

LOAN AGREEMENT

made between

The Democratic Socialist Republic of Sri Lanka

represented by the Secretary of the Ministry of Finance and Planning

as Borrower

and

Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A.

as Lender

for the amount of up to EUR 21,000,000

DATED December 05, 2014

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This Agreement is dated December 05, 2014 and made by and between:

The Democratic Socialist Republic of Sri Lanka, represented by the Secretary of the Ministry of Finance and Planning, hereinafter referred to as: the "**Borrower**";

COÖPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK B.A., incorporated under the laws of The Netherlands, established at Amsterdam, The Netherlands, having its registered office at Croeselaan 18, 3521 CB Utrecht, The Netherlands, hereinafter referred to as: the "**Lender**" or "**Rabobank International**".

Whereas

- (A) The Ministry of Economic Development of The Democratic Socialist Republic of Sri Lanka (hereinafter referred to as the '**Buyer**') and Janson Bridging B.V., having its registered office at Keizersveer 9, 4273 LD Hank, The Netherlands (hereinafter referred to as the '**Supplier**') have entered into a purchase contract dated 15 June 2014 with regard to the delivery of 463 rural bridges for the Buyer (such purchase contract together with any amendments thereto hereinafter referred to as the '**Purchase Contract**');
- (B) The total price payable by the Buyer to the Supplier in respect of the delivery by the Supplier of the goods and services under the Purchase Contract amounts to EUR 105,000,000 (one hundred and five million Euro) (the '**Contract Price**'); and
- (C) This Agreement sets out the terms and conditions upon which the Lender is prepared to finance the down-payment of 20% (twenty per cent.) of the Contract Price, being EUR 21,000,000 (twenty-one million Euro).

IT IS AGREED as follows:

1 Definitions

1.1. In this Agreement:

'Agreement' means this loan agreement including Exhibits I, II and III;

'ATRADIUS' means Atradius Dutch State Business N.V., David Ricardostraat 1, P.O. Box 8982, 1006 JD Amsterdam, The Netherlands;

'ATRADIUS Insurance Policy' means the credit insurance policy issued by ATRADIUS in favour of and in form and substance acceptable to the Lender covering up to 98% (ninety-eight per cent.) of the ECA Facility Amount;

'Attorney General's Legal Opinion' means a legal opinion issued by the Attorney General of Sri Lanka substantially in the form set out in Exhibit I;

'Authority' means any public, taxing or supranational agency, institution, central bank, organisation, corporation, government, province, municipality of, or other person or entity exercising any kind of public control, whether de facto or de jure, over the Lender, the Borrower, the Buyer, the Supplier or the facilities made under this Agreement or any document in connection herewith;

'Available Facility Amount' means EUR 21,000,000 (twenty-one million Euro) (to the extent not cancelled or reduced under this Agreement) minus the amount of the Loan made or (in respect of a proposed Loan) which are due to be made before the proposed Utilisation Date;

'Availability Period' means the period commencing on the Effective Date and ending on the date falling 34 (thirty-four) Months after the Effective Date;

'Beneficiary' means the party described as Beneficiary in the Letter of Credit;

'Break Costs' means the amount (if any) by which:

(a) the interest which the Lender should have received for the period from the date of receipt of all or any part of its participation in a Loan to the last day of the current Interest Period in respect of that Loan, had the principal amount received been paid on the last day of that Interest Period;

exceeds:

(b) the interest amount on the amount prepaid calculated by using the then applicable Interpolated Screen Rate for a period starting on the Business Day following receipt or recovery and ending on the last day of the current Interest Period;

'Business Day' means:

- (a) in relation to a payment or a rate fixing, any Target Day; and
- (b) for any other purpose, any day on which banks are open for normal business in Amsterdam and Colombo;

'Certificate of Incumbency and Authority' means the certificate substantially in the form set out in Exhibit II;

'ECA Facility Amount' means EUR 84,000,000 (eighty-four million Euro), being 80% (eighty per cent.) of the Contract Price;

'Effective Date' means the date on which the Letter of Credit is issued;

'EUR' (or: **'Euro'**) means the single currency unit of those member states of the European Union that adopt or have adopted the Euro as their lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union;

'EURIBOR' means, in relation to any Loan:

- (a) the applicable Screen Rate;
 - (b) (if no Screen Rate is available for the Interest Period of that Loan) the Interpolated Screen Rate for that Loan; or
 - (c) if:
 - (aa) no Screen Rate is available for the Interest Period of that Loan; and
 - (bb) it is not possible to calculate an Interpolated Screen Rate for that Loan,
- the Reference Bank Rate,

as of, in the case of paragraphs (a) and (c) above, 11.00 a.m. on the Quotation Day for Euro and for a period equal in length to the Interest Period of that Loan and, if any such rate is below zero, EURIBOR will be deemed to be zero;

'Event of Default' means any of the events listed in Article 15;

'Facility Amount' means EUR 21,000,000 (twenty-one million Euro), being 20% (twenty per cent.) of the Contract Price;

'Final Repayment Date' means the date falling 6 (six) Months after the First Repayment Date;

'First Repayment Date' means the date falling 30 (thirty) Months after the Effective Date;

'Governmental Agency' means any political, economic or administrative sub division, ministry, department, agency, public authority, board or statutory corporation of Sri Lanka (including without limitation the central bank);

'Governmental Approval' means any permits, consents, decisions, licences, approvals, certificates, confirmations or exemptions obtained from any Governmental Agency of Sri Lanka;

'Indebtedness' means any obligation in respect of third parties for the repayment of external debt, whether present or future, actual or contingent by reason of a guarantee issued by the Borrower where the amount is not less than Euro 10 mn.

'Interest Payment Date' means the last day of each Interest Period;

'Interest Period' means, save as otherwise provide herein, any of the periods mentioned in Article 8.2 or Article 9;

'Interpolated Screen Rate' means, in relation to EURIBOR for any Loan, the rate (rounded to the same number of decimal places as the two relevant Screen Rates) which results from interpolating on a linear basis between:

- (a) the applicable Screen Rate for the longest period (for which that Screen Rate is available) which is less than the Interest Period of that Loan; and
- (b) the applicable Screen Rate for the shortest period (for which that Screen Rate is available) which exceeds the Interest Period of that Loan,

each as of 11.00 a.m. on the Quotation Day for Euro;

'Letter of Credit' means the irrevocable Letter of Credit opened or to be opened by Lender on behalf of the Buyer in relation to the Purchase Contract in favour of the Supplier amounting to the Facility Amount, payable at the counters of the Lender as per Exhibit III;

'Loan' means the loan to be made under Article 3.1 or the principal amount outstanding for the time being of that loan;

'Margin' means 4% (four per cent.) per annum;

'Month' means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that:

(a) if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the immediately preceding Business Day; and

(b) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month.

