FI No. 23.303 VIETN
Serapis No. 20040570

Credit Line to the Ministry of Finance - Vietnam
(Own Resources)

Finance Contract

between

The Government of the Socialist Republic of Vietnam

and

European Investment Bank

and

Bank for Foreign Trade of Vietnam (Vietcombank)
Bank for Investment & Development of Vietnam (Vietindebank)
Vietnam Bank for Agriculture & Rural Development (Agribank)

Hanoi, 8th December 2005

EUROPEAN INVESTMENT BANK

FI N° 23.303 VN

CREDIT LINE TO MINISTRY OF FINANCE - VIETNAM
(Own Resources)

FINANCE CONTRACT

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THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF VIETNAM

and

EUROPEAN INVESTMENT BANK

and

BANK FOR FOREIGN TRADE OF VIETNAM (VIETCOMBANK)
BANK FOR INVESTMENT & DEVELOPMENT OF VIETNAM (VIETINDEBANK)
VIETNAM BANK FOR AGRICULTURE AND RURAL DEVELOPMENT (AGRIBANK)

Hanoi, 8th December 2005

THIS CONTRACT IS MADE BETWEEN:

The Government of the Socialist Republic of Vietnam, acting through the Ministry of Finance, represented by Dr. Truong Thai Phuong, Director General of the External Finance Department, Ministry of Finance

hereinafter referred to as: "**THE BORROWER**"

of the first part, and

European Investment Bank established at 100, boulevard Konrad Adenauer, Luxembourg (Grand-Duchy of Luxembourg) represented by Mr. Francisco de Paula Coelho, Director and Mrs. Regan Otte, Associate Director

hereinafter referred to as: "**THE BANK**"

of the second part, and

Bank for Foreign Trade of Vietnam (Vietcombank), a state corporation established under Decision No. 286/QD-NH5 dated 21st September 1996 by the Governor of the State Bank of Vietnam and having its registered office at 198, Tran Quang Khai Street, Hanoi, Vietnam, represented by Mrs. Nguyen Thu Ha, Deputy Director General

Bank for Investment & Development of Vietnam (Vietindebank), a state corporation established under Decision No. 286/QD-NH5 dated 21st September 1996 by the Governor of the State Bank of Vietnam and having its registered office at Vincom City Tower A, 191 Ba Trieu Street, Hanoi, Vietnam, represented by Mr. Hoang Huy Ha, Deputy Director General

Vietnam Bank for Agriculture and Rural Development (Agribank), a state corporation established under Decision No. 280/QD-NH5 dated 15th October 1996 of the Governor of the State Bank of Vietnam and having its registered office at No. 2 Lang Ha Street, Hanoi, Vietnam, represented by Mr. Le Van So, Director General

hereinafter jointly referred to as State - Owned Commercial Banks - **"SOCBs"** and each individually as a **"SOCB"**

of the third part

WHEREAS:

1. THE BORROWER has requested from THE BANK a global loan on THE BANK's own resources in an amount equivalent to EUR 30 000 000 (thirty million euros) to be made available through the SOCBs, acting for and on behalf of THE BORROWER, to companies in the Socialist Republic of Vietnam carrying out small and medium sized projects (each a **"Project"**) in the industrial, agro-industrial, productive infrastructure, tourism, energy and telecommunications sectors and related services, and in eligible health and urban development sectors of the economy, under the Asia and Latin America Mandate of 22nd December 1999 and the framework agreement (the **"Framework Agreement"**) signed on 26th/29th September 1997 between the Government of the Socialist Republic of Vietnam and THE BANK.

2. THE BORROWER shall make the credit available to each SOCB through an onlending agreement (the **"On-lending Agreement"**). Each SOCB shall finance each Project by means of sub-loans (hereinafter referred to as **"Sub-loan"/"Sub-loans")**, pursuant to on-lending agreements (each such agreement being hereinafter referred to as **"Sub-loan Agreement"**) between the relevant SOCB and companies promoting the Projects, which shall be (i) subsidiaries of companies incorporated in the European Union or (ii) joint ventures involving companies incorporated in the European Union or (iii) companies carrying out investment projects involving the transfer of European technology and know-how or containing special environmental benefits (each such company being hereinafter referred to as **"Final Beneficiary"**).

