days after the counterparts of the award have been delivered to the parties the award shall not be complied with, a party may institute proceedings to enforce the award against the party with obligations to it under the award in any court of competent jurisdiction.

ARTICLE XI

Effectiveness; Termination

Section 11.01. Conditions Precedent to Effectiveness

The Loan Agreement shall not become effective until the following documents and evidence shall have been received by the Bank, in form and substance satisfactory to the Bank:

(a) Documentary evidence of the authority of each person who will make, sign and deliver documents required under the Loan Agreement on behalf of the Borrower, together with the authenticated specimen signatures of each such person;

(b) The Guarantee, if any, duly authorized by and executed and delivered on behalf of the Guarantor; and

(c) A legal opinion of legal counsel to the Borrower substantially in the form of Annex 7 attached hereto and a legal opinion of legal counsel to the Guarantor, if any, substantially in the form of Annex 8 attached hereto, prepared and certified by a person acceptable to the Bank, showing:

(i) With regard to the Borrower, that the Loan Agreement has been duly authorized by and executed and delivered on behalf of the Borrower and constitutes a valid and binding obligation upon the Borrower with regard

to all its terms and conditions, and that the authorizations and all other procedures necessary for the implementation of the Loan Agreement have been duly effected and completed; and

- (ii) With regard to the Guarantor, if any, that the Guarantee has been duly authorized by and executed and delivered on behalf of the Guarantor and constitutes a valid and binding obligation upon the Guarantor with regard to all its terms and conditions.

Section 11.02. Effective Date

The Loan Agreement shall become effective on the date on which the Bank declares itself satisfied with the evidence of authority and the specimen signatures, the Legal Opinion, and the Guarantee, if any, mentioned in Section 11.01 above. The Bank shall immediately notify the Borrower in writing of the effective date of the Loan Agreement.

Section 11.03. Evidence of Authority and Specimen Signatures

(a) When any change has been made relevant to the evidence of authority mentioned in paragraph (a) of Section 11.01 above, the Borrower shall notify the Bank in writing of the fact, providing the Bank with satisfactory new evidence of authority.

(b) When a person(s) has been appointed to replace a person(s) specified in the evidence of authority referred to in paragraph (a) of Section 11.01 above, the Borrower shall notify the Bank in writing of the fact, providing the Bank with an authenticated specimen signature of the newly appointed person(s).

Section 11.04. Termination of Loan Agreement

(a) If the Loan Agreement shall not have become effective within one hundred and twenty (120) days after the date of the signing of the Loan Agreement, the Loan Agreement shall terminate unless the Bank, after consideration of the reasons for the delay, shall establish a later date for the purposes of this Section. The Bank shall notify the Borrower and the Guarantor, if any, of such later date.

(b) If the procurement of goods or services to be financed out of the proceeds of the Loan shall not have been carried out within eighteen (18) months after the effective date of the Loan Agreement, the determination of assistance policy for the Project, made by the Government of the Republic of Korea, shall be invalid, and accordingly the Loan Agreement shall terminate.

(c) If and when the entire principal amount of the Loan shall have been repaid and all interest and other charges payable to the Bank under the Loan Agreement shall have been paid, the Loan Agreement and the Guarantee, if any, shall forthwith terminate.

ARTICLE XII

Miscellaneous Provisions

Section 12.01. Failure to Exercise Rights

No failure on the part of the Bank to exercise, or delay in exercising, any of its rights under the Loan Agreement or the Guarantee, if any, shall be construed to be a waiver thereof, nor shall any single or partial exercise by the Bank of any of its rights under the Loan Agreement or the Guarantee, if any, impair the Bank's further exercise of such rights or any other right.

Section 12.02. Non-Exemption of the Borrower from Obligations

All claims or disputes in connection with any supply contract for procurement of goods or services to be financed by the Loan shall be settled among the parties thereto, and no such claims or disputes shall exempt the Borrower from any obligations incurred under the Loan Agreement.

Section 12.03. Assignment

The Borrower shall not assign or transfer any rights or obligations under the Loan Agreement without prior written consent of the Bank.

Section 12.04. Non-Discrimination

Regarding repayment of principal and payment of interest or any other charges payable under the Loan Agreement, the Borrower shall undertake not to treat such debts to the Bank less favorably than its any other debts other than short-term debts.

Section 12.05. Notices and Requests

(a) Any notice or request required to be given or made under the Loan Agreement or the Guarantee, if any, shall be in writing. Such notice or request shall be deemed to have been duly given or made when it shall have been delivered by hand, received by mail or dispatched by cable, telex or facsimile to the party to which it is to be given or made at such party's address specified in the Loan Agreement or the Guarantee, if any, or at such other address as that party shall have designated by notice to the party giving the notice or making the request.

(b) All notices, requests or other communications to be made under the Loan Agreement or the Guarantee, if any, shall be in the English language.

Section 12.06. Execution in Counterparts

The Loan Agreement may be executed in several counterparts, each of which shall be an original.