The above rules will only apply to the last Month of any period (other than an Interest Period which is subject to the provisions of clause 8.2);

'Quotation Day' means, in relation to any period for which an interest rate is to be determined, two Target Days before the first day of that period unless market practice differs in the Relevant Interbank Market in which case the Quotation Day will be determined by the Lender in accordance with market practice in the Relevant Interbank Market (and if quotations would normally be given by leading banks in the Relevant Interbank Market on more than one day, the Quotation Day will be the last of those days);

'Reference Bank Rate' means the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Lender at its request by the Reference Banks as the rate at which the relevant Reference Bank could borrow funds in the European interbank market in Euro for the relevant period, were it to do so by

asking for and then accepting interbank offers for deposits in reasonable market size in that currency and for that period;

'Reference Banks' means the principal office in Amsterdam, the Netherlands of ING Bank N.V., ABN AMRO Bank N.V. and Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. or such other banks as may be appointed by the Lender in consultation with the Borrower;

'Reimbursement Obligation' means the obligation of the Borrower to the Lender under Article 3.2(a);

'Relevant Interbank Market' means the European interbank market;

'Repayment Date' means each date on which a repayment is required to be made in accordance with Article 5.1;

'Scheduled Payment' means, in respect of a prepayment on a prepayment date, the amount of the Loan that would otherwise be due under Article 5 on the corresponding (or, if there is none, the next) Repayment Date;

'Screen Rate' means the euro interbank offered rate administered by the Banking Federation of the European Union (or any other person which takes over the administration of that rate) for the relevant period displayed on page EURIBOR01 of the Reuters Screen (or any replacement Reuters page which displays that rate) or on the appropriate page of such other information service which publishes that rate from time to time in place of Reuters. If such page or service ceases to be available, the Lender may specify another page or service displaying the relevant rate after consultation with the Borrower;

'Sri Lanka' means the Democratic Socialist Republic of Sri Lanka;

'Stipulated Documents' means all documents stipulated in the Letter of Credit for presentation to the Lender in relation to the relevant drawing thereunder;

'Target2' means Trans-European Automated Real-time Gross Settlement Express Transfer payment system;

'Target Day' means any day on which Target2 is open for the settlement of payments in Euro;

'Transaction Documents' means this Agreement and the Purchase Contract;

'Ultimate Effective Date' means the date falling 120 (one hundred and twenty) days after the date of this Agreement;

'Unutilised Loan Amount' means the Facility Amount less the principal amount of the Loan made under this Agreement; and

'Utilisation Date' has the meaning given in Article 3.2.

1.2 Article headings in this Agreement are for convenience only and shall be ignored in construing this Agreement. Unless otherwise specified, all references to Articles, Exhibits and Schedules are to Articles, Exhibits and Schedules to this Agreement. Unless specified otherwise all reference to time of the day are references to the prevailing time in Amsterdam, The Netherlands.

1.3 Except where the contents otherwise require, words denoting the singular number shall include the plural and vice versa. References to any document are to be construed as references to such documents as from time to time amended except to the extent that the context requires otherwise.

1.4 Unless a contrary indication appears, any reference in this Agreement to "this Agreement" or any other agreement or instrument is a reference to this Agreement or other agreement or instrument as amended, novated, supplemented, extended or restated.

1.5 A person who is not a party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Agreement.

2 Letter of Credit and Conditions Precedent

2.1 The Borrower hereby irrevocably instructs and authorises the Lender for the exclusive purpose of financing 20% (twenty per cent.) of the Contract Price to issue the Letter of Credit (Exhibit III). The Lender is only obliged to issue 1 (one) Letter of Credit in a maximum amount of up to the Facility Amount.

2.2 Subject to Article 2.3, the Lender shall issue the Letter of Credit (Exhibit III) on or before the 5th (fifth) Business Day after the Lender has received the following documents or evidence (all in form and substance satisfactory to the Lender):

- (a) a copy of the duly executed Purchase Contract (including copies of any exhibits, annexes, amendments and supplements thereto, if any) together with a duly executed written statement of the Supplier that the Purchase Contract is in full force and effect;
- (b) duly executed original of the Attorney General's Legal Opinion (Exhibit I);
- (c) duly executed original of the legal opinion of legal advisers to the Lender in relation to English law, substantially in the form distributed to the Lender prior to signing this Agreement;
- (d) duly executed original of the legal opinion of legal advisers to the Lender in relation to Sri Lankan law, substantially in the form distributed to the Lender prior to signing this Agreement;
- (e) duly executed original of the Certificate of Incumbency and Authority (Exhibit II);
- (f) certified true copies of or documents constituting or evidencing any licenses, authorisations, approvals or consents of or registrations with the relevant Authority in Sri Lanka, England or any other applicable jurisdiction (as the case may be) with respect to the execution, delivery and/or performance of this Agreement and the Purchase Contract respectively or the validity of and enforceability against the Borrower and the Buyer respectively of this Agreement and the Purchase Contract in Sri Lanka;
- (g) evidence that this Agreement, to the extent required, has been duly stamped, filed, registered and/or recorded in accordance with the laws of Sri Lanka and all stamp, registration and similar taxes required to be paid in Sri Lanka in connection with the execution of this Agreement have been duly paid;
- (h) all requirements pursuant to the Act for Prevention of Money-laundering and Financing of Terrorism (*Wet ter voorkoming van witwassen en financiering van*

terrorisme) and other similar laws, regulations and internal policies for the purpose of identifying Borrower have been met satisfactory to Lender;

- (i) a duly executed original of the term loan facility agreement dated on or about the date of this Agreement and entered into between the Borrower and the Lender for a principal amount of up to EUR 84,000,000 (eighty-four million Euro) (the '**ECA-backed Facility Agreement**');
- (j) evidence that save for (a) the due execution of this Agreement, (b) the issue of the ATRADIUS Insurance Policy and (c) the payment of the amount of EUR 21,000,000 (twenty-one million Euro), being 20% (twenty per cent.) of the Contract Price, all other conditions precedent under the ECA-backed Facility Agreement have been either satisfied or waived by the Lender in accordance with the terms of the ECA-backed Facility Agreement; and
- (k) if applicable, a tax free certification.

2.3 The Lender shall only be obliged to issue the Letter of Credit if the proposed issue date does not fall any later than the Ultimate Effective Date and on the proposed issue date:

- (a) no Event of Default or an event which may, with the giving of notice or the lapse of time, would constitute an Event of Default has occurred;
- (b) all representations and warranties in Article 13 and Article 16 are true as of such date; and
- (c) no circumstances as referred to in Article 12.1 and/or Article 12.3 have occurred in respect of the Lender.

2.4 The Lender is fully authorised but never obliged to waive or deem satisfied one or more of conditions mentioned in Articles 2.2 and 2.3 (including, for the avoidance of doubt, the condition that the proposed Letter of Credit should be issued on or before the Ultimate Effective Date). If the Letter of Credit has not been issued before or on the Ultimate Effective Date, (i) the Lender may, at its own discretion, terminate this Agreement by written notice to the Borrower, or (ii) the Lender and the Borrower may mutually agree on a subsequent date by which the conditions in Articles 2.2 and 2.3 should be satisfied, provided that such date shall not fall later than

180 days after the Ultimate Effective Date. A termination will not affect any payment obligation of the Borrower that has already become due and payable before the termination. For the avoidance of doubt, the Lender agrees that termination of the Agreement under this clause shall not be an event of default as set out in Article 15.1.