3. The Statute of THE BANK provides that THE BANK shall ensure that its funds are used as rationally as possible in the interests of the European Community (**"EC"**) and accordingly that the terms and conditions of its loan operations shall be consistent with EC policy. In accordance with the Recommendations of the Financial Action Task Force on Money Laundering as established within the Organisation for Economic Cooperation and Development, THE BANK has adopted a policy to pay special attention to its transactions and its business relations in those cases where it provides finance for a project located in a country that does not sufficiently comply with those recommendations or to a borrower or beneficiary resident in any such country.

4. THE BANK, being satisfied that the present global loan operation comes within the scope of its functions and conforms to the aims of the Framework Agreement and having regard to the matters recited above, has decided to give effect to THE BORROWER's request in an amount equivalent to EUR 30 000 000 (thirty million euros).

5. Dr. Truong Thai Phuong has been duly authorised to execute this Contract on behalf of THE BORROWER (Annex I). The Board of Directors of Vietcombank has authorised the entry into this Contract and Mrs. Nguyen Thu Ha has been duly authorised to execute this Contract on behalf of Vietcombank (Annex II); the Director General of Vietindebank has authorised the entry into this Contract and Mr. Hoang Huy Ha has been duly authorised to execute this Contract on behalf Vietindebank (Annex III); in accordance with Agribank's Charter, Mr. Le Van So has been duly authorised to execute this Contract on behalf of Agribank (Annex IV).

6. References herein to Articles, Recitals, Schedules and Annexes are references respectively to articles of, and recitals, schedules and annexes to, this Contract.

NOW THEREFORE it is hereby agreed as follows:

ARTICLE 1
DISBURSEMENT

1.01 Amount and Allocation of Credit

A. Amount: By this Contract THE BANK grants to THE BORROWER, and THE BORROWER accepts, a credit (the **"Credit"**) in an amount of EUR 30 000 000 (thirty million euros), for onlending to the SOCBs.

B. Availability: The Credit shall be made available by THE BORROWER to the SOCBs for on-lending to Final Beneficiaries in Vietnamese Dongs (**"VND"**) or foreign currency for the purpose of financing Projects as specified in the first Recital.

C. Allocation Period: The amount of the Credit shall be allocated, unless otherwise agreed between the parties, over a period of up to three (3) years and six (6) months from the date of signature of this Contract.

D. Submittal of Projects: THE BORROWER agrees that each SOCB shall directly submit to THE BANK a proposal for Projects in respect of which such SOCB seeks finance under this Contract. Each proposal shall conform to a form and to the eligibility criteria supplied by THE BANK to THE BORROWER and the relevant SOCB. The total cost of any Project submitted shall be equivalent to at least EUR 300 000 (three hundred thousand euros) and shall not exceed EUR 25 000 000 (twenty-five million euros), unless otherwise agreed upon by THE BANK.

E. Allocation: If a proposal for Projects or a Project submitted to THE BANK pursuant to Article 1.01D falls within the parameters specified in the first Recital, and if the proposal is approved by it, THE BANK shall notify the relevant SOCB, with copy to THE BORROWER, by way of a letter of allocation (hereinafter called a **"Letter of Allocation"**) stating that:

   (i) the Project or Projects is/are approved; and

   (ii) that portion of the Credit which THE BANK allocates to the Project (each such portion being hereinafter called an **"Allocation"**, which term shall include a re-allocation under Article 1.06).

F. Amount of Allocation: The total amount of each Allocation for any Project shall not exceed the equivalent of EUR 12 500 000 (twelve million five hundred thousand euros) and shall not be less than the equivalent of EUR 150 000 (one hundred and fifty thousand euros) provided that no allocation may be less than 10% or more than 50% of the total cost of any Project.

1.02 Disbursement Procedures

A. Tranches

The Credit shall be available for drawing by THE BORROWER in tranches, (hereinafter referred to as **"Tranches"** and each a **"Tranche"**). The amount of each Tranche, if not being the undrawn balance of the Credit, shall be in a minimum amount equivalent to EUR 1 000 000 (one million euros). The total number of Tranches may not exceed fifteen (15), unless otherwise agreed by THE BANK.