**Notice Concerning
Interest and Principal**

Date: [●]

(Name and Address of the Borrower)

Attention: [●]

Re: EDCF Loan Agreement No. [●] for [●] Project

Please be notified of the due date and amount payable by you under the captioned EDCF Loan Agreement as follows:

	Due Date	Amount
Principal		
Interest		
Total		

Interest computation: As per attached sheet.

Please credit the above amount to the account of the Export-Import Bank of Korea (Account No.: [●]) with [●] (Name and Address of the designated bank in Seoul) on or before the due date (Seoul Time).

Guarantee for the Loan

Date: [●]

The Export-Import Bank of Korea
Seoul, Republic of Korea

Attention: President

In consideration of the Loan amount to be extended in Korean Won, not exceeding the equivalent of [●] US Dollars (US\$ [●]), to (*Name of the Borrower*) (the "**Borrower**") for [●] Project (*Name of the Project*) by THE EXPORT-IMPORT BANK OF KOREA (the "**Bank**") under the Loan Agreement No. [●], dated [●] between the Borrower and the Bank (the "**Loan Agreement**"), (*Name of the Guarantor*) (the "**Guarantor**") hereby guarantees jointly and severally with the Borrower the due and punctual payment of the principal of, and the interest and any other charges on, the Loan as provided for in the Loan Agreement.

The Guarantor, furthermore, agrees that:

(a) The Guarantor shall not be exempted from any of its liabilities under this Guarantee by reason of any extension of maturity, forbearance or concession given to the Borrower, any exercise of right or remedy against the Borrower, or any modification or amplification of the provisions of the Loan Agreement, provided that if the principal of the Loan is thereby increased, the Guarantor shall be exempted from its liabilities to the extent of such increase; and

(b) So long as any amount due and payable by the Borrower under the Loan Agreement shall be outstanding and unpaid, the Guarantor shall:

- (i) Not take any action which would prevent or interfere with the performance by the Borrower or any other beneficiaries of the Loan, if any, of obligations under the Loan Agreement; and
- (ii) Not, without prior written consent of the Bank, take any action for the dissolution or disestablishment of the Borrower or any other beneficiaries of the Loan, if any, or for the suspension of their activities.

(c) The Guarantor waives notice of acceptance of this Guarantee, notice concerning principal and interest, and notice of dishonor or non-payment of any such liabilities.

Very truly yours,

(Name of the Guarantor)

Name:

Title:

Application for Approval of Contract

The Export-Import Bank of Korea
Seoul, Republic of Korea

Date: [●]

Attention: Director, Economic Development Cooperation Fund Department [●]

Re: Application for Approval of Contract under the Loan Agreement No.[●] _____
dated [●]

In accordance with Section 6.03 of the General Terms and Conditions, we hereby apply for your Approval of the Contract for *(Name of the Project)* (the "**Contract**"). The details of the Contract are as follows:

- a. Number and Date of the Contract:
- b. Name of the Purchaser:
- c. Name of the Supplier:
- d. Contract Price:
- e. EDCF Loan Amount
 - i) amount of the Loan to be disbursed in Korean Won:
 - *[ii) amount of the Loan to be disbursed in US Dollar:

We hereby request you to purchase US\$ [●] in accordance with Section 4.02 and 5.03 under the Loan Agreement.]

One certified copy of the Contract is attached hereto. Please notify us of your approval of the Contract in accordance with Section 6.03 of the General Terms and Conditions.

Very truly yours,

(Name of the Borrower)

(Authorized Signature)

Name :
Title :

* Delete if not applicable

Notice of Approval of Contract

Date: [●]

(Name and Address of the Borrower)

Attention: [●]

Re: Approval of Contract concerning Contract No. [●] dated [●] between [●] and ____
under the Loan Agreement No. [●] dated [●]

We hereby inform you that the Contract referred to above has been approved by us in accordance with Section 6.03 of the General Terms and Conditions. Disbursements for this Contract shall be made by us within the limit of [●] (Amount).

Very truly yours,

(Authorized Signature)

Notice of Disbursement

(Name and Address of the Borrower)

Attention: [●]

Re: **EDCF Loan Agreement No. [●] for [●] Project**

We hereby notify you that, pursuant to your Application for Disbursement No. [●] dated [●], we have made the following disbursement under the EDCF Loan Agreement No. [●] dated [●] between [●] (*Name of the Borrower*) and the Export-Import Bank of Korea:

1. Number of disbursement: [●]
2. Date of disbursement: [●]
3. Amount of disbursement:

Disbursement	Principal to be repaid	Remark
[●]	[●]	
US\$ [●]	US\$ [●]	US\$ [●] × @ = [●]

4. Cumulative total of disbursements under the said Loan Agreement (including this disbursement): [●]

Very truly yours,

(Authorized Signature)

Notice of Completion of Disbursement

(Name and Address of the Borrower)

Date: [●]

Re: **EDCF Loan Agreement No. [●] for [●] Project**

With reference to the Loan Agreement No. [●] dated [●] between (*Name of the Borrower*) and the Export-Import Bank of Korea, we hereby notify you that all disbursements under the said Loan Agreement have been completed.