2.5 The Borrower hereby irrevocably instructs and authorises the Lender to make one payment under the Letter of Credit to the Beneficiary upon presentation at the counters of the Lender in its capacity of issuing and paying bank of the relevant Stipulated Documents thereunder if:

- (a) the total amount of this payment does not exceed the total amount mentioned in the Letter of Credit; and
- (b) any request or presentation by the Beneficiary under the Letter of Credit is made during the Availability Period.

2.6 If, by 5:00 p.m. on the last day of the Availability Period, the total amount of the payment made under the Letter of Credit is lower than the total amount mentioned in the Letter of Credit, any unutilised amount under the Letter of Credit will be cancelled automatically and shall not thereafter be available to the Beneficiary (or the Borrower), unless otherwise agreed in writing by the Lender and the Borrower.

3 Loan Amount and Utilization

3.1 The Lender agrees to lend to the Borrower and the Borrower agrees to borrow from the Lender a facility in an amount of up to the Facility Amount on and subject to the terms and conditions of this Agreement.

3.2 Immediately upon any amount being paid by the Lender under the Letter of Credit (such day being the 'Utilisation Date'):

- (a) the Borrower shall incur an obligation to pay to the Lender an amount in euros equal to any amount paid by the Lender under the Letter of Credit; and
- (b) subject to Article 3.6, the Lender shall be deemed to make the Loan to the Borrower under this Agreement in the amount in euros equal to the payment made under the Letter of Credit.

3.3 The Loan shall be used exclusively to refinance the corresponding Reimbursement Obligation.

3.4 The Reimbursement Obligation is unconditional, independent and completely separate from the Purchase Contract.

3.5 The Loan will automatically be set off against the corresponding Reimbursement Obligation, thereby satisfying the Reimbursement Obligation in full and resulting in the Buyer having no further obligations towards the Lender under the Letter of Credit in relation to the Reimbursement Obligation.

3.6 The Lender shall only be deemed to have made the Loan under Article 3.2(b) if the proposed Utilisation Date falls during the Availability Period and on that Utilisation Date:

- (a) the amount of the proposed Loan must not be more than the Available Facility Amount;
- (b) no Event of Default or an event which may, with the giving of notice or the lapse of time, would constitute an Event of Default has occurred;
- (c) all representations and warranties in Article 13 and Article 16 are true as of such date; and
- (d) no circumstances as referred to in Article 12.1 and/or Article 12.3 have occurred in respect of the Lender.

3.7 The Lender is fully authorised but never obliged to waive or deem satisfied one or more of conditions mentioned in Article 3.6 on such terms as it may in its sole discretion determine.

4 Independence of Loan Agreement

4.1 The Borrower expressly acknowledges that this Agreement constitutes obligations of the Borrower, which are independent and completely separate from the Purchase Contract and the Letter of Credit. The Borrower hereby agrees and confirms that neither it nor the Buyer has the right to raise against the Lender any objections or defences under the Letter of Credit and/or the Purchase Contract including but not limited to

objections based on insufficient performance under any guarantees or warranties whatsoever. The Borrower also agrees that it is not entitled to refuse the orderly, punctual and complete fulfilment of its obligations under this Agreement by maintaining that the Buyer or the Borrower (as the case may be) had any claim, right or title under the Purchase Contract or the Letter of Credit.

- 4.2 Should, without the Lender giving its prior consent in writing (which will not be unreasonably withheld), the Purchase Contract and/or the Letter of Credit be amended after the date of this Agreement as to the price or the payment thereof, its scope, the periods of delivery, the documents or any other material matter, the Lender will not in any way be obliged to advance further monies.

5 Repayment

- 5.1 The Loan shall be repaid by the Borrower to the Lender in 2 (two) consecutive instalments of EUR 10.500,000 (ten million five hundred thousand Euro) each. The first repayment shall be on the First Repayment Date and the second repayment shall be on the Final Repayment Date.

- 5.2 If the Facility Amount has not been utilised in full within the Availability Period, each of the repayment instalments under Article 5.1 shall reduce pro-rata. The Lender shall calculate the new amount of each repayment instalment and notify the Borrower accordingly.

6 Prepayment

- 6.1 The Borrower may only prepay all or any part of the Loan if all of the following conditions are satisfied:

- (a) the proposed prepayment date is an Interest Payment Date;
- (b) the prepayment is made in accordance with this Article 6;
- (c) the Lender gives its prior written consent; and
- (d) the Borrower gives irrevocable, written notice to the Lender specifying the proposed prepayment date and the amount of the Loan to be prepaid at least 30 (thirty) days before the proposed prepayment date.

6.2 Subject to Article 6.3, the Borrower may only prepay the facility in an amount equal to the relevant Scheduled Payment or a multiple thereof.

6.3 The Borrower shall pay to the Lender on any prepayment date an amount equal to:

- (a) the amount of the Loan to be prepaid on the relevant prepayment date; plus
- (b) all accrued interest under this Agreement;
- (c) all other amounts that have accrued under this Agreement (including, without limitation under Article 20.1 (*Indemnities*) and any Break Costs) or incurred by the Lender in respect of the amount prepaid,

in each case, as calculated and certified by the Lender.

6.4 Amounts prepaid:

- (a) may not be re-borrowed; and
- (b) shall be applied against subsequent repayment instalments in reverse order of maturity.

6.5 The Lender shall promptly furnish the Borrower with a detailed description of its calculation of any Break Costs.

7 Payments

7.1 All payments to be made by the Borrower hereunder to the Lender shall be made without set off or counterclaim and in freely transferable and convertible Euro by not later than 11:00 a.m. (Amsterdam, Netherlands) on the relevant date to account number 300057954, Swift Address Rabo NL2U of the Lender or to such other account as may from time to time be notified by the Lender to the Borrower with 15 (fifteen) days prior written notice with the following reference: H. Rizzelli, Export Finance Department.

7.2 All payments to be made by the Borrower hereunder shall be made on a Business Day; whenever any payment hereunder is due on a day which is not a Business Day such payment shall be made on the next Business Day.

7.3 As mutually agreed, payments received from the Borrower shall be applied to discharge the indebtedness of the Borrower to the Lender under this Agreement in the following order:

- (a) any Break Costs;
- (b) unpaid costs and expenses of the Lender to be reimbursed by the Borrower;
- (c) unpaid fees;
- (d) interest for late payment as referred to in Article 9;
- (e) interest amounts;
- (f) any other amounts due under this Agreement with the exception of principal;
- (g) principal to be repaid or prepaid.

7.4 Any certificate or determination of the Lender (including a fax copy) as to any rate of interest or any other amount pursuant to this Agreement shall, in the absence of manifest error, be conclusive and binding on the Borrower and the Lender.

8 Interest Rate

8.1 The Borrower shall pay to the Lender interest on the Loan for each Interest Period at the percentage rate per annum equal to 6-Month EURIBOR plus the Margin of 4% (four per cent.) per annum.

8.2 Each Interest Period will have a duration of 6 (six) Months and shall furthermore be subject to the following provisions:

- (a) the first Interest Period shall commence on the date on which the Loan is advanced hereunder and shall end on the date falling immediately prior to the next occurring relevant Interest Payment Date;
- (b) each subsequent Interest Period shall commence on the date of the expiry of the immediately preceding Interest Period;
- (c) if any Interest Period would otherwise end on a day which is not a Business Day that Interest Period shall be extended to the next succeeding day which is a

Business Day, unless such next succeeding Business Day falls in another calendar month in which event the Interest Period shall end upon the immediately preceding Business Day;

- (d) subject to paragraph (e) of this Article 8.2, if an Interest Period commences on:
 - (i) the last day of a calendar month; or
 - (ii) on a day for which there is no numerically corresponding day in the calendar month in which that period is to end,

then that Interest Period shall end on the last Business Day in the calendar month in which that period is to end; and

- (e) any Interest Period which, but for this paragraph (e), would overrun the Final Repayment Date shall be shortened to end on the Final Repayment Date.

8.3 Interest shall be calculated on the Loan on the basis of actual days elapsed and a 360-day year and shall accrue from day to day, or, in any case where the practice in the Relevant Interbank Market differs, in accordance with that market practice.

8.4 At the end of each Interest Period and upon disbursement of the Loan hereunder the Lender shall inform the Borrower by facsimile or by pdf-file email of the amount of interest payable to the Lender in respect of the next Interest Period for the Loan.

8.5 The Borrower shall, within 3 (three) Business Days of demand by the Lender, pay to the Lender the Break Costs (if any) attributable to all or any part of a Loan being paid by that Borrower on a day other than an Interest Payment Date for that Loan.

9 Delay Interest

9.1 In the event of failure by the Borrower to pay any sum on its due date, and without prejudice to any other right of the Lender under this Agreement, the Borrower shall pay to the Lender, and the Lender shall be entitled to receive interest for late payment on each amount payable under this Agreement which has not been paid on the agreed due date thereof and calculated on a daily basis and a year of 360 days at a rate of:

- (a) in respect of the Loan, 1% (one per cent.) per annum above the rate specified in Article 8.1; and
- (b) in respect of any other amounts, 1% (one per cent.) per annum above the rate which would have been payable if the overdue amount had been a Loan.

9.2 Such interest for late payment shall be due from the due date until (but not including) the actual date of payment (both before and after judgment) and shall be paid forthwith upon demand made from time to time by the Lender. Failure of the Lender to give any notice or demand shall in no way relieve the Borrower from its obligations under this Agreement.

9.3 For the purpose of calculating interest under this Article 9, the Lender shall select the duration of Interest Periods (acting reasonably).

9.4 As from the due date for repayment thereof, any part of the Loan which remains unpaid after such date shall cease to bear interest at the rate applicable in accordance with Article 8 and interest shall become payable thereon at the rate specified in this Article 9.

10 Taxes, levies, fees and costs

10.1 All existing or future income taxes of the Lender in relation to this Agreement levied or charged by any Authority in The Netherlands shall be borne by the Lender.

10.2 All existing or future taxes (other than those mentioned in Article 10.1), levies, imports, duties, services, charges, fees, deductions and withholdings, stamp or registration fees, whatsoever in relation to this Agreement, and levied or charged by any Authority in Sri Lanka, shall be borne by the Borrower.

10.3 All payments to be made by the Borrower under this Agreement (whether in respect of principal, interest, fees or otherwise) shall be made in full free and clear of and without deduction or withholding for or on account of any present or future income or other taxes, levies, imports, duties, charges or withholdings of any nature whatsoever levied by any Authority in Sri Lanka. However, if the Borrower shall be required by Sri Lanka law or regulation to make any deduction or withholding from any payment for the account of the Lender, then:

- (a) the Borrower will ensure that such deductions or withholdings will not be lower than the respective minimum legal liabilities therefore and will forthwith pay to the Lender such additional amounts as will result in the net receipt by the Lender (free and clear of any such deductions and withholdings) of the full amount which they otherwise should have received had no such deductions or withholdings been made; and
- (b) the Borrower will upon demand from the Lender furnish to it an official receipt or receipts of the relevant taxation or Sri Lanka Authorities involved for all amounts deducted or withheld with respect to the Lender as aforesaid.
- 10.4 The Borrower shall pay to the Lender a commitment fee computed at the rate of 0.25% (zero point two five per cent.) per annum on the Unutilised Loan Amount from the date of this Agreement until (and including) the last day of the Availability Period. The accrued commitment fee is payable on the last day of each successive period of 3 (three) Months until the last day of the Availability Period and on the last day of the Availability Period
- 10.5 The Borrower shall pay to the Lender a management fee in the amount of EUR 105,000 (one hundred and five thousand Euro) on the date falling 30 (thirty) days after the date of this Agreement.
- 11 For reference purposes only**
- 12 Change of Circumstances**
- 12.1 In the event of a change of the various law or regulations applicable to the Lender by any Authority in charge of their enforcement, in particular as regards to reserve requirements or any levies or deductions (with the exception of income tax levied on the Lender's aggregate income) or other provisions with a comparable effect, where such change actually affects the net compensation obtained by the Lender in relation to this Agreement, the Lender shall promptly notify the Borrower.
- 12.2 The Borrower and the Lender shall in such case consult each other with a view to reaching a mutually acceptable solution. If the parties do not reach an agreement within 30 (thirty) Business Days following the notification given by the Lender to the Borrower, the Borrower may elect either (a) to pay to the Lender such amounts as the

Lender may duly certify as compensation for such increased cost with a reasonable upper limit or (b) to forthwith repay the Loan together with accrued interest thereon all other amounts accrued under this Agreement and subject to the terms of Article 20.1.

12.3 If, at any time, it becomes unlawful for the Lender to comply with any of its obligations under this Agreement, the obligations in question shall be suspended (and all corresponding rights shall cease to accrue) until such time as it may again become lawful for the Lender to comply with them, and the Lender shall not be liable for any losses which the Borrower may incur as a result. Notwithstanding this 12.3 or its effect, the Borrower shall remain liable under this Agreement and shall perform its obligations under this Agreement in accordance with its terms.

12.4 As long as the circumstances giving rise to the events specified in this Article 12 continue, Lender shall use all its reasonable efforts to assign its commitment in the Loan to any other bank or financial institution acceptable to the Borrower with a view to avoid the above circumstances.

