Loan Agreement

(Justice Services Improvement Project)

between

ROMANIA

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
LOAN AGREEMENT

Agreement dated as of the Signature Date, entered into between ROMANIA ("Borrower") and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("Bank"). The Borrower and the Bank hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to this Agreement) constitute an integral part of this Agreement.

1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — LOAN

2.01. The Bank agrees to lend to the Borrower, on the terms and conditions set forth or referred to in this Agreement, the amount of sixty million Euro (€60,000,000), as such amount may be converted from time to time through a Currency Conversion in accordance with the provisions of Section 2.08 of this Agreement ("Loan"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").

2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section IV of Schedule 2 to this Agreement.

2.03. The Front-end Fee payable by the Borrower shall be equal to one quarter of one percent (0.25%) of the Loan amount. The Borrower shall pay the Front-end Fee not later than sixty days after the Effective Date.

2.04. The Commitment Charge payable by the Borrower shall be equal to one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.

2.05. The interest payable by the Borrower for each Interest Period shall be at a rate equal to the Reference Rate for the Loan Currency plus the Variable Spread; provided, that upon a Conversion of all or any portion of the principal amount of the Loan, the interest payable by the Borrower during the Conversion Period on such amount shall be determined in accordance with the relevant provisions of Article IV of the General Conditions. Notwithstanding the foregoing, if any amount of the Withdrawn Loan Balance remains unpaid when due and such non-payment continues for a period of thirty days, then the interest payable by the Borrower shall instead be calculated as provided in Section 3.02 (e) of the General Conditions.

2.06. The Payment Dates are January 15 and July 15 in each year.
2.07. The principal amount of the Loan shall be repaid in accordance with the amortization schedule set forth in Schedule 3 to this Agreement.

2.08. (a) The Borrower may at any time request any of the following Conversions of the terms of the Loan in order to facilitate prudent debt management: (i) a change of the Loan Currency of all or any portion of the principal amount of the Loan, withdrawn or unwithdrawn, to an Approved Currency; (ii) a change of the interest rate basis applicable to: (A) all or any portion of the principal amount of the Loan withdrawn and outstanding from a Variable Rate to a Fixed Rate, or vice versa; or (B) all or any portion of the principal amount of the Loan withdrawn and outstanding from a Variable Rate based on a Reference Rate and the Variable Spread to a Variable Rate based on a Fixed Reference Rate and the Variable Spread, or vice versa; or (C) all of the principal amount of the Loan withdrawn and outstanding from a Variable Rate based on a Variable Spread to a Variable Rate based on a Fixed Spread; and (iii) the setting of limits on the Variable Rate or the Reference Rate applicable to all or any portion of the principal amount of the Loan withdrawn and outstanding by the establishment of an Interest Rate Cap or Interest Rate Collar on the Variable Rate or the Reference Rate.

(b) Any conversion requested pursuant to paragraph (a) of this Section that is accepted by the Bank shall be considered a “Conversion”, as defined in the General Conditions, and shall be effected in accordance with the provisions of Article IV of the General Conditions and of the Conversion Guidelines.

ARTICLE III — PROJECT

3.01. The Borrower declares its commitment to the objective of the Project. To this end, the Borrower shall carry out the Project through MOJ in accordance with the provisions of Article V of the General Conditions.

3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Borrower and the Bank shall otherwise agree, the Borrower shall ensure that the Project is carried out through MOJ in accordance with the provisions of Schedule 2 to this Agreement.

ARTICLE IV — EFFECTIVENESS; TERMINATION

4.01. The Additional Condition of Effectiveness consists of the following: namely, that the Borrower, through MOJ, has adopted the Project Operations Manual in a manner and with contents acceptable to the Borrower and to the Bank.