The details of disbursements under the Loan Agreement are as follows:

1. Loan Limit (A): [●]
2. Cumulative Total of Disbursements (B): [●]
3. Unused Balance (A-B): [●]
4. Date of the Final Disbursement: [●]

We also wish to notify you that the said Loan Agreement shall be implemented henceforth as follows:

1. Amortization Schedule: As per attached schedule.
2. Due Dates of Interest Payments:
 - (i) Due Date of Next Payment: [●], 20[●]
 - (ii) Due Date thereafter: [●], 20 and [●], 20 of each year.

In confirmation of this Notice, please return to us immediately one copy, signed by a duly authorized person.

Very truly yours,

(Authorized Signature)

(Please do not detach)

.....

Date: [●]

We hereby acknowledge receipt of this Notice and confirm that the Loan Agreement shall be implemented as stated above.

(Name of the Borrower)

(Authorized Signature)

Legal Opinion on Loan Agreement

Date: [●]

The Export-Import Bank of Korea
Seoul, Republic of Korea

Attention: [●]

Re: **EDCF Loan Agreement No. [●] for [●] Project**

With respect to the EDCF Loan amount to be extended in Korean Won, not exceeding the equivalent of [●] US Dollars (US\$ [●]), by the Export-Import Bank of Korea (the "**Bank**") to (*Name of the Borrower*) (the "**Borrower**") in accordance with the terms and conditions of the Loan Agreement No. [●], dated [●], between the Bank and the Borrower (the "**Loan Agreement**"), I, the undersigned, acting as legal counsel for the Borrower, certify as follows:

I have considered and examined, among other things, the documents:

- (a) The Agreement dated [●] and the Arrangement dated [●] between the Government of [●] (*Name of the Borrower's Country*) and the Government of the Republic of Korea;
- (b) The Loan Agreement;
- (c) Evidence of authority and specimen signatures issued by [●];
- (d) Such other documents as I have considered necessary or desirable for this opinion; and
- (e) All the laws and regulations in the country of the Borrower relevant to the power and authority of the Borrower to execute, deliver and perform the Loan Agreement.

Based upon the foregoing, I hereby certify as follows:

1. That the Loan Agreement has been made, signed and delivered, for and on behalf of the Borrower, by [●] (*Name and Title of the Authorized Person*), who has the power and authority to do so;

2. That the Borrower is authorized to borrow foreign currency funds from abroad and that the terms and conditions of the Loan Agreement are in compliance with the provisions of the laws of the Borrower's country;

3. That, therefore, the Loan Agreement has been duly authorized by and made, signed and delivered on behalf of the Borrower and constitutes a valid and binding obligation upon the Borrower with regard to all its terms and conditions; and

4. That the authorization and any other procedures necessary for implementation of the Loan Agreement have been duly effected and completed.

Very truly yours,

Name:

Title:

Legal Opinion on Guarantee

Date: [•]

The Export-Import Bank of Korea
Seoul, Republic of Korea

Attention: [•]

Re: **EDCF Loan Agreement No. [•] for [•] Project**

With respect to the Guarantee dated [•] given by [•] (*Name of the Guarantor*) (the "the **Guarantor**") in respect of the EDCF Loan amount to be extended in Korean Won, not exceeding the equivalent of [•] US Dollars (US\$[•]), by the Export-Import Bank of Korea (the "**Bank**") to [•] (*Name of the Borrower*) (the "**Borrower**") in accordance with the terms and conditions of the Loan Agreement No. [•], dated [•], between the Bank and the Borrower (the "**Loan Agreement**"), I, the undersigned, acting as legal counsel for the Guarantor, certify as follows:

I have considered and examined, among other things, the following documents:

- (a) The Agreement dated [•] and the Arrangement dated [•] between the Government of [•] (*Name of the Borrower's Country*) and the Government of the Republic of Korea;
- (b) The Loan Agreement;
- (c) The Guarantee;
- (d) Such other documents as I have considered necessary or desirable for this opinion; and
- (e) All the laws and regulations in the country of the Guarantor relevant to the power and authority of the Guarantee to execute, deliver and perform the Guarantee.

Based upon the foregoing, I hereby certify as follows:

1. That the Guarantor has the full power and authority, under the laws of the Guarantor's country, to guarantee the Loan made by the Bank to the Borrower in accordance with the terms and conditions of the Loan Agreement;

2. That the Guarantee was made, signed delivered by (*Name and Title*) who is authorized to do so for and on behalf of the Guarantor;

3. That, therefore, the Guarantee has been duly authorized by and made, signed and delivered on behalf of the Guarantor and constitutes a valid and binding obligation upon the Guarantor with regard to all its terms and conditions; and

4. That the authorization and any other procedures necessary for implementation of the Guarantee have been duly effected and completed.