B. Disbursement Request

Disbursement of each Tranche shall be made upon written request by THE BORROWER (a **"Disbursement Request"**) substantially in the form set out in Schedule A, subject to the conditions set out in Article 1.04. This request must reach THE BANK at least fifteen (15) days prior to the preferred date for disbursement. Each Disbursement Request shall:

(a) specify the EUR amount requested for disbursement under the Tranche and the currency, provided that it is a currency stated in Article 1.03 and requested by the relevant SOCB pursuant to the relevant On-lending Agreement, and specify how the requested amount is apportioned among Allocations;

(b) specify whether the Tranche is to bear a fixed rate of interest (such a Tranche being referred to as **"Fixed Rate Tranche"**) in accordance with Article 3.01A or a floating rate of interest at a variable spread (such a Tranche being referred to as **"Variable-Spread Floating-Rate Tranche"** or **"VSFR Tranche"**) in accordance with Article 3.01B or a floating rate of interest at a fixed spread (such a Tranche being referred to as **"Fixed-Spread Floating-Rate Tranche"** or **"FSFR Tranche"**) in accordance with Article 3.01C;

(c) specify the repayment terms to be applicable to the Tranche in accordance with Article 4.01;

(d) specify THE BORROWER's preferred date for disbursement, which shall be a Relevant Business Day (as defined in Article 5.03B), it being understood that THE BANK may disburse the Tranche up to four (4) calendar months from the date of the Disbursement Request;

(e) confirm that each Sub-loan Agreement in relation to which the Disbursement Request is submitted was executed in substantial conformity with the model agreed upon by THE BANK and that there is no obstacle to the disbursement thereunder;

(f) be accompanied by evidence, in form and substance satisfactory to THE BANK, of the authority of the person(s) authorised to sign Disbursement Requests and the authenticated specimen signature of such person(s);

(g) state the bank account of THE BORROWER to which disbursement should be made;

(h) confirm that as from the date of signature of this Contract and up to the date of the Disbursement Request to the best knowledge of THE BORROWER:

(i) there has been no material adverse change in its financial condition or in the financial condition of the relevant SOCB that would or may affect its/their ability to perform its/their obligations under this Contract; and

(ii) no situation exists by virtue of which THE BANK may cancel or suspend the undisbursed part of the Credit pursuant to Article 1.07B(i).

THE BORROWER may also at its discretion specify in the Disbursement Request the following respective elements, if any, as indicated by THE BANK without commitment to be applicable to the Tranche during its lifetime, that is to say:

(i) in the case of a Fixed-Rate Tranche, the interest rate;

(ii) in the case of a FSFR Tranche, the Spread (as defined in Article 3.01C).

No Disbursement Request may be made later than 8th July 2009 after the date of signature of this Contract. Subject to the provisions of Article 1.02C, each Disbursement Request is irrevocable.

C. Disbursement Notice

Between fifteen (15) and ten (10) days before the date of disbursement of each Tranche, THE BANK shall, if the Disbursement Request conforms to Article 1.02B, deliver to THE BORROWER, with copy to the relevant SOCB, a notice (a **"Disbursement Notice"**) which shall specify:

(a) the amount and currency of the Tranche;

(b) the interest rate basis; for a Fixed-Rate Tranche, the fixed interest rate and for a FSFR Tranche, the Spread;

(c) the applicable Payment Dates;

(d) the repayment terms applicable to the Tranche in accordance with Article 4.01; and

(e) the date on which the Tranche is scheduled to be disbursed (the **"Scheduled Disbursement Date"**).

Provided that, if one or more of the elements specified in the Disbursement Notice does not conform to the corresponding element, if any, in the Disbursement Request, THE BORROWER may, without liability, within three (3) Luxembourg Business Days following receipt of the Disbursement Notice, by THE BORROWER and the relevant SOCB, revoke the Disbursement Request by notice to THE BANK and thereupon the Disbursement Request and the Disbursement Notice shall be of no effect.

For the purposes of this Contract generally, **"Luxembourg Business Day"** means a day on which commercial banks are open for normal business in Luxembourg.