4.02. The Effectiveness Deadline is the date one hundred eighty (180) days after the Signature Date.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Borrower’s Representative is its Minister of Public Finance.
5.02. The Borrower’s Address is:

Ministry of Public Finance
17 Apolodor Street
Bucharest
Romania

Telex: 11239  Facsimile: 40213126792

5.03. The Bank’s Address is:

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

Telex: 248423(MCI)  Facsimile: 1-202-477-6391
64145(MCI)
Title: Country Manager
Name:
Authorized Representative

By:

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Title: Minister of Public Finance
Name: Victor Stelian
Authorized Representative

By:

ROMANIA

and on behalf of the Borrower on February 27, 2017
on behalf of the Bank on February 27, 2017

AGREED at BUCHAREST, ROMANIA.
SCHEDULE 1

Project Description

The objective of the Project is to improve the efficiency and accessibility of targeted justice institutions.

The Project consists of the following parts:

Part 1. Improving Operations of Courts and Institutions under MOJ Authority.

(a) Carrying out information and communication technology investments in the Borrower’s territory to enhance core functions of courts through, *inter alia*: (i) the improvement of LAN infrastructure; (ii) the provision of hardware and software to enable the secure and reliable operation of ECRIS and the expansion of e-filing; and (iii) the provision of information and communication technology training to court network users.

(b) Improving the Borrower’s justice system’s ability to deliver services, especially in its poor and underserved regions through: (i) building and rehabilitating the courthouses set forth in the Project Operations Manual; (ii) finalizing civil works at the Sibiu tribunal, and at the Prahova Tribunal and Palace of Justice; (iii) finalizing the development of main design standards for courthouses in the Borrower’s territory; and (iv) carrying out preparatory activities and studies for the implementation of activities of the Action Plan that are acceptable to the Bank, and which are not funded or are insufficiently funded from any other financing source.

(c) Increasing community awareness of justice services through, *inter alia*: (i) the carrying out of information campaigns, the development of guides, tools to enable access to court services and educational events to improve citizen understanding, in particular vulnerable group citizen understanding, of their rights and obligations under the law and reduce barriers to access to justice; (ii) the carrying out of open days, community roundtables and workshops in select court sites and on topics relevant to local communities; and (iii) the provision of support to the MOJ’s probation directorate through: the development of a strategy for the rehabilitation of offenders, the appraisal of the status of detainees and the improvement of services to crime victims.

Part 2. Enhancing the National Trade Registry Office’s Performance.

(a) Carrying out information and communication technology investments in the Borrower’s territory to enhance the performance of the NTRO’s central and decentralized locations through, *inter alia*: (i) the replacement of standard hardware and software; (ii) the design, development and implementation of an electronic archiving system; and (iii) the provision of technical assistance to prepare upgrades required for the insolvency bulletins, and for NTRO electronic bulletin to comply with European Union regulations.

(b) Carrying out a detailed business architecture assessment to enable NTRO planning of future investments.

(a) Carrying out information and communication technology investments in the Borrower’s territory to enhance core functions of its prosecution services through, *inter alia:* (i) the provision of hardware and software to enable the secure and reliable operation of ECRIS; (ii) the LAN reconfiguration and cabling of the Bucharest Tribunal’s Prosecutor Office; and (iii) the acquisition of hardware for the General Prosecutor’s Office’s main data center and secondary data center.

(b) Acquiring and installing an integrated security system, including security equipment, video surveillance and access cards, at the General Prosecutor’s Office.

(c) Increasing community awareness of prosecution services through, *inter alia:* (i) the carrying out of information campaigns to improve legal literacy among vulnerable groups, including groups at risk of entering the criminal justice system and victims of crime; and (ii) the provision of training to prosecutors and relevant PM staff to increase their capacity to use local feedback and respond to the needs of vulnerable groups, including Roma and address stereotyping and discrimination.


(a) Supporting the DIFEP in Project management and implementation, including fiduciary tasks, monitoring and evaluation, and reporting; all through: (i) the provision of goods, non-consulting services, consulting services and training, (ii) the carrying out of audits, and (iii) the financing of Incremental Operating Costs.