Very truly yours,

Name: _____

Title:

**Disbursement Procedures
under the EDCF Loan**

***ECONOMIC DEVELOPMENT
COOPERATION FUND***

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Disbursement Procedures under the EDCF Loan

ARTICLE I General

Section 1.01. Purpose

The purpose of these Disbursement Procedures (the "**Disbursement Procedures**") is to set forth the procedures to be followed by the Borrowers (and the Project Executing Agencies where applicable) for disbursement of proceeds of Loans extended by the Export-Import Bank of Korea (the "**Bank**") from the resources of the Economic Development Cooperation Fund (the "**EDCF**"). Terms not otherwise defined in the Disbursement Procedures shall have the meanings ascribed to them in the "General Terms and Conditions Applicable to EDCF Loan Agreements."

Section 1.02. Standard Procedures

(a) The standard procedures for disbursement of EDCF Loans consist of:

- (i) Commitment Procedure;
- (ii) Reimbursement Procedure; and
- (iii) Direct Payment Procedure.

(b) The Borrower may use any or all of these procedures in accordance with the provisions of the relevant Loan Agreement.

Section 1.03. Minimum Amount of Application

The amount of each application for disbursement shall not be less than Thirty Million Korean Won (30,000,000) or its equivalent except the final disbursement under the Loan Agreement.

Section 1.04. Advice of Disbursement to the Borrower

The Bank will expeditiously process each disbursement application received from the Borrower. If and to the extent the disbursement application is approved, payment is promptly arranged and the Borrower shall be advised of such disbursement. If for any reason the application is not approved, the Bank shall promptly notify the Borrower of the extent of disapproval with reasons.

Section 1.05. Expenses

All banking charges or fees accrued in connection with the disbursement procedures are for the Borrower's account, provided, however, that such charges or fees may be borne by the supplier, contractor or consultant (collectively the "**Supplier**") according to the terms of the relevant supply contract.

ARTICLE II

Commitment Procedure

Section 2.01. Introduction

(a) Under the Commitment Procedure, the Borrower shall arrange an irrevocable letter of credit (the "**Letter of Credit**") issued in favor of the Supplier to make payment for the import of goods and services which are eligible for financing under the Loan Agreement.

(b) The Letter of Credit shall provide that a bank doing business in the Supplier's country (the "**Advising Bank**") shall reimburse itself from a designated Korean foreign exchange bank in Seoul (the "**Paying Bank**").

(c) The Paying Bank shall obtain reimbursement from the Bank under the assurance of the Bank. Such assurance, whenever provided, takes the form of a letter of commitment (the "**Letter of Commitment**") whereby the Bank undertakes to reimburse, on certain conditions, the amount paid or to be paid by the Paying Bank under and in accordance with the specified Letter of Credit.

Note: When the Advising Bank is a designated foreign exchange bank in Seoul, the Advising Bank is identical to the Paying Bank.

Section 2.02. Issuance of the Letter of Credit and the Letter of Commitment

(a) The Borrower or its designated authority shall request the foreign exchange bank in the Borrower's country as designated in the Loan Agreement (the "**Issuing Bank**") to issue the Letter of Credit in accordance with the terms of the relevant supply contract.

(b) The Issuing Bank shall issue the Letter of Credit, on behalf of and under authorization of the Borrower, in favor of the Supplier through the Advising Bank substantially in the form of Annex 1 for goods and in the form of Annex 2 for services respectively. The Paying Bank shall send a copy of the Letter of Credit to the Bank in order to obtain the Letter of Commitment from the Bank.

(c) When the Bank finds such Letter of Credit in order and in conformity with the provisions of the Loan Agreement and the terms of the contract concerned, the Bank shall issue the Letter of Commitment to the Paying Bank in the form of Annex 3.

(d) Upon receipt of the Letter of Commitment, the Paying Bank shall send the Letter of Credit, which shall become effective when the Paying Bank acknowledges receipt of the Letter of Commitment from the Bank, to the Supplier through the Advising Bank. The Paying Bank shall simultaneously send a copy of the Letter of Commitment to the Issuing Bank.

Section 2.03. Bank's Reimbursement

(a) The Advising Bank shall make payment to the Supplier pursuant to the Letter of Credit and request the Paying Bank to reimburse the funds by sending one set of documents specified in the Letter of Credit. Simultaneously the Advising Bank shall send the remaining sets of documents directly to the Issuing Bank.

(b) Upon receipt of such request, the Paying Bank shall present to the Bank the Request for Reimbursement in the form of Annex 4 attached hereto.

(c) The Bank shall, within fifteen (15) business days of its receipt of the Request for Reimbursement, make reimbursement of the requested amount to the Paying Bank in accordance with the Letter of Commitment. Such reimbursement by the Bank shall constitute a valid disbursement of the Loan under the Loan Agreement.

Section 2.04. Contract in US Dollar

(a) In case the relevant contract is fixed and payable in US Dollars, Forms EDCF-LC1 and EDCF-LC2 attached hereto shall be applied mutatis mutandis to that case.

(b) The amount of the Letter of Commitment and the Request for Reimbursement shall be stated in US Dollars.

Section 2.05. Others

(a) Care should be taken to ensure that an agreement on the Letter of Credit, and on the method of the reimbursement be concluded between the Paying Bank, the Issuing Bank and the Borrower or its designated authority after the signing of the Loan Agreement.

(b) Claims or disputes in connection with aforementioned Letter of Credit shall be settled among the parties concerned and such claims or disputes shall not exempt the Borrower from any obligation under the Loan Agreement concerned.

ARTICLE III

Reimbursement Procedure

Section 3.01. Introduction

The Reimbursement Procedure is to be followed in cases where the Borrower has made payments which are eligible for financing under the Loan Agreement.

Section 3.02. Application for Disbursement

The Borrower shall request the Bank to make disbursement for a sum not exceeding the amount actually paid by the Borrower by sending to the Bank an Application for Disbursement in the form of Annex 5 and its Summary Sheet in the form of Annex 6.

Section 3.03. Supporting Documents

The Borrower shall submit to the Bank following documents in support of the Application for Disbursement. It is not necessary to furnish original documents; a photocopy will suffice.

(a) For all cases described in (b) through (e) below:

(i) the contract or confirmed purchase order²¹⁾ - showing that the payment was due, and

(ii) evidence of payment³²⁾ - showing the date and amount paid.

(b) For payment against delivery/shipment of goods; in addition to (a) above:

1) If this has already been furnished to the Bank, a reference to the letter or documents with which it was sent earlier should be given in the "Footnote" of the Summary Sheet.

2) Such as a bill of exchange, a cancelled bank check, a demand draft, a simple receipt, or a bank's remittance advice, etc.

- (i) supplier's invoice - indication of the goods, quantities and prices, and
 - (ii) bill of lading or other similar documents.
- (c) For payments made prior to delivery/shipment of goods:
- Only those listed in (a) above. However, as promptly as the supplier's invoice and the bill of lading become available, copies of these documents should be furnished to the Bank.
- (d) For payments for consultants and other services; in addition to (a) above:
- (i) bill, claim or invoice of the consultants or suppliers of services rendered and amount payable to them. If such services relate to the importation of goods (e.g., freight, insurance payments), adequate reference should be given to enable the Bank to relate each of these items to specific goods which are eligible for financing by the Bank.
- (e) For payments under civil works contracts; in addition to (a) above:
- (i) bill, claim or invoice of the contractor- showing, in sufficient details, the work performed by the contractor and amount claimed therefor, and
 - (ii) certificate - signed by the chief engineering officer or any equivalent entity/person of the Borrower assigned to the Project, to the effect that the work performed by the contractor is satisfactory and in accordance with the terms of the contract.

Section 3.04. Bank's Disbursement

When the Bank finds the Application for Disbursement and its supporting documents in order and in conformity with the provisions of the Loan Agreement and the terms of the relevant contract, the Bank shall make disbursement. Disbursement shall be made within fifteen (15) business days from the date of receipt of the Application by paying into the account of the Borrower with a bank designated by the Borrower. Such reimbursement shall constitute a valid disbursement of the Loan under the Loan Agreement.

ARTICLE IV

Direct Payment Procedure

Section 4.01. Introduction

Under the Direct Payment Procedure, payment to be financed from the EDCF Loan may be paid to the Supplier by the Bank. Accordingly, the Borrower may request the Bank to pay the due amount to the Supplier's account with a bank as designated by the Borrower.

Section 4.02. Application for Payment

The Borrower shall present an Application for Payment in the form of Annex 7 and its Summary Sheet in the form of Annex 8. The Application for Payment should show clearly the specific amount to be paid as well as the date on which such amount would become due for payment.

Section 4.03. Supporting Documents

The Borrower should submit to the Bank following documents in support of the Application for Payment. It is not necessary to furnish original documents; a photocopy will suffice.

(a) The contract or purchase order under which the specified amount is due to be made; unless it has already been furnished to the Bank.

(b) If payment to be made relates to shipment of goods, the supplier's invoice showing items of shipment should be furnished; if shipment has already been effected, the relevant bill of lading should also be furnished.

(c) If payment to be made relates to rendering of services, the supplier's or consultant's claim showing sufficient details should be furnished.

(d) If payment to be made relates to work performed under a civil works contract, the claim of the contractor showing the work performed and amount due to be paid should be furnished; a certificate, to the effect that the work has been performed satisfactorily and that the payment claimed by the contractor is due under and in accordance with the terms of the contract, should also be furnished by the chief engineering officer or any equivalent entity/person of the Borrower assigned to the Project.

Section 4.04. Bank's Payment

When the Bank finds the Application for Payment and its supporting documents in order and in conformity with the provisions of the Loan Agreement and the terms of the contract concerned, the Bank shall pay the requested amount. The payment shall be made by depositing the amount into the account of the Supplier with a bank as designated by the Borrower within fifteen (15) business days or on the date as specified in the Application whichever is later. Such payment by the Bank shall constitute a valid disbursement of the Loan under the Loan Agreement.

IRREVOCABLE LETTER OF CREDIT

Date:

L/C No.:

To: (Name and address of the Advising Bank)

This Letter of Credit has been issued pursuant to EDCF Loan Agreement No. [●], dated [●] *(Name and address of the Borrower)* and THE EXPORT-IMPORT BANK OF KOREA

Dear Sirs,

We request you to advise [●] *(Name and address of the Supplier)* that we have opened our irrevocable credit No.[●] in their favor for account of [●] *(Name of the Borrower)* for a sum or sums not exceeding an aggregate amount of [●] available by beneficiary's drafts at sight for full invoice value drawn on *(the designated Korean foreign exchange bank in Seoul)*,

To be accompanied by the following documents:

Signed commercial invoice in [●]

Packing list in [●]

Certificate of Origin in [●]

Full set of clean on board ocean bills of lading made out to order and blank endorsed and marked "Freight [●] " and "Notify [●] " (Other documents)

evidencing shipment of *(Brief description of goods referring to Contract No. [●])* from [●] to [●] Partial shipments are [●] permitted. Transshipment is [●] permitted. Bills of lading must be dated not later than [●], 20____. Drafts must be presented to the drawee not later than [●], 20____.

All drafts and documents under this credit must be marked "Drawn under [●] *(Name of the Issuing Bank)* irrevocable credit No. [●] dated [●], 20____, and Import Reference No(s). [●] (if any)".

This credit is not transferable.

We hereby undertake that all drafts drawn under and in compliance with the terms of this credit shall be duly honored on due presentation and delivery of documents to the drawee.

Unless otherwise expressly stated, this credit is subject to "Uniform Customs and Practice for Documentary Credits (1993 Revisions), International Chamber of Commerce Brochure No. 500."

Special Instructions to the Negotiating Bank:

1. This credit shall become effective when [●] (*the designated Korean foreign exchange bank in Seoul*) acknowledges receipt of the Letter of Commitment from THE EXPORT-IMPORT BANK OF KOREA under the aforementioned Loan Agreement. After obtaining the reimbursement from THE EXPORT-IMPORT BANK OF KOREA in accordance with the provisions of the Letter of Commitment, [●] (*the designated Korean foreign exchange bank in Seoul*) shall undertake to remit the amount of the drafts in accordance with instruction issued by you.

2. You must forward the drafts and one complete set of documents to (the designated Korean foreign exchange bank in Seoul) together with the certificate stating that the remaining documents have been airmailed direct to us.

Yours faithfully,

(Name of the Issuing Bank)

(Authorized Signature)

PAYMENT TERMS

This payment terms constitutes an integral part of our Letter of Credit No. [●].

I. Initial Payment

Amount: [●] being [●] % of the total contract price.

Required documents:

Latest presentation date:

II. Intermediate Payment (if any)

Amount: [●] being [●] % of the total contract price.

Required documents:

Latest presentation date:

III. Payment against Shipping Documents

Amount: [●] being [●] % of the total contract price.

Note: This attached sheet is not required in case of full payment against shipping documents.

IRREVOCABLE LETTER OF CREDIT

Date:
L/C No.:

To: (Name and address of the Advising Bank)

This Letter of Credit has been issued pursuant to EDCF Loan Agreement No. _____, dated _____ between (Name and address of Borrower) and THE EXPORT-IMPORT BANK OF KOREA

Dear Sirs,

We request you to advise [●] *(Name and address of the Supplier)* that we have opened our irrevocable credit No. [●] in their favor for account of [●] *(Name of the Borrower)* for a sum or sums not exceeding an aggregate amount of [●] available by beneficiary's drafts at sight for full invoice value drawn on [●] *(the designated Korean foreign exchange bank in Seoul)*.

To be accompanied by the following documents, in accordance with the Payment Schedule attached hereto, concerning *(Contract No. [●] with regard to [●] Project)*.

Drafts must be presented to the drawee not later than [●], 20____. All drafts and documents must be marked "Drawn under [●] *(Name of the Issuing Bank)* irrevocable credit No. [●] dated [●], 20____.

This credit is not transferable.

We hereby undertake that all drafts drawn under and in compliance with the terms of this credit shall be duly honored on due presentation and delivery of documents to the drawee.

Unless otherwise expressly stated, this credit is subject to "Uniform

Customs and Practice for Documentary Credits (1993 Revisions), International Chamber of Commerce Brochure No. 500."

Special Instructions to the Negotiating Bank:

1. This credit shall become effective when [●] (*the designated Korea foreign exchange bank in Seoul*) acknowledges receipt of the Letter of Commitment from THE EXPORT-IMPORT BANK OF KOREA under the aforementioned Loan Agreement.

After obtaining the reimbursement from THE EXPORT-IMPORT BANK OF KOREA in accordance with the provisions of the Letter of Commitment, [●] (*the designated Korean foreign exchange bank in Seoul*) undertakes to remit the amount of the drafts in accordance with instructions issued by you.

2. You must forward the drafts and one complete set of documents to [●] (*the designated Korean foreign exchange bank in Seoul*) together with the certificate stating that the remaining documents have been airmailed direct to us.

Yours faithfully,

(Name of the Issuing Bank)

(Authorized Signature)

PAYMENT SCHEDULE

The payment schedule constitutes an integral part of our Letter of Credit No. [●].

I. Initial payment

Amount: [●] being [●] % of the total contract price.

Required documents: Beneficiary's statement

Latest presentation date:

II. Progress payment

Aggregate amount: [●] being [●] % of the total contract price to be paid as follows:

<u>Amount due</u>	<u>Latest Presentation</u>
1st Installment: _____	_____
2nd Installment: _____	_____
_____: _____	_____

Required documents: a copy of Statement of Performance issued by (Borrower or its designated authority), a form of which is attached hereto.

STATEMENT OF PERFORMANCE

Date:

Ref. No.:

To (Name and address of the Supplier)

Re: Letter of Credit No. [●], dated [●] issued by [●] for (Amount) in favor of [●] concerning [●] Project under EDCF Loan Agreement No. [●].

I, the undersigned, representing [●] *(Name of the Borrower)*, hereby issue a Statement of Performance to entitle [●] *(Name of the Supplier)* to receive the sum of (Amount) THE EXPORT-IMPORT BANK OF KOREA in accordance with the Payment Terms stipulated in the Contract No. , dated , between [●] *(Name of Supplier)* and [●] *(Name of Purchaser)*.

(Name of Borrower)

(Authorized Signature)

Special Instruction:

The details of the actual performance shall be stated in the sheet attached hereto.

LETTER OF COMMITMENT

Date:

Commitment No.:

To: (Name and address of Paying Bank)

Reference: Letter of Credit No. [●] dated [●], issued by [●] for [●] (Amount) in favor of [●] (Name of the Supplier).

Gentlemen:

We hereby irrevocably undertake to reimburse you for a sum or sums not exceeding [●] against the Request for Reimbursement, accompanied by a copy of the drafts drawn by the beneficiary, within fifteen (15) business days of our receipt of the Request.

This Letter of Commitment shall expire on [●].

It is further understood that in reimbursing you pursuant to this Letter of Commitment, we shall in no way be liable or responsible for the acts or omissions of the issuing bank, the negotiating bank, the beneficiary and/or any other parties concerned with the captioned Letter of Credit in connection with the issuance, negotiation, payments thereof or any other matters connected therewith.

Yours truly,

The Export-Import Bank of Korea

(Authorized Signature)

REQUEST FOR REIMBURSEMENT

Date:

Ref. No.:

To: The Export-Import Bank of Korea Seoul, Korea
Attn: Director, EDCF Department

Re: Loan Agreement (No. [●]) dated [●]

Country: [●]

Letter of Credit No. [●]

Letter of Commitment No. [●]

Gentlemen,

We have received the documents concerning the supply of [●] (*quantity and description of goods or services according to the Letter of Credit*) and found them in order and in conformity with the terms of the said Letter of Credit.

Pursuant to the above Letter of Commitment, we hereby request you to make reimbursement to us from the above Loan with the following particulars:

- (a) Amount of Reimbursement:
- (b) Amount of the Draft:
(*payable under the said Letter of Credit*):
- * (c) Rate of Exchange
- (d) Date of Reimbursement:

Yours truly,

(Name of Paying Bank)

(Authorized Signature)

Name :

Title :

Enclosed: _____

* Delete if not applicable.

APPLICATION FOR DISBURSEMENT

Date :
Loan Agreement No.:
App. Serial No.:

To : The Export-Import Bank of Korea
Seoul, Republic of Korea

Attn : Director, EDCF Department

Gentlemen,

1. Pursuant to the Loan Agreement No. [●] dated [●] between THE EXPORT-IMPORT BANK OF KOREA (hereinafter referred to as the "Bank") and [●] (*Name of the Borrower*), the undersigned hereby requests disbursement of the sum of [●] (*Amount*) in reimbursement of expenditures as described in the attached Summary Sheet(s).
2. For such reimbursement, please make disbursement of the requested amount by paying it into the account of [●] (*Name of the Borrower*) (*account no. ____*) with (*Name and Address of the Authorized Bank*) on (*Date of Disbursement*).
3. The undersigned has not previously requested for disbursement of any amounts from the Loan for the purpose of reimbursing or of meeting the expenditures described in the attached Summary Sheet(s). The undersigned has not obtained nor will obtain funds for such purpose out of any other loan, credit or grant available to the undersigned except short-term loans or credits, if any, established in anticipation of the disbursement requested herein and to be repaid pro tanto with the funds disbursed hereunder and any charges, commission or interest paid or payable under such anticipatory short-term credits are not included in the amount herein requested to be disbursed.

4. The undersigned certifies that:

- (a) the expenditures, hereby sought to be reimbursed, were made for the purposes specified in the Loan Agreement;
- (b) the goods and services purchased with these expenditures have been procured in accordance with the applicable procurement procedures agreed upon with the Bank pursuant to the said Loan Agreement and the cost and terms of purchase thereof are reasonable;
- (c) the said goods and services were or will be supplied by the supplier(s) specified in the attached Summary Sheet(s) and were or will be produced in (or, in the case of services, supplied from) the eligible source country (countries) under the Loan Agreement; and
- (d) as of the date of this request there is no existing default under the Loan Agreement, nor, to the best of the undersigned's knowledge and belief, under the Guarantee, if any.

5. This request consists of (Number) page(s) and (Number) signed and numbered Summary Sheet(s).

(Name of the Borrower)

(Authorized Signature)

Name :

Title :

Enclosed :

Annex 6 (Form EDCF-AFD(2))

Summary Sheet of Disbursement

Date:
Loan Agreement No.:
App. Serial No.:

Summary Sheet No. [●]
No. and Title of Category/Subcategory _[●]
(For more than ten items, use additional sheet(s) with same number)

1	2	3	4	5	6	7	8	9	10	11
Item No.	Delivery date	Country of Origin	Description of Goods and Services	No. and date of Contract or Purchase order	Name And Address of supplier	Date of payment	Amount paid	Amount claimed	Nature of Payment made	Remarks
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
Total										

Note: Column 10 is to indicate, against each item, whether the payment is a down-payment, or an installment payment (if so, the number of installment) or the final payment in full settlement.

(Name of the Borrower)

(Authorized Signature)

Name:

Title:

APPLICATION FOR PAYMENT

Date :
Loan Agreement No. :
App. Serial No. :

To : The Export-Import Bank of Korea
Seoul, Korea

Attn : Director, EDCF Department

Gentlemen,

1. Pursuant to the Loan Agreement No. [•] dated [•] between The Export-Import Bank of Korea (hereinafter referred to as the "Bank") and [•] (*Name of the Borrower*), the undersigned hereby requests payment of the sum of [•] (*Amount*) for the undersigned's settlement of expenditures as described in the Summary Sheet(s) of Payment attached hereto.
2. For such settlement, please make payment of the requested amount by paying it into the account(s) of the Supplier(s) (*account No. [•]*) with [•] (*Name and Address of the Supplier's Bank*) by the [•]th of [•], [•].
3. The undersigned has not requested for disbursement of any amounts under the Loan Agreement for the purpose of meeting the expenditures described in the attached Summary Sheet(s). The undersigned has not obtained nor will obtain funds for such purpose out of any other loan, credit or grant available to the undersigned.

4. The undersigned certifies that:

- (a) The expenditures described in the attached Summary Sheet(s) are to be made for the purposes specified in the Loan Agreement;
- (b) The concerned goods and services purchased have been procured in accordance with the applicable procurement procedures agreed upon with the Bank pursuant to the said Loan Agreement and the cost and terms of purchase thereof are reasonable;
- (c) The said goods and services were or will be supplied by the supplier(s) specified in the attached Summary Sheet(s) and were or will be produced in (or, in the case of services, supplied from) the eligible source country (countries) under the Loan Agreement; and
- (d) As of the date of this request there is no existing default under the Loan Agreement.

5. This application consists of (Number) page(s) and (Number) signed and numbered summary Sheet(s).

(Name of the Borrower)

(Authorized Signature)

Name :

Title :

Annex 8 (Form EDCF-AFP(2))

Summary Sheet of Payments

Date:
Serial No.:

1	2	3*	4	5	6	7	8	9**
Transaction	Supplier	Nationality of Supplier	Description of Goods and Services	Origin	Contract Amount	Date of payment	Amount of payment	Nature of payment
1.								
2.								
3.								
4.								
.								
.								
.								
.								
Total								

The undersigned certifies that the Supplier(s) and goods and/or services stated above are eligible under the Loan Agreement.

* Note for 3. Nationality of Supplier: Country in which the Supplier is incorporated and registered.

** Note for 9. Nature of Payment: A down-payment, an installment payment or the final payment, etc.

(Authorized Signature)

Contacts for Inquiries

For further information, please contact the following offices:

The Embassy of the Republic of Korea in your country

The Ministry of Economy and Finance of the Republic of Korea

Attn : Director, Development Cooperation Division, International Economic Affairs Bureau

Government Complex-Sejong, 477, Galmae-ro,

Sejong Special Self-Governing City 30109, Korea

Fax : (82-44) 215-8152

Tel : (82-44) 215-7710, 215-7723

The Ministry of Foreign Affairs of the Republic of Korea

Attn : Director, Development Cooperation Division, Development Cooperation Bureau

60, Sajik-ro 8-gil, Jongno-gu, Seoul 03172, Korea

Fax : (82-2) 2100-8359

Tel : (82-2) 2100-8137, 2100-8348

The Export-Import Bank of Korea

Attn : Director General, EDCF Operation Department 1

38 Eunhaeng-ro, Yeongdeungpo-gu, Seoul 07242, Korea

Fax : (82-2) 3779-6735

Tel : (82-2) 3779-6581, 3779-6114