1.03 Currency of Disbursement

Subject to availability, THE BANK shall disburse each Tranche in the currency for which THE BORROWER has expressed a preference. Each currency of disbursement shall be the EUR, USD or GBP or any other currency that is widely traded on the principal foreign exchange markets (including JPY) and which, in the case of a VSFR Tranche or an FSFR Tranche, is a currency that is available to THE BANK at variable rates of interest.

For the calculation of the sums available to be disbursed in currencies other than EUR, and to determine their equivalent in EUR, THE BANK shall apply the exchange rate published by the European Central Bank in Frankfurt, on such date within fifteen days preceding disbursement as THE BANK shall decide.

1.04 Conditions of Disbursement

A. The disbursement of the first Tranche shall be subject to the fulfilment of the following conditions to the satisfaction of THE BANK, namely that ten (10) Luxembourg Business Days before the Scheduled Date of Disbursement THE BANK shall have received:

(a) evidence, in form and substance satisfactory to THE BANK, (i) of the appointment by THE BORROWER of its Agent for Service and (ii) of the acceptance by the latter of its appointment, in accordance with Article 10.03;

(b) a legal opinion in the English language from the Ministry of Justice of the Socialist Republic of Vietnam on the due execution, validity and enforceability of this Contract by THE BORROWER;

(c) a legal opinion in the English language from the Head of the Legal Department of each SOCB on the due execution, validity and enforceability of this Contract by the relevant SOCB;

(d) evidence (including, if applicable, an English translation) that THE BORROWER and each SOCB have signed an On-lending Agreement substantially in the terms set out in Article 6.02; and

(e) THE BANK shall have agreed terms and conditions to be used as a model for Sub-loan Agreements (English translation) to be entered into by each SOCB with Final Beneficiaries substantially in the terms set out in Article 6.03

B. The disbursement of each Tranche (including the first) shall be subject to the following conditions:

(a) that no material adverse change shall have occurred in the financial condition of THE BORROWER or of the relevant SOCB that would or may affect its/their ability to perform its/their obligations under this Contract; and

(b) that no situation has occurred by virtue of which THE BANK may cancel or suspend the undisbursed part of the Credit pursuant to Article 1.07B(i).

C. The disbursement of each further Tranche (not including the first) shall be subject to THE BANK's receipt, not less than ten (10) Luxembourg Business Days before the Scheduled Date of Disbursement of evidence in the form of an agreed certificate that 75% of the aggregate amount of all other previous disbursements have been disbursed to Final Beneficiaries for Projects which have been approved for Allocations by THE BANK in accordance with Article 1.01.

1.05 Deferment Commission

A. Grounds of Deferment

THE BANK shall, at the request of THE BORROWER, defer disbursement of any Tranche in whole or in part to a date specified by THE BORROWER being a date falling not more than six (6) months from its Scheduled Disbursement Date. In such a case, THE BORROWER shall pay deferment indemnity as determined pursuant to paragraph C below. Any request for deferment shall have effect in respect of a Notified Tranche only if it is made at least seven days before its Scheduled Disbursement Date.

If any of the conditions referred to in Article 1.04 are not fulfilled as of the specified date, disbursement shall be deferred to a date agreed between THE BANK and THE BORROWER falling not less than ten (10) Luxembourg Business Days following the fulfilment of all conditions of disbursement.

B. Deferment Indemnity

If the disbursement of any Notified Tranche (as defined below in this Article 1.05B) is deferred, whether on request of THE BORROWER or by reason of non-fulfilment of the conditions of disbursement, THE BORROWER shall, upon demand by THE BANK, pay an indemnity on the amount of which disbursement is deferred. Such indemnity shall accrue from the Scheduled Disbursement Date to the actual disbursement date or, as the case may be, until the date of cancellation of the Tranche at a rate equal to R_1 minus R_2, where:

"R_1" means" the rate of interest that would have applied from time to time pursuant to Article 3.01 and the relevant Disbursement Notice, if the Tranche had been disbursed on the Scheduled Disbursement Date;

and

"R_2" means the Relevant Interbank Rate less 0.125% (12.5 basis points); provided that for the purpose of determining the Relevant Interbank Rate in relation to this Article 1.05, the relevant periods provided for in Schedule B shall be successive periods of one month commencing on the Scheduled Disbursement Date.