(b) Carrying out and disseminating the results of surveys and studies on the experiences and perceptions of institutional users, end users and potential users of justice services.
Section I.  Implementation Arrangements

A. Institutional Arrangements

1. The Borrower shall vest the overall responsibility for the implementation of the Project in MOJ, and to this end, through MOJ, shall:

   (i) operate and maintain DIEFP within MOJ until the completion of the Project;

   (ii) ensure that DIEFP functions at all times in a manner and with adequate staffing and budgetary resources, all acceptable to the Bank; and

   (iii) for purposes of carrying out Parts 2 and 3 of the Project: (A) ensure throughout Project implementation the technical coordination with the NTRO and the PM, respectively; and (B) unless otherwise agreed with the Bank, maintain the provisions of Government Decision No. 652 dated May 27, 2009, as amended to the Signature Date, that establish DIEFP, and that regulate the coordination between MOJ and NTRO, and between MOJ and the PM.

B. Project Operations Manual

1. The Borrower, through MOJ, shall adopt and carry out the Project in accordance with a manual (the Project Operations Manual) acceptable to the Bank, which shall include, inter alia: (i) the detailed description of Project implementation activities and the detailed institutional arrangements of the Project; (ii) the Project administrative, accounting, auditing, reporting, financial (including cash flow aspects in relation thereto), procurement and disbursement procedures; (iii) the monitoring indicators for the Project; and (iv) the ESMF and the EMPs.

2. Except as the Borrower and the Bank may otherwise agree in writing, the Borrower, through MOJ, shall not abrogate, amend, suspend, waive or otherwise fail to enforce the Operational Manual or any provision thereof.

3. In the event that any provision of the Operational Manual shall conflict with this Agreement, the terms of this Agreement shall prevail.

C. Anti-Corruption

The Borrower, through MOJ, shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

D. Safeguards

1. The Borrower shall, through MOJ, implement the Project (except for Part 1(b)(ii)) in accordance with the ESMF.
2. The Borrower, through MOJ, shall ensure that: (i) the terms of reference for any consultancy required under Part 1(b) of the Project shall be satisfactory to the Bank following its review thereof; and (ii) to that end, such terms of reference shall duly incorporate the requirements of the Bank’ Safeguards Policies then in force, as applied to the advice conveyed through such technical assistance, including the public disclosure and consultation of the resulting environmental and social impact assessments in accordance with the Bank’s Safeguard Policies.

3. The Borrower, through MOJ, shall, prior to carrying out works under the Project:
   (i) carry out site-specific environmental impact assessments, under terms of reference acceptable to the Bank, for the relevant works;
   (ii) prepare, consult and disclose respective site-specific EMPs in a manner acceptable to the Bank and as set forth in the ESMF;
   (iii) before issuing bidding documents for any works contract, prepare and submit to the Bank for its approval: the proposed design and final location for the works and the relevant EMPs in form and substance satisfactory to the Bank; and
   (iv) ensure that the draft contract for such works include the provisions of the relevant EMPs.

4. The Borrower, through MOJ, shall carry out Project works in accordance with the relevant EMPs.

5. The Borrower, through MOJ, shall ensure that no Resettlement shall be carried out as a consequence of Project implementation.

Section II. Project Monitoring Reporting and Evaluation

A. Project Reports

1. The Borrower, through MOJ, shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 5.08 of the General Conditions and on the basis of indicators set acceptable to the Bank. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the Bank not later than forty-five (45) days after the end of the period covered by such report.

B. Financial Management, Financial Reports and Audits

1. The Borrower, through MOJ, shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 5.09 of the General Conditions.

2. The Borrower, through MOJ, shall prepare and furnish to the Bank not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Bank.
3. The Borrower, through MOJ, shall have its Financial Statements audited in accordance with the provisions of Section 5.09 (b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Borrower. The audited Financial Statements for each such period shall be furnished to the Bank not later than six months after the end of such period.

Section III. Procurement

A. Procurement Regulations

All goods, works, non-consulting services and consulting services required for the Project (except for Parts 1(b)(ii) and 1(b)(iii) of the Project) and to be financed out of the proceeds of the Loan shall be procured in accordance with the requirements set forth or referred to in the Procurement Regulations and the provisions of the Procurement Plan.

B. Procurement Guidelines and Consultant Guidelines

General

1. Works. All works required under Part 1(b)(ii) of the Project and to be financed out of the proceeds of the Loan shall have been procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section B.

2. Consultants’ Services. All consultants’ services required under Part 1(b)(iii) of the Project and to be financed out of the proceeds of the Loan shall have been procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines and with the provisions of this Section.

3. Definitions. The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Bank of particular contracts refer to the corresponding method described in Section II of the Procurement Guidelines or Sections II, and IV of the Consultant Guidelines, as the case may be.

Particular Method of Procurement of Works

4. International Competitive Bidding. Works shall have been procured under contracts awarded on the basis of International Competitive Bidding.

Particular Methods of Procurement of Consultants’ Services

5. Quality- and Cost-based Selection. Consultants’ services shall have been procured under contracts awarded on the basis of Quality and Cost-based Selection.

Review by the Bank of Procurement Decisions

6. The Procurement Plan shall set forth those contracts which shall be subject to the Bank’s Prior Review. All other contracts shall be subject to Post Review by the Bank.
Section IV. **Withdrawal of Loan Proceeds**

A. **General**

1. The Borrower may withdraw the proceeds of the Loan in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Bank shall specify by notice to the Borrower (including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Loan (“Category”), the allocation of the amounts of the Loan to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category.

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Loan Allocated (expressed in EUR)</th>
<th>Percentage of Expenditures to be financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, consultants’ services, non-consulting services, and</td>
<td>60,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>consulting services (including audits), Training and Incremental</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Costs for the Project</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>60,000,000</td>
<td></td>
</tr>
</tbody>
</table>

B. **Withdrawal Conditions; Withdrawal Period**

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:

   (a) from the Loan Account until the Bank has received payment in full of the Front-end Fee; or

   (b) for payments made prior to the Signature Date.

2. The Closing Date is December 31, 2023.
SCHEDULE 3

Amortization Schedule

1. The following table sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date ("Installment Share"). If the proceeds of the Loan have been fully withdrawn as of the first Principal Payment Date, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined by the Bank by multiplying: (a) Withdrawn Loan Balance as of the first Principal Payment Date; by (b) the Installment Share for each Principal Payment Date, such repayable amount to be adjusted, as necessary, to deduct any amounts referred to in paragraph 4 of this Schedule, to which a Currency Conversion applies.

<table>
<thead>
<tr>
<th>Principal Payment Date</th>
<th>Installment Share (Expressed as a Percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each January 15 and July 15</td>
<td>12.5%</td>
</tr>
<tr>
<td>Beginning July 15, 2023 through January 15, 2027</td>
<td></td>
</tr>
</tbody>
</table>

2. If the proceeds of the Loan have not been fully withdrawn as of the first Principal Payment Date, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined as follows:

(a) To the extent that any proceeds of the Loan have been withdrawn as of the first Principal Payment Date, the Borrower shall repay the Withdrawn Loan Balance as of such date in accordance with paragraph 1 of this Schedule.

(b) Any amount withdrawn after the first Principal Payment Date shall be repaid on each Principal Payment Date falling after the date of such withdrawal in amounts determined by the Bank by multiplying the amount of each such withdrawal by a fraction, the numerator of which is the original Installment Share specified in the table in paragraph 1 of this Schedule for said Principal Payment Date ("Original Installment Share") and the denominator of which is the sum of all remaining Original Installment Shares for Principal Payment Dates falling on or after such date, such amounts repayable to be adjusted, as necessary, to deduct any amounts referred to in paragraph 4 of this Schedule, to which a Currency Conversion applies.

3. (a) Amounts of the Loan withdrawn within two calendar months prior to any Principal Payment Date shall, for the purposes solely of calculating the principal amounts payable on any Principal Payment Date, be treated as withdrawn and outstanding on the second Principal Payment Date following the date of withdrawal and shall be repayable on each Principal Payment Date commencing with the second Principal Payment Date following the date of withdrawal.

(b) Notwithstanding the provisions of sub-paragraph (a) of this paragraph, if at any time the Bank adopts a due date billing system under which invoices are issued on
or after the respective Principal Payment Date, the provisions of such subparagraph shall no longer apply to any withdrawals made after the adoption of such billing system.

4. Notwithstanding the provisions of paragraphs 1 and 2 of this Schedule, upon a Currency Conversion of all or any portion of the Withdrawn Loan Balance to an Approved Currency, the amount so converted in the Approved Currency that is repayable on any Principal Payment Date occurring during the Conversion Period, shall be determined by the Bank by multiplying such amount in its currency of denomination immediately prior to the Conversion by either: (i) the exchange rate that reflects the amounts of principal in the Approved Currency payable by the Bank under the Currency Hedge Transaction relating to the Conversion; or (ii) if the Bank so determines in accordance with the Conversion Guidelines, the exchange rate component of the Screen Rate.

5. If the Withdrawn Loan Balance is denominated in more than one Loan Currency, the provisions of this Schedule shall apply separately to the amount denominated in each Loan Currency, so as to produce a separate amortization schedule for each such amount.
APPENDIX

Section I. Definitions


2. “Bank’s Safeguard Policies” means the Bank’s operational safeguard policies and procedures, set forth in the Bank’s Operational Manual under OP/BPs 4.01, 4.04, 4.09, 4.10, 4.11, 4.12, 4.36, 4.37, 7.50 and 7.60, or such policies and procedures then in force.


4. “Bucharest Tribunal’s Prosecutor’s Office” means the Bucharest Tribunal Prosecutor’s Office established pursuant to the Borrowers’ Law No. 304, dated July 28, 2004, as amended to the Signature Date.

5. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.


8. “ECRIS” means Electronic Case Registration and Information System for the Judiciary, the Borrower’s re-engineered integrated case management system.

9. “EMP” means: (a) the Environmental Management Plan for the Rehabilitation and Restoration of the Prahova Tribunal, dated September 26, 2016 and duly published on October 3, 2016; (b) the Environmental Management Plan for Civil Works for the Prahova Palace of Justice, dated September 26, 2016 and duly published on October 3, 2016; (c) the Environmental Management Plan for the Rehabilitation, Arrangement and Extension of Sibiu Tribunal’s Headquarters, dated September 26, 2016 and duly published on October 3, 2016; and (d) any other site-specific plans derived from the ESMF that will be prepared during the implementation of the Project and prior to the commencement of any civil works under the Project, all in a manner acceptable to the Bank and collectively referred to as “EMPs”.

10. “ESMF” means the Borrower’s Environmental and Social Management framework dated September 26, 2016, duly published on October 3, 2016, acceptable to the Bank, which contains, inter alia, the guidelines for the carrying out of environmental and social assessments and for the preparation and implementation of site-specific environmental management plans and social responsibility plans, as well as the environmental protection
measures in respect of the Project, including for chance finding of cultural property and potential direct and indirect environmental impacts from the carrying out of the Project, recommendation of mitigation measures for each negative impact identified, as well as measures for enhancing each identified positive impact, as said framework may be amended from time to time with the prior agreement of the Bank.

11. “General Conditions” means the “International Bank for Reconstruction and Development General Conditions for Loans”, dated March 12, 2012, with the modifications set forth in Section II of this Appendix.

12. “General Prosecutor's Office” means the General Prosecutor's Office attached to the High Court of Cassation and Justice, established pursuant to the Borrower's Law No. 304, dated July 28, 2004, as amended to the Signature Date.

13. “Incremental Operating Costs” means the incremental expenses incurred by DIEFP on account of Project implementation, management and monitoring, such as for: office space rental, utilities and supplies, bank charges, communications, building and equipment maintenance, advertising expenses, translation, fuel, per diem, accommodation, transport expenditures, and supervision.


16. “NTRO” means the Borrower’s National Trade Registry Office created pursuant to the Borrower’s Law No. 29/1990, dated November 9, 1990, as amended to the Signature Date.

17. “PM” means the Borrower’s Public Ministry created pursuant to the Borrowers’ Law No. 304, dated July 28, 2004, as amended to the Signature Date.


19. “Procurement Plan” means the Borrower’s procurement plan for the Project, dated September 29, 2016 and provided for under Section IV of the Procurement Regulations, as the same may be updated from time to time in agreement with the Bank.


21. “Project Operations Manual” means the manual referred to in Section I.B.1 of Schedule 2 to this Agreement, as the same may be amended from time to time in a manner and with contents acceptable to the Bank.

22. “Resettlement” means the impact of an involuntary taking of land under the Project, which taking causes affected persons to have their: (a) standard of living adversely affected; or (b) right, title or interest in any house, land (including premises, agricultural and grazing land) or any other fixed or movable asset acquired or possessed, temporarily or permanently; or (c) access to productive assets adversely affected, temporarily or
permanently; or (d) business, occupation, work or place of residence or habitat adversely affected, temporarily or permanently.

23. “Signature Date” means the latest of the two dates on which the Borrower and the Bank signed the Loan Agreement.

24. “Training” means expenditures (other than those for consultants’ services) incurred for training and training-related activities under the Project, including seminars, workshops, study tours, conferences, courses, travel and subsistence allowances for training participants, rental of training facilities, preparation and reproduction of training materials and other activities incidental to the preparation and implementation of training activities.

Section II. Modifications to the General Conditions

The General Conditions are hereby modified as follows:

1. In the Table of Contents, the references to Sections, Section names and Section numbers are modified to reflect the modifications set forth in the paragraphs below.

2. Section 3.01. (Front-end Fee) is modified to read as follows:

“Section 3.01. Front-end Fee; Commitment Charge

(a) The Borrower shall pay the Bank a front-end fee on the Loan amount at the rate specified in the Loan Agreement (the “Front-end Fee”).

(b) The Borrower shall pay the Bank a commitment charge on the Unwithdrawn Loan Balance at the rate specified in the Loan Agreement (the “Commitment Charge”). The Commitment Charge shall accrue from a date sixty days after the date of the Loan Agreement to the respective dates on which amounts are withdrawn by the Borrower from the Loan Account or cancelled. The Commitment Charge shall be payable semi-annually in arrears on each Payment Date.”

3. In the Appendix, Definitions, all relevant references to Section numbers and paragraphs are modified, as necessary, to reflect the modification set forth in paragraph 2 above.

4. The Appendix is modified by inserting a new paragraph 19 and a new paragraph 88 with the following definitions of “Commitment Charge” and “Signature Date”, respectively, and renumbering the subsequent paragraphs accordingly:

“19. “Commitment Charge” means the commitment charge specified in the Loan Agreement for the purpose of Section 3.01(b).”

“88. “Signature Date” means the latest of the two dates on which the Borrower and the Bank signed the Loan Agreement.”

5. In the renumbered paragraph 49 (originally paragraph 48) of the Appendix, the definition of “Front-end Fee” is modified by replacing the reference to Section 3.01 with Section 3.01 (a).
6. In the renumbered paragraph 68 (originally paragraph 67) of the Appendix, the definition of the term “Loan Payment” is modified to read as follows:

“68. “Loan Payment” means any amount payable by the Loan Parties to the Bank pursuant to the Legal Agreements or these General Conditions, including (but not limited to) any amount of the Withdrawn Loan Balance, interest, the Front-end Fee, the Commitment Charge, interest at the Default Interest Rate (if any), any prepayment premium, any transaction fee for a Conversion or early termination of a Conversion, the Variable Spread Fixing Charge (if any), any premium payable upon the establishment of an Interest Rate Cap or Interest Rate Collar, and any Unwinding Amount payable by the Borrower.”

7. In the renumbered paragraph 73 (originally paragraph 72) of the Appendix, the definition of “Payment Date” is modified by deleting the word “is” and inserting the words “and Commitment Charge are” after the word “interest”.

8. Any reference to “the date of the Loan Agreement” shall be modified with the term “Signature Date”.