13 Representations and warranties

13.1 The Borrower hereby represents and warrants to the Lender that:

- (a) it has full power, authority and legal right to incur the indebtedness and other obligations provided for in this Agreement, to execute and deliver this Agreement, and to perform and observe the terms and provisions thereof;
- (b) the execution, performance and fulfilment of this Agreement have been duly and validly authorised under applicable laws and regulations;
- (c) to the extent required, all permits and authorisations for the Borrower to enter into and perform this Agreement have been obtained; and no further permits or authorisations (including but not limited to foreign exchange permits) are necessary for the payment of all sums due under this Agreement;
- (d) this Agreement constitutes legal, valid and binding obligations of the Borrower enforceable against it in Sri Lanka in accordance with its terms subject to the provisions of Article 462 of the Civil Procedure Code of Sri Lanka;

- (e) the execution and the performance of the provisions of this Agreement do not contravene any existing law or regulation to which the Borrower is subject, or any provision of the Constitution of Sri Lanka or the laws and regulations of Sri Lanka or any treaty to which Sri Lanka is a party;
- (f) the person(s) having executed and delivered this Agreement and whose names and functions are specified on the execution pages of this Agreement are fully authorised to execute the same for and on behalf of the Borrower and any one of the officers of the Borrower specified in the Certificate of Incumbency and Authority is authorised (i) to sign all notices, certificates and communications to be given by the Borrower, as the case may be, pursuant to this Agreement, and (ii) to take all actions required or permitted to be taken or done on behalf of the Borrower, as the case may be, under this Agreement;
- (g) there is no withholding, income or other tax or charge of Sri Lanka or any political subdivision or taxing authority thereof or of any taxing authority, federation or association of which Sri Lanka is a member, applicable to any payment to be made by the Borrower pursuant to the terms of this Agreement or to be imposed on or by virtue of the execution, delivery, performance or enforcement of this Agreement, except as provided in Article 10;
- (h) there is no stamp or registration duties or other taxes or fees with respect to the preparation, execution, delivery, filing, recording, registration or performance by the Borrower of this Agreement, required by Sri Lanka or any taxing or fiscal authority thereof;
- (i) the Lender is not, nor shall the Lender be deemed, for taxation or other purposes, to be resident or domiciled, to have established a place of business or to be carrying on any business in Sri Lanka by reason only of the execution, delivery, performance or enforcement of this Agreement;
- (j) the submission by the Borrower to arbitration in accordance with the provisions of Article 23.2 of this Agreement and its agreement pursuant to Article 23.2 that this Agreement shall be governed by and construed and interpreted in accordance with the laws of England, are legal, valid and binding;



- (k) no event has occurred or is pending which constitutes a default under or in respect of any agreement or document to which the Borrower is a party or by which the Borrower or any of their assets may be bound and no event has occurred which, with the giving of notice, lapse or time, determinations of materiality or other conditions might constitute a default under or in respect of any such agreement or document;
- (l) the conditions, amounts, documents and evidence as mentioned in Article 2.2 are (still) fulfilled, true and/or in place;
- (m) it and the Buyer are subject to civil and commercial law with respect to their respective obligations under this Agreement; and the execution and performance of those obligations constitute private and commercial acts done for private and commercial purposes;

13.2 All representations and warranties made in this Article 13 as well as the representation and warranty in Article 16 are deemed to be repeated by the Borrower, (a) on each date on which the Loan is made under this Agreement, (b) on the first day of each Interest Period, and (c) on each Repayment Date.

14 Undertakings

14.1 The Borrower undertakes with the Lender:

- (a) to comply with present and future law of Sri Lanka and to obtain all consents and approvals which may at any time be required or applicable to it, its property or any of the Transaction Documents, such compliance to include, without limitation, that the Borrower shall continue to meet all requirements in order to facilitate any payments under this Agreement in freely convertible currency (being the same currency as the obligations of the Borrower are denominated);
- (b) to ensure that the Buyer does not amend or novate or agree to amend or novate the Purchase Contract without the prior consent of the Lender, which consent will not unreasonably be withheld, except for amendments which are not material and not detrimental to the Buyer, the Borrower and the Lender. The Borrower shall promptly provide the Lender with a copy of any such amendments to the Purchase Contract;

- (c) to furnish or cause to be furnished to the Lender, or any assignee or transferee in accordance with Article 18, all such information as the Lender (or any assignee or transferee) shall reasonably request, including but not limited to the expenditure in connection with this Agreement and/or the Purchase Contract, macro-economic data and data regarding the international obligations of the Borrower, which shall be treated as confidential information;
- (d) to furnish to the Lender specimen signatures of a person or persons authorised to sign in a legally binding way notices to be given to the Lender under this Agreement on behalf of the Borrower, if such a person (or such persons) is (are) newly appointed;
- (e) to inform the Lender as soon as possible (a) if any of the representations and warranties contained in Article 13 or 16 are not true and/or correct any more and (b) of the occurrence of an Event of Default or an event which may (with the giving of notice or the lapse of time) become an Event of Default;
- (f) to inform the Lender when the Borrower commences negotiations with one or more of its creditors with a view to a general rescheduling of its Indebtedness and to allow the Lender to participate in any negotiations entered into by the Borrower or Sri Lanka with a view to a general rescheduling of its indebtedness; and
- (g) to furnish to the Lender such documentation and/or information as the Lender may request from time to time in relation to the Borrower and/or the Buyer, including, in order for the Lender to comply with any law, regulation or guidelines applicable to, or applied by, the Lender from time to time (including, without limitation, any anti-money laundering, anti-terrorism, economic or trade sanctions or "know your customer" rules and regulations) or any continuing compliance requirements applied by the Lender in accordance with any such law, regulation, rules or guidelines.

15 Events of Default

15.1 The occurrence of any of the following events shall constitute an Event of Default:

- (a) the Borrower does not duly pay to the Lender any amount (whether of principal, interest fees, or any other amount) owed by it under this Agreement, when due,



unless the Borrower is prevented from making such payment for reasons beyond its control due to a remittance becoming (i) illegal or (ii) unlawful;

- (b) the Borrower fails to perform any other obligation under this Agreement or is in breach of any other terms, undertakings, covenants or conditions contained herein and such failure – if capable of being remedied - is not remedied within 10 (ten) Business Days after the Lender has requested the Borrower to do so;
- (c) any representation or warranty of the Borrower contained in Article 13 or 16, or any certificate from the Borrower issued in connection with this Agreement is incorrect;
- (d) Sri Lanka declares a general moratorium, or the Borrower becomes unable or otherwise admits its inability to pay any of its Indebtedness as the same falls due;
- (e) any circumstance occurs which adversely affects the legality, validity or enforceability of this Agreement or the Purchase Agreement or any material provision thereof subject to Article 12.3;
- (f) an amendment (unless with the prior written consent of the Lender and the Borrower and except for any amendments which are not material and detrimental to the Borrower and the Lender), cancellation, repudiation, invalidation or any other event which causes the Purchase Contract not to be in full force and effect;
- (g) any Governmental Approval granted or required in connection with this Agreement expires, fails to be issued or is terminated or revoked or modified in any manner unacceptable to the Lender and the same is not remediable or, if remediable shall not have been cured or remedied to the satisfaction of the Lender within 10 (ten) Business Days after written notice from the Lender to the Borrower with respect thereto;
- (h) the Borrower defaults in complying with any repayment obligation arising from any other loan, facility or credit agreement, of whatever nature, concluded with Rabobank International or any such obligation is declared to be or otherwise becomes due and payable prior to its maturity.

15.2 On and at any time after the occurrence of an Event of Default (while it is continuing), the Lender may, after written notice of such event to the Borrower:

- (a) cancel (any part of) the facilities under this Agreement whereupon the (relevant part of the) Available Facility Amount will be cancelled forthwith; and
- (b) declare the entire principal of the Loan and all other amounts payable under this Agreement to be due and payable forthwith, except where an event of default is directly caused by an event dealt with in Article 22, whereupon the aggregate principal of the Loan together with accrued interest thereon and any fees and any other amounts payable by the Borrower under this Agreement shall immediately become due and payable without further demand or other notice of any kind, all of which are hereby expressly waived by the Borrower.

15.3 Without prejudice to the provisions of Article 9 or 20, the Borrower shall indemnify the Lender against any costs or expenses with a maximum amount of EUR 2,000,000 (two million Euro) which the Lender may sustain or incur as a direct consequence of any Event of Default by the Borrower in payment of any amount due under this Agreement.

15.4 The Borrower shall inform the Lender promptly of the occurrence of any fact or circumstance, which might threaten its ability to perform any of its obligations under this Agreement.

16 Pari passu

16.1 The Borrower hereby represents and warrants to the Lender that its payment obligations under this Agreement rank and will at all times rank pari passu with all its other present and future unsecured and unsubordinated payment obligations on account of Indebtedness.

16.2 The claims of the Lender pursuant to this Agreement will at all times rank pari passu with the claims of any other of the Borrower's creditors with respect to all terms and conditions of prepayment or cancellation other than normal maturity schedules which the Borrower may have agreed with such other creditors, with the exception of claims granted priority by mandatory operation of laws of Sri Lanka. Such terms and conditions shall not result in prepayments that would adversely affect the position of the Lender under this Agreement.

17 Notices

- 17.1 Unless otherwise specified herein, all notices, requests and other communications shall be made in the English language and shall be given or made (unless provided otherwise in this Agreement) by registered mail or (but then to be confirmed by mail) by telefax or by pdf-file electronic mail (e-mail) and shall be addressed as follows:

In case of the Borrower:

The Democratic Socialist Republic of Sri Lanka
Department of External Resources
The Ministry of Finance and Planning
The Secretariat
Colombo 01
Sri Lanka

Attn: Director General

Telephone: +94 11 2484693
Telefax: +94 11 2447633
E-mail:

In case of the Lender:

Rabobank International
Structured Trade & Export Finance
Croeselaan 18
3521 CB Utrecht
The Netherlands

Attn. H. Rizzelli

Location: Export Finance Department

Telephone: +31 30 7122536

Telefax: +31 30 7122591

E-mail: han.rizzelli@rabobank.nl

or to such other address as may from time to time be notified in writing by one party to the others, provided that any such variation shall take effect as from the 7th (seventh) Business Day after the day of receipt of the respective notice by the other parties (unless a later date should have been notified therein).

17.2 Any such notice shall be deemed to have been duly given on the 14th (fourteenth) day after posting (if given by registered airmail) or on the Business Day after dispatch (if given by telex or telefax), provided that in case of any telex or telefax transmission a correct answer back or transmission okay message has been received and the relevant message has been sent by registered airmail simultaneously.

18 Assignment

18.1 The Lender may assign its rights, title and interest under the Agreement with the prior written consent (which will not be unreasonably withheld) of the Borrower provided however that the Lender shall not require the Borrower's prior written consent when an Event of Default has occurred and is continuing.

18.2 The Lender may disclose to:

- (a) its affiliates;
- (b) an assignee, transferee, sub-participant or potential assignee, transferee or sub-participant;
- (c) a person who invests in or finances the facility made available under this Agreement or who may potentially invest in or otherwise finance the facility;
- (d) ATRADIUS or any successor thereof;
- (e) any person to whom information is required or requested to be disclosed by any court of competent jurisdiction or any governmental, banking, taxation or other

regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation; and

- (f) any person to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes,

such information about the Borrower and this facility as the Lender considers appropriate it being understood that any information provided by (the government of) Sri Lanka will be deemed to be confidential and such information may only be disclosed to the persons and entities referenced under 18.2 above to the extent necessary for administration purposes, for any other lawful purposes of the person identified in paragraph (e) or (f) and/or for the assessment of risks in relation to the transactions contemplated by this Agreement.

18.3 The Borrower shall not assign or transfer in full or in part any or all of its rights, title and interest under the Agreement.

18.4 If:

- (a) the Lender assigns or transfers any of its rights or obligations under this Agreement; and
- (b) as a result of circumstances existing at the date the assignment or transfer, the Borrower would be obliged to make a payment to the new lender (the '**New Lender**') under Article 10 or Article 12,

then the New Lender is only entitled to receive payment under those Articles to the same extent as the Lender would have been if the assignment or transfer had not occurred.

19 Set off

19.1 In case of the occurrence of an Event of Default under this Agreement, the Lender shall be entitled to set-off payable claims it has against the Borrower against any payable

counterclaims of the Borrower against the Lender regardless of the currency in which such claims are denominated.

19.2 The Borrower hereby waives any and all rights of set-off or counterclaim which it may have with regard to any amount due to the Lender under this Agreement and agrees that it shall not withhold payment for any reason whatsoever of any amounts due for payment. In particular, the Borrower shall not set-off or refuse to make any payment owing to the Lender under this Agreement by virtue of any claims, rights of action, entitlements or demands which the Buyer may have against the Supplier in relation to the Purchase Contract. However, the Borrower shall have the right to set off in the case that a court or competent jurisdiction makes a specific judgement or order against the Lender in relation hereto to the benefit of the Borrower.

19.3 If claims under this Article 19 are not denominated in Euros, then the Lender may convert any of them to Euros at the spot rate of exchange of an independent third party financial institution selected by the Lender in its sole discretion for the purchase of Euros with the relevant financial institution in the Amsterdam foreign exchange market at or about 11:00 a.m. on a particular day.

20 Indemnities

20.1 The Borrower shall on demand indemnify the Lender, without prejudice to any of the other rights of the Lender under this Agreement against any loss or expense which it shall certify as sustained or incurred by it as a consequence of:

- (a) any default in payment by the Borrower of any sum under this Agreement when due;
- (b) the occurrence of any other Event of Default;
- (c) any prepayment of the Loan or part thereof is made on another date than an Interest Payment Date;
- (d) the Loan not being made available on the scheduled date of disbursement for any reason (excluding any default by the Lender),

including, in any such case, but not limited to, any loss or expense sustained or incurred by the Lender in maintaining or funding the Loan (or part thereof) or in liquidating or re-employing deposits from third parties acquired to effect or maintain the Loan or any part thereof or any other sums owing to the Lender. The Lender shall provide the Borrower with a detailed description of the expenses and losses as mentioned in the previous sentence.

- 20.2 If any sum due from the Borrower under this Agreement or any order or judgment given or made in relation thereto has to be converted from the currency (the "first currency") in which the same is payable under this Agreement or under such order or judgment into another currency (the "second currency") for the purpose of (a) making or filing a claim or proof against the Borrower, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to this Agreement, the Borrower shall indemnify and hold harmless the Lender from and against any loss suffered as a result of any difference between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency to the second currency and (ii) the rate or rates of exchange at which the Lender may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof. Any amount due from the Borrower under this Article shall be due as a separate debt and shall not be affected by judgment being obtained for any other sums due under or in respect of this Agreement and the term "rate of exchange" includes any premium and costs of exchange payable in connection with the purchase of the first currency with the second currency.

21 Miscellaneous

- 21.1 The language of this Agreement and all subsequent correspondence is English. In the event of translation of other languages, the English version shall prevail.
- 21.2 The Lender reserves the rights to publish this transaction for promotional purposes, in newspapers and financial publications with the Borrower's consent in writing, which shall not unreasonably be withheld.

21.3 The Borrower agrees that the Lender may disclose any information concerning the Borrower to any law enforcement, regulatory agency or court where required by any such law or regulation in the Netherlands or elsewhere.

21.4 This Agreement may be executed in any number of counterparts, and by the different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all the counterparts shall together constitute one and the same instrument.

21.5 No failure or delay by the Lender in exercising any right, power or privilege hereunder or conferred by law shall operate as a waiver thereof nor shall any single or partial exercise of any right, power or privilege preclude any further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided are cumulative and not exclusive of any rights and remedies provided by law.

21.6 Each of the provisions in this Agreement are severable and distinct from the others, and if at any time one or more such provisions is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.

21.7 No modification or waiver of any provision of this Agreement and no consent to any departure therefrom shall be effective unless such modification or waiver shall be in writing and signed on behalf of all parties to the Agreement.

22 Suspension of Lender's Obligations

22.1 The Borrower agrees that the Lender may delay, block or refuse to process any transaction under this Agreement without incurring any liability if the Lender has reasonable grounds to believe that:

- (a) the transaction under this Agreement may breach any laws or regulations in the Netherlands or any other country, including any anti money laundering or counter terrorism laws;
- (b) the transaction under this Agreement involves any person (natural, corporate or governmental) that is itself sanctioned or is connected, directly or indirectly, to



any person that is sanctioned under economic and trade sanctions imposed by the United States of America, the European Union or any other jurisdiction; or

- (c) the transaction under this Agreement may directly or indirectly involve the proceeds of, or be applied for the purposes of, conduct which is unlawful in the Netherlands or any other country.

23 Law and jurisdiction; Sovereign Immunity

- 23.1 This Agreement and its performance shall be governed by and construed and interpreted in accordance with English law.
- 23.2 Any dispute, controversy or claim arising out of or relating to this Agreement, or the breach, termination or invalidity thereof, shall be settled exclusively by arbitration in accordance with the UNCITRAL Arbitration Rules as at present in force. The arbitration shall be administered by Singapore International Arbitration Centre ("SIAC") in accordance with its Practice Note on UNCITRAL cases. The number of arbitrators shall be three. Each party shall appoint one Arbitrator and the Arbitrators so appointed shall agree on the Chairman of the Arbitral Tribunal. The place of arbitration shall be Singapore. The language to be used in the arbitral proceedings shall be English.
- 23.3 The Borrower irrevocably consents to service of process or any other documents in connection with proceedings in any court by personal service, delivery at any address specified in this Agreement or any other usual address, mail or in any other manner permitted by English law, the law of the place of service or the law of the jurisdiction where proceedings are instituted.
- 23.4 The Borrower irrevocably acknowledges and accepts that this Agreement and all connected agreements and the performance or non-performance of its obligations under them are commercial rather than public or governmental acts.
- 23.5 In any event, it hereby waives, in relation to any disputes arising out of or in connection with this Agreement under any law or in any jurisdiction, notwithstanding the dispute relates to acts of a sovereign or governmental character, any claim it may have or may acquire to immunity on the grounds of sovereignty or otherwise (for itself and its

property, present or subsequently acquired) from the jurisdiction of the arbitral tribunal constituted pursuant to this Agreement, the courts of Singapore, Sri Lanka and any other court of competent jurisdiction, and the service and pursuit of any proceedings before that arbitral tribunal, and those courts.

- 23.6 For the avoidance of doubt and without prejudice to the foregoing, the Borrower hereby irrevocably waives any claim to immunity in regard to any proceedings to enforce any arbitral award rendered by an arbitral tribunal constituted pursuant to this Agreement, including, without limitation, immunity from service of process, immunity from jurisdiction of any court, and immunity of any of its property from execution, provided however that such agreement to waive shall extend only to proceedings for attachment or execution or enforcement of an arbitral award or judgement against any permitted property which means any property which is for the time being owned by the Borrower and used for a commercial purpose as defined in the State Immunities Act 1978 of the United Kingdom.

This Agreement is executed and signed in three original copies on December 5, 2014

The Borrower:

On behalf of:

The Democratic Socialist Republic of Sri Lanka

represented by the Secretary of the Ministry of Finance and Planning

P. B. Jayasundera



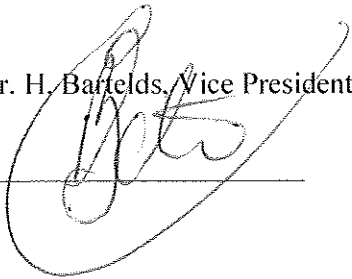
A handwritten signature in black ink, appearing to read 'P. B. Jayasundera', is written over a horizontal line.

The Lender:

On behalf of:

Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A.

Mr. H. Bartelds, Vice President



A handwritten signature in black ink, appearing to read 'H. Bartelds', is written over a horizontal line.

Exhibit I

Attorney General's Legal Opinion (Borrower)

Legal Opinion by <<.....>>

Legal Opinion – Financing of the delivery of 463 bridges for the Ministry of Economic Development

With reference to the financing extended by Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (hereinafter referred to as "the Lender") to THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA represented by the Secretary of the Ministry of Finance and Planning (hereinafter referred to as "the Borrower") in an amount up to an aggregate of twenty-one million Euro (EUR 21,000,000.00) as principal in accordance with the terms and conditions of the Loan Agreement dated December, 2014 between the Borrower and the Lender (hereinafter referred to as "the Loan Agreement") to assist in the financing of 463 bridges (hereinafter referred to as the "Project"). I, the undersigned, acting as Legal Counsel for the Borrower, certify as follows:-

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

The Loan Agreement dated December, 2014 between the Borrower and the Lender to finance the Project set out in the said Loan Agreement;

The Special Authorization dated granted by His Excellency the President authorizing to sign in the name of and on behalf of the Borrower, the said Loan Agreement;

A certified copy of the Cabinet Memorandum dated and a certified copy of the Cabinet Conclusion thereon dated

A certified copy of the minutes of the meeting of the Monetary Board held on containing the views of the Monetary Board in relation to the monetary implications of the said loan, issued in terms of the Monetary Law Act; and

The constitution, laws, decrees, judicial decisions, rules and regulations of the Democratic Socialist Republic of Sri Lanka ("the Republic") and such agreements, instruments,

documents and other matters as I have considered necessary or desirable for the opinions hereinafter expressed.

Based on the foregoing, I am of the opinion that:

- 1 (a) the Borrower has full power and authority to execute and deliver the Loan Agreement and to perform its obligations there under;

..... who has signed the Loan Agreement on behalf of the Borrower has full power and authority to execute and deliver the Loan Agreement and all documents pursuant thereto for and on behalf of the Borrower;

that, the Borrower is authorized to borrow foreign currency funds from abroad under the Foreign Loans Act and that the terms and conditions of the Loan Agreement are in compliance with the provisions of the said Foreign Loans Act and the Monetary Law Act; and

that, therefore, the Loan Agreement has been duly authorized by and made, signed and delivered for and on behalf of the Borrower and constitutes a valid obligation legally binding upon the Borrower in accordance with all its terms and conditions.

- 2 The Monetary Law Act and the Foreign Loans Act are the only laws which relate to the authority of the Borrower to receive foreign loans.

IN WITNESS WHEREOF, I, the undersigned have hereunto set my hand and affixed my official seal, this day of [*] 2014.

[...]

PRESIDENT'S COUNSEL

ATTORNEY GENERAL OF THE

DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA



REFERENCES

- 1 Monetary Law Act, No. 58 of 1949 as amended by Act No. 33 of 1954, Act No. 11 of 1963, Act No. 18 of 1965, Act No. 16 of 1967, Act No. 5 of 1968, Act No. 21 of 1968, Act No. 2 of 1969, Act No. 30 of 1971, Law No. 37 of 1974, Law No. 16 of 1977, Law No. 10 of 1978, Act No. 14 of 1979, Act No. 62 of 1980, Act No. 52 of 1985, Act No. 7 of 1985, Act No. 26 of 1995 and No. 6 of 1998.
- 2 Foreign Loans Act, No 29 of 1957 as amended by Act No. 2 of 1962, Act No. 1 of 1963, Act No. 23 of 1980 and Act No. 33 of 1984.

Exhibit II

Certificate of Incumbency and Authority Borrower

From:

.....

.....

Date:

To: **Rabobank International**

Dear Sirs,

With reference to the Loan Agreement signed between us, for EUR 21,000,000.00 and dated December, 2014 (the "Agreement"), I, the undersigned, (authorised person), hereby certify that the following are the names, offices and true specimen signatures of the persons each of whom will separately and shall continue to be (until you receive authorised written notice from us that they, or any of them, no longer continue to be) authorised (a) to sign on behalf of the Borrower all notices, certificates and communications to be given by the Borrower pursuant the Agreement and (b) to take all actions required or permitted to be taken or done on behalf of the Borrower under the Agreement;

Name	Office	Specimen Signature
.....
.....
.....
.....

For and on behalf of
The Democratic Socialist Republic of Sri Lanka
[Insert signatory name and designation]



Exhibit III

L/C text

M 40A: Form of Documentary Credit
IRREVOCABLE

M 20: Documentary Credit Number
TO BE INSERTED

O 31C: Date of Issue
TO BE INSERTED

M 31D: Date and Place of Expiry
TO BE INSERTED

M 50: Applicant
GOVERNMENT OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA
MINISTRY OF ECONOMIC DEVELOPMENT
NO.464/A, T.B. JAYAH MAWATHA, COLOMBO 10
SRI LANKA

M 59: Beneficiary
JANSON BRIDGING INTERNATIONAL B.V.
KEIZERSVEER 9
4273 LD HANK
THE NETHERLANDS

32B: Currency Code, Amount
EUR 21.000.000,00

O 39A: Percentage Credit Amount Tolerance
0/0

M 41D/A: Available With ... By ...
RABOBANK NEDERLAND

BY PAYMENT

O 43P: Partial Shipments
NOT APPLICABLE

O 43T: Transhipment
NOT APPLICABLE

O 44A: Loading on Board/Dispatch/Taking in Charge at/from ...
NOT APPLICABLE

O 44B: For Transportation to ...
NOT APPLICABLE

O 44C: Latest Date of Shipment
NOT APPLICABLE

O 45A: Description of Goods and/or Services
ENHANCEMENT OF RURAL ROAD INFRASTRUCTURE THROUGH THE IMPLEMENTATION OF 463
BRIDGES ON THE RURAL ROAD NETWORK PHASE 3 AS PER CONTRACT, DATED 15 JUNE 2014.

O 46A: Documents Required

1. INVOICE FOR 100PCT OF THE TOTAL CONTRACT VALUE SHOWING FOLLOWING BREAKDOWN:

FULL VALUE:	EUR 105.000.000,00
LESS 85% PAYABLE UNDER LX.....	EUR 84.000.000,00
NOW PAYABLE AS 20% DOWN PAYMENT:	EUR 21.000.000,00
2. AUTHENTICATED SWIFT CONFIRMATION FROM HNB SRI LANKA CONFIRMING THAT THEY
HAVE ISSUED AN ADVANCE PAYMENT GUARANTEE IN FAVOUR OF THE APPLICANT FOR
EUR 21.000.000,00 BEING 20 PCT OF THE TOTAL CONTRACT VALUE AS PER OUR REQUEST
SENT TO THEM EARLIER BY MT768

O 47A: Additional Conditions

THIS FIRST LC REPRESENTS THE ADVANCE PAYMENT OF 20PCT (PERCENT) OF THE TOTAL
CONTRACT VALUE.
THE REMAINING 85 PCT (PERCENT) AMOUNTING TO EUR 84.000.000,00 WILL BE PAID THROUGH A
SECOND LC WITH REFERENCE LX.....

O 71B: Charges
NOT APPLICABLE

O 48: Period for Presentation

WITHIN THE VALIDITY OF THE LC
M 49: Confirmation Instructions
NOT APPLICABLE

O 53D/A: Reimbursing Bank
NOT APPLICABLE.

O 78: Instructions to the Paying/Accepting/Negotiating Bank
DOCUMENTS TO BE SENT TO RABOBANK NEDERLAND, LEIDSEVEER 30-35, 3511 SB UTRECHT, ATTN
TRADE SERVICES DEPARTMENT: UL 3.01 BY COURIER SERVICES.
REIMBURSEMENT: WE WILL EFFECT PAYMENT AGAINST PRESENTATION OF CREDIT COMPLYING
DOCUMENTS.
O 72: Sender to Receiver Information
SUBJECT TO U.C.P. LATEST VERSION.