Furthermore, the indemnity:

(i) if the deferment exceeds one month in duration, shall accrue at the end of every month and be payable in accordance with Article 1.08;

(ii) shall be calculated using the day count convention applicable to R_1; and

(iii) where R_2 exceeds R_1, shall be set at zero.

For the purposes of this Contract generally,

"Relevant Interbank Rate" means:

- EURIBOR in the case of a Tranche denominated in EUR;
- LIBOR in the case of a Tranche denominated in GBP or USD and
- the market rate and its definition chosen by THE BANK and separately communicated to THE BORROWER, in the case of a Tranche denominated in any other currency (including JPY).

"Notified Tranche" means: a Tranche in respect of which THE BANK has issued a Disbursement Notice.

C. Cancellation of disbursement deferred by six months

THE BANK may, by notice to THE BORROWER, cancel a disbursement which has been deferred under Article 1.05A by more than six months in aggregate. The cancelled amount shall remain available for disbursement under Article 1.02.

1.06 Annulment and Re-allocation

A. Annulment

Any part of the Credit which has not been allocated within the period set forth in Article 1.01C shall be deemed to be annulled.

B. Re-allocation

(a) As from twelve (12) months upon issuing a Letter of Allocation, THE BANK may declare, by notice to THE BORROWER and the relevant SOCB, that any amount of the Credit allocated but not yet subject of a Disbursement Notice be in whole or in part annulled.

(b) Where the relevant SOCB, having received any sum under an Allocation, does not advance the sum to the Final Beneficiary within six (6) months of the date of receipt, it shall so advise THE BANK. THE BANK may agree to treat such sum as a disbursement under another Allocation or may ask that such sums be prepaid in accordance with Article 4.02.

1.07 Cancellation and Suspension

A. Borrower's right to cancel

THE BORROWER may at any time, by notice given to THE BANK cancel, in whole or in part, and with immediate effect, the undisbursed portion of the Credit. However, the notice shall have no effect on a Notified Tranche whose current Scheduled Disbursement Date falls within seven days following the date of the notice.

B. Bank's right to suspend and cancel

THE BANK may, by notice to THE BORROWER, in whole or in part suspend and/or cancel the undisbursed portion of the Credit at any time, and with immediate effect:

(i) under the conditions mentioned in Article 4.03 and Article 9.01; or

(ii) if exceptional circumstances shall arise which adversely affect THE BANK's access to relevant international capital markets, save as regards a Notified Tranche.

Any suspension shall continue until THE BANK ends the suspension or cancels the suspended amount.

C. Indemnity for suspension and cancellation of a Tranche

C.1 Suspension

If THE BANK suspends a Notified Tranche whether on the ground of an event mentioned in Article 4.03 or upon an event mentioned in Article 9.01 but not otherwise, THE BORROWER shall pay an indemnity on the suspended amount in the manner provided for in Article 1.05B.

C.2 Cancellation

If THE BORROWER cancels a Notified Tranche, it shall indemnify THE BANK under Article 4.02B. If THE BORROWER cancels any part of the Credit other than a Notified Tranche, no indemnity is payable.

If THE BANK cancels a Notified Tranche on the ground of an event mentioned in Article 4.03 or cancels a disbursement pursuant to Article 1.05C, THE BORROWER shall indemnify THE BANK under Article 4.02B. If THE BANK cancels a Notified Tranche upon an event mentioned in Article 9.01, THE BORROWER shall indemnify THE BANK under Article 9.03A or 9.03B. Save in these cases, no indemnity is payable upon cancellation by THE BANK.

An indemnity shall be calculated on the basis that the cancelled amount is deemed to have been disbursed and repaid on the Scheduled Disbursement Date or, to the extent that the disbursement of the Tranche is currently deferred or suspended, on the date of the cancellation notice.

D. Cancellation after expiry of Credit

At any time after the deadline for THE BORROWER to submit a Disbursement Request under Article 1.02B, THE BANK may by notice to THE BORROWER, and without liability arising on the part of either party, cancel any part of the Credit other than a Notified Tranche.

1.08 Sums Due under Article 1

Sums due under Articles 1.05 and 1.07 shall be payable in the currency of the Tranche concerned. They shall be payable within seven days of THE BORROWER's receipt of THE BANK's demand or within any longer period specified in THE BANK's notice of demand.

ARTICLE 2
THE LOAN

2.01 Amount of the Loan

The loan made under the Credit (hereinafter the **"Loan"**) shall comprise the aggregate of the amounts disbursed by THE BANK in the currencies of disbursement, as notified by THE BANK upon the occasion of the disbursement of each Tranche.

2.02 Currency of repayments

Each repayment of a Tranche under Article 4 or, as the case may be, Article 9 shall be in the currency of the Tranche.

2.03 Currency of interest and other charges

Interest and other charges payable by THE BORROWER under Articles 3, 4 and, where applicable, 9 shall be calculated and be payable in respect of each Tranche in the currency of the Tranche.

Any payment under Article 8.02 shall be made in the currency specified by THE BANK having regard to the currency of the expenditure to be reimbursed by means of that payment.

2.04 Confirmation by THE BANK

After each disbursement of a Tranche, THE BANK shall deliver to THE BORROWER, with copy to the relevant SOCB, a summary statement showing the disbursement date, currency and amount, repayment terms and the interest rate of and for that Tranche. Such confirmation shall include the relevant amortisation table referred to in Article 4.01.

ARTICLE 3
INTEREST

3.01 Rate of Interest

A. Fixed Rate Tranches

THE BORROWER shall pay interest on the outstanding balance of each Tranche semi-annually in arrears on the relevant Payment Dates as specified in the Disbursement Notice, commencing on the first such Payment Date following the date of disbursement of the Tranche.

Interest shall be calculated on the basis of Article 5.02(a) at the rate specified in the Disbursement Notice, which rate shall be the rate applicable at the date of the Disbursement Notice, in accordance with the applicable principles from time to time laid down by the governing bodies of THE BANK for loans made at a fixed rate of interest, denominated in the currency of the Tranche and bearing equivalent terms for the repayment of capital and the payment of interest.

B. VSFR Tranches

THE BORROWER shall pay interest on the outstanding balance of each VSFR Tranche at VSFR (as defined below) semi-annually in arrears on the relevant Payment Dates as specified in Article 5.03A (b), subject to a ceiling of the Relevant Interbank Rate plus 55 basis points (0.55% p.a.).

If the VSFR Tranche is disbursed on a date that is not a Quarter Day (or, where a Quarter Day is not a Relevant Business Day, on the first following day that is a Relevant Business Day), interest for the period from the date of disbursement to the first following Quarter Day shall be payable at the Relevant Interbank Rate.

THE BANK shall notify VSFR to THE BORROWER within ten (10) days following the commencement of each VSFR Reference Period to which it applies.

Interest shall be calculated in respect of each VSFR Reference Period on the basis of Article 5.02(b).

For the purpose of this Article 3.01B:

"VSFR" means a variable-spread floating interest rate, that is to say an annual interest rate determined by THE BANK for each VSFR Reference Period in accordance with the applicable principles from time to time laid down by the governing bodies of THE BANK for loans made at a floating rate of interest, not determined by reference to the Relevant Interbank Rate.

"Quarter Day" means each 15th March, 15th June, 15th September and 15th December.

"VSFR Reference Period" means each period from one Quarter Day to the next Quarter Day (whether or not the Quarter Day is a Payment Date).

C. FSFR Tranches

THE BORROWER shall pay interest on the outstanding balance of each FSFR Tranche at FSFR (as defined below) semi-annually in arrears on the relevant Payment Dates as specified in the Disbursement Notice.

THE BANK shall notify FSFR to THE BORROWER within ten (10) days following the commencement of each FSFR Reference Period.

Interest shall be calculated in respect of each FSFR Reference Period on the basis of Article 5.02(c).

In this Contract:

"FSFR" means a fixed-spread floating interest rate, that is to say an annual interest rate equal to the Relevant Interbank Rate plus or minus the Spread, determined by THE BANK for each successive FSFR Reference Period.

"FSFR Reference Period" means each period of six (6) months from one Payment Date to the next relevant Payment Date, provided that the first FSFR Reference Period shall commence on the date of disbursement of the Tranche.

"Spread" means such fixed spread to the Relevant Interbank Rate (being either plus or minus) determined by THE BANK and notified to THE BORROWER in the relevant Disbursement Notice.

3.02 Interest on Overdue Sums

Without prejudice to Article 9 and by way of exception to Article 3.01, interest shall accrue on any overdue sum payable under the terms of this Contract from the due date to the date of payment at a rate equal to the Relevant Interbank Rate plus 2% (200 basis points). For the purpose of determining the Relevant Interbank Rate in relation to this Article 3.02, the relevant periods within the meaning of Schedule B shall be successive periods of one month commencing on the due date.

However, interest on a Fixed-Rate Tranche shall be charged at the annual rate that is the sum of the rate defined in Article 3.01A plus 0.25 % (25 basis points) if that annual rate exceeds, for any given relevant period, the rate specified in the preceding paragraph.

If the overdue sum is in a currency other than the currency of the Loan, the following rate shall apply, namely the relevant interbank rate (offer side) which is generally retained by THE BANK for transactions in that currency plus 2% (200 basis points), calculated in accordance with the market practice for such rate.

ARTICLE 4
REPAYMENT

4.01 Normal Repayment

THE BORROWER shall repay each Tranche by equal semi-annual instalments of principal on the Payment Dates (as defined in Article 5.03 A) specified in the relevant Disbursement Notice in accordance with the terms of the amortisation table delivered pursuant to Article 2.04.

Each amortisation table shall be drawn up on the basis that the first repayment date of each Tranche shall be a Payment Date falling not later than the first Payment Date immediately following the fourth anniversary of the date of disbursement of the Tranche and the last repayment date shall be a Payment Date falling not earlier than four years and not later than fifteen years from the date of disbursement of the Tranche.

4.02 Voluntary Prepayment

A. Prepayment Option

Subject to Article 4.02B, THE BORROWER may prepay all or part of any Tranche upon giving one month's prior written notice (hereafter a **"Prepayment Notice"**) specifying the amount thereof to be prepaid (the **"Prepaid Amount"**) and the date on which THE BORROWER proposes to effect prepayment (the **"Prepayment Date"**), which date shall be a Payment Date for that Tranche.

B. Prepayment Indemnity

B.1 Fixed-Rate Tranches

In respect of each Prepaid Amount of a Fixed Rate Tranche THE BORROWER shall pay to THE BANK on the Prepayment Date an indemnity equal to the present value (as of the Prepayment Date) of the excess, if any, of:

(i) the interest that would accrue thereafter on the Prepaid Amount from the Prepayment Date to its scheduled final repayment date, if it were not prepaid, over

(ii) the interest that so would accrue if it were calculated at the EIB Redeployment Rate in effect one (1) month prior to the Prepayment Date, less 15 basis points.

For this purpose, **"EIB Redeployment Rate"** means THE BANK's standard rate of interest for fixed-rate loans denominated in the currency of, and having the same debt service profile to the scheduled final repayment date, as the Prepaid Amount.

The said present value shall be calculated at a discount rate, equal to the EIB Redeployment Rate, applied as of each relevant Payment Date.

B.2 VSFR Tranches

THE BORROWER may prepay a VSFR Tranche without indemnity on any relevant Payment Date.

B.3 FSFR Tranches

In respect of each Prepaid Amount of a FSFR Tranche, THE BORROWER shall pay to THE BANK on the Prepayment Date an indemnity equal to the present value (as of the Prepayment Date) of the interest that would accrue on the Prepaid Amount over the period from the Prepayment Date to its scheduled final repayment date, calculated at a rate equal to the excess, if any, of:

(i) the spread to the Relevant Interbank Rate applicable to the FSFR Tranche under Article 3.01C from the Prepayment Date to its scheduled final repayment date, if it were not prepaid, over

(ii) the spread to the Relevant Interbank Rate on a notional FSFR Tranche having the same terms for the payment of interest and the same term to its scheduled final repayment date as the FSFR Tranche in question, on conditions prevailing one month prior to the Prepayment Date.

The said present value shall be calculated at a discount rate, applied as of each relevant Payment Date. The discount rate shall be the Fixed Rate for loans denominated in the currency of, and having the same debt service profile to the scheduled final repayment date as, the Prepaid Amount.

C. Prepayment mechanics

THE BANK shall notify THE BORROWER, not later than fifteen (15) days prior to the Prepayment Date, of the amount to be prepaid, of the interest due thereon and the amount of prepayment indemnity payable under paragraph B above or, as the case may be, that no indemnity is due.

Not later than 11h00 Luxembourg time on the next following day which is a Luxembourg Business Day, THE BORROWER shall notify THE BANK either:

(i) that it confirms the Prepayment Notice on the terms specified by THE BANK; or

(ii) that it withdraws the Prepayment Notice.

If THE BORROWER gives the confirmation under (i), it shall effect the prepayment. If THE BORROWER withdraws the Prepayment Notice or fails to confirm in due time, it may not effect the prepayment. Save as aforesaid, the Prepayment Notice shall be binding and irrevocable.

4.03 Compulsory Prepayment

A. Grounds for Prepayment

A.1 Pari passu to another Term Loan

If THE BORROWER voluntarily prepays a part or the whole of any other loan, or any other financial indebtedness or credit, originally granted to it for a term of more than five years (hereafter a **"Term Loan"**) otherwise than out of the proceeds of the loan having a term at least equal to the unexpired term of the loan prepaid, THE BANK may, by notice to THE BORROWER, cancel the Credit or demand prepayment of the Loan in such proportion as the repaid amount of the Term Loan bears to the aggregate outstanding amount of all Term Loans.

THE BANK shall address its notice to THE BORROWER within thirty (30) days of receipt of notice under Article 7.02B(b)(i).

A.2 Breach of On-lending Agreement

If an On-lending Agreement with a SOCB is materially breached or repudiated by such SOCB, THE BANK may demand that THE BORROWER consult with it. Such consultation shall take place within forty-five (45) days from the date of receipt by THE BORROWER of THE BANK's request. If after the elapse of forty-five (45) days from the date of receipt by THE BORROWER of such a request, THE BANK is of the reasonable opinion that such event is likely to negatively affect the global structure and/or the future servicing of the Loan, it may demand THE BORROWER to prepay the Loan for the relevant part.

A.3 Breach of Article 6.04

THE BANK may demand prepayment of all or part of the Loan if a SOCB fails to comply with its obligations under Article 6.04 or if THE BORROWER fails to voluntarily prepay the sums received from a SOCB pursuant to Article 6.04 to THE BANK under Article 4.02.

B. Prepayment mechanics

Any sum demanded by THE BANK pursuant to Article 4.03A, together with any interest accrued and any indemnity due under Article 4.03C, shall be paid on the date indicated by THE BANK, which date shall fall not less than thirty (30) days from the date of THE BANK's notice of demand.

C. Prepayment indemnity

In the case of prepayment upon an event mentioned under Article 4.03A, other than paragraph 4.03A.1, the indemnity, if any, shall be determined in accordance with Article 4.02B.

If, moreover, pursuant to any provision of Article 4.03B THE BORROWER prepays a Tranche on a date other than a relevant Payment Date, THE BORROWER shall indemnify THE BANK in such amount as THE BANK shall certify is required to compensate it for receipt of funds otherwise than on a relevant Payment Date.

D. Application of partial prepayments

If THE BORROWER partially prepays a Tranche, the Prepayment Amount shall be applied pro rata or, at its option, by inverse order of maturity to each outstanding instalment.

If THE BANK demands a partial prepayment of the Loan, THE BORROWER, in complying with the demand, may, by notice to THE BANK, delivered within five (5) Luxembourg Business Days of its receipt of THE BANK's demand, choose the Tranches to be prepaid and exercise its option for application of the prepaid sums.

ARTICLE 5
PAYMENTS

5.01 Place of Payment

Each sum payable by THE BORROWER under this Contract shall be paid to the respective account of THE BANK as notified by THE BANK to THE BORROWER. THE BANK shall indicate the account not less than fifteen (15) days before the due date for the first payment by THE BORROWER and shall notify any change of account not less than fifteen (15) days before the date of the first payment to which the change applies.

This period of notice does not apply in the case of payment under Article 9.

5.02 Calculation of Payments relating to a Fraction of a Year

Any amount due by way of interest, indemnity or fee from THE BORROWER under this Contract, and calculated in respect of a fraction of a year, shall be determined on the following respective conventions:

(a) for a Fixed-Rate Tranