

ARTICLE V

General Provisions

1. The Borrowing State agrees to grant the Lending State and its Agencies treatment and terms no less favorable than that which it accorded, or which it may accord, to any other creditor country or its agencies for the consolidation of debts of comparable maturities.
2. The Borrowing State will seek to secure from external creditors, including banks and suppliers, rescheduling or refinancing arrangements on terms comparable to those set forth in the Minute for credits of comparable maturities making sure to avoid inequity between different categories of creditors.
3. The Borrowing State agrees to pay all Consolidated Debt, Consolidated Arrears, Deferred Arrears, Late Interest Charges, Interest, and Additional Interest, if any, to the Lending State and its Agencies, in United States dollars, without any deductions for taxes, fees or other public charges or any other costs accruing inside or outside the Borrowing State.
4. The Borrowing State agrees to pay all debt service due and not paid which is owed to, guaranteed by, or insured by the U.S. Government or its Agencies but which is not covered by

this Agreement on or before July 31, 1997. Late interest will be charged on these amounts.

5. Except as they may be modified by this Agreement, all terms of the Contracts remain in full force and effect. Internal debt transfers within the former SFRY do not lead to any debtor or guarantor substitution under the Contracts or this Agreement. The original debtors and guarantors remain responsible according to their original commitments.
6. The Borrowing State will take the relevant administrative measures, or extend existing measures to ensure that private debtors in the Borrowing State will be permitted to pay into the Central Bank of the Borrowing State or its designated agents, the local currency counterpart of their obligations past due or falling due, corresponding to their debts owed to, guaranteed by, or insured by, the Lending State and its Agencies.
7. The Government represents and warrants that it has taken all action necessary or advisable under its laws and regulations to authorize the execution, delivery and performance of this Agreement and that this Agreement constitutes the valid and binding obligations of the Government, enforceable against the Government in accordance with its terms and for the performance of which the full faith and credit of the Government is pledged.

8. This Agreement will be further implemented by a separate agreement (the "Implementing Agreement") between the Borrowing State and USAID.
  
9. With respect to amounts owing to Eximbank under this Agreement, the Borrowing State (referred to as the "Government" in Annex D hereto) and Eximbank agree to the additional terms and conditions set forth in Annex D.

ARTICLE VI

Suspension, Modification or Termination

1. The Lending State or the Borrowing State may suspend or terminate this Agreement by giving sixty (60) days written notice to the other party.
2. This Agreement may be amended or modified by mutual consent of the Lending State and the Borrowing State.
3. If the Borrowing State and the Participating Creditor Countries agree to adjust the percentage of Non-allocated Debt, this Agreement shall be amended to reflect such an adjustment. Such an agreed adjustment shall not affect payments already made pursuant to this Agreement.

ARTICLE VII

Entry into Force

1. The Lending State and the Borrowing State shall notify one another through an exchange of letters when all necessary domestic legal requirements for entry into force have been fulfilled. The Agreement shall enter into force upon the date of the later notification.
  
2. With respect to debt covered by this Agreement, this Agreement shall be provisionally applied upon signature.

Annex A  
Contracts Subject to Rescheduling

Export-Import Bank  
Loan Number

G-60068	6726	FG-5101
G-60346	R-65	FG-5102
G-60607	R-80	G-62131
MTP-21115	R-97	
PM-21163	R-125	
MSP-21173		

Agency for International Development  
Loan Number

165-B-001  
165-B-002  
165-B-003  
165-B-004

Annex B  
Summary of Consolidated Debt and Consolidated Arrears  
(thousands of US dollars)

USAID	\$167
EXIM	\$75,744
Total	\$75,911

Annex C  
Summary of Consolidated Late Interest Charges  
and Deferred Arrears  
(thousands of US dollars)

USAID	\$2
EXIM	\$17,880
Total	\$17,882

ANNEX D  
ADDITIONAL TERMS AND CONDITIONS WITH RESPECT TO  
AMOUNTS OWING TO EXIMBANK

The government of the Borrowing State, (hereinafter referred to as the "Government"), agrees to the following additional terms and conditions with respect to the amounts owing to Eximbank, guaranteed by Eximbank, or insured by Eximbank, pursuant to the attached Agreement between the Lending State and the Government:

A. Definitions.

1. "Interest Period" means with respect to Consolidated Debt, Consolidated Arrears, Deferred Arrears and Late Interest Charges, a period initially beginning on July 1, 1995, and ending on January 30, 1996, and thereafter beginning on each Interest Payment Date and ending on the day immediately preceding the next succeeding Interest Payment Date.

2. "Interest Payment Date" means January 31 and July 31 of each year with respect to Consolidated Debt, Consolidated Arrears, Deferred Arrears and Late Interest Charges, provided that in the event any Interest Payment Date is not a Business Day, then the next succeeding Business Day after such Date shall be the Interest Payment Date.

3. "Business Day" means any day on which the Federal Reserve Bank of New York is open for business.

B. Payments.

1. Funds and Place of Payment. All payments to be made by the Government to Eximbank under this Agreement shall be made in United States dollars in immediately available and freely transferable funds to the Federal Reserve Bank of New York for credit to Eximbank's account at the U.S. Treasury Department as identified below or as otherwise directed in writing by the Treasurer-Controller or an Assistant Treasurer-Controller of Eximbank.

U.S. Treasury Department  
021030004

TREAS NYC/CTR/  
BNF=/AC-4984 OBI=  
EXPORT-IMPORT BANK

DUE \_\_\_\_\_ ON EIB REFUNDING CREDIT NO. R-217  
FROM (NAME OF COUNTRY)

2. Payment on a Non-Business Day. Whenever any payment falls due on a day which is not a Business Day, the due date for such payment shall be extended to the next succeeding Business Day, and such extension of time shall be included in the computation of Interest in connection with such payment.

3. Application of Payments. All payments made by the Government to Eximbank under this Agreement shall be applied chronologically (commencing with the oldest) to amounts then due and payable under this Agreement in the following order of priority: (i) to Interest to the extent that any Additional Interest (as hereinafter set forth) due as of the date of payment on such Interest can be satisfied on the amount applied to such Interest, and if applicable, ratably to those installments due on the same date, and (ii) to the principal to the extent that any Additional Interest due as of the date of payment on such principal can be satisfied on the amount applied to such principal, and if applicable, ratably to those installments due on the same date.

4. Prepayments. The Government shall have the right to prepay on any Interest Payment Date all or part of the principal then outstanding under this Agreement; provided that the Government shall have paid all amounts due and payable under this Agreement as of the date of such prepayment, together with Interest which has accrued to the date of prepayment on the amount prepaid. Any such prepayment shall be applied by Eximbank to the outstanding installments of principal in the inverse order of their scheduled maturity, and if applicable, ratably to those installments maturing on the same date.

C. Exporter Retentions. The term "Exporter Retention(s)" means with respect to the Contracts stipulated in this Agreement, (i) that portion of commercial credits from commercial lenders or U.S. exporters which was not guaranteed or insured by Eximbank and is owed to such commercial lenders or U.S. exporters or (ii) loans from commercial lenders or U.S. exporters which were incurred in participation with loans from Eximbank. In the event that the commercial lender or U.S. exporter agrees to consolidate and reschedule its Exporter Retention(s) in accordance with the terms of this Agreement, such Exporter Retention(s) shall be included in the subject rescheduling.

D. Computation of Interest. Interest shall be computed on the basis of the actual number of days elapsed, using a 365-day year.

E. Additional Interest. If any amount of the principal or Interest owing to Eximbank under this Agreement is not paid in full on the due dates set forth in this Agreement, the Government shall pay to Eximbank on demand Additional Interest on the unpaid amount, accruing from the respective due date until paid in full, computed on the same basis as Interest, at the Interest Rate applicable for each Interest Period during which such amount remains unpaid.

F. Representations. The Government acknowledges that the activities contemplated by this Agreement are commercial in nature rather than governmental or public and agrees that, to the extent that it has or hereafter may acquire immunity from suit, judgment and/or execution, it will not assert or claim any such right of immunity with respect to any action by Eximbank to enforce its obligations under this Agreement.

G. Events of Default. In the event that the Government fails to pay when due (a) any amount owing to Eximbank under this Agreement or (b) any amount owing under any other agreement or instrument in which any indebtedness (whether direct or indirect, contingent or otherwise) of the Government thereunder is owed to, guaranteed or insured, in whole or in part, by Eximbank, then Eximbank, by written notice to the Government, may make immediately due and payable the entire principal amount owing to Eximbank and outstanding under this Agreement, plus accrued interest and Additional Interest thereon to the date of payment, and all other amounts owing to Eximbank under this Agreement.

H. Miscellaneous Provisions.

1. Disposition of Indebtedness. Eximbank may at any time sell, assign, transfer, negotiate, grant participations in, or otherwise dispose of all or any portion of the indebtedness of the Government outstanding and owing to Eximbank under this Agreement to any party, and any such party shall enjoy all the rights and privileges of Eximbank under this Agreement. In such an event, Eximbank will use its best efforts to notify the Government of its intention to dispose of the debt. The Government shall, at the request of Eximbank, execute and deliver to Eximbank or to such party or parties as Eximbank may designate any and all further instruments as may be necessary or advisable to give full force and effect to such disposition by Eximbank.

2. Expenses. The Government shall pay on demand all reasonable costs and expenses incurred by or charged to Eximbank in connection with or arising out of this Agreement, including without limitation costs and legal fees incurred by or charged to Eximbank in connection with the enforcement of this Agreement.

3. Adjustments. On or about 135 days after the execution of this Agreement, Eximbank shall inform the Government of the actual amounts to be refunded hereunder. The parties hereto agree to make any necessary adjustments to the amounts being refunded.

4. Communications. All communications between the Government and Eximbank under this Agreement shall be in writing, in the English language (or accompanied by an accurate English translation). All communications to the Government shall be addressed to the Government at the address designated by the Government from time to time in writing to Eximbank; all communications to Eximbank shall be addressed to Eximbank at the following address:

Export-Import Bank of the United States  
811 Vermont Avenue, N.W.  
Washington, D.C. 20571  
Attention: Treasurer-Controller  
Telex: 89461 EXIMBANK WSH  
197681 EXIM UT  
Facsimile: (202) 565-3380

All communications to the Government shall be addressed to the Government at the following address:

Stopanska banka a.d. Skopje  
11 Octomvri, br.7  
91000 Skopje  
Telephone no: 389(91)236-177  
Fax no: 389(91)114-503

5. Governing Law. The Eximbank portion of this Agreement shall be governed by and construed in accordance with the laws of the District of Columbia, United States of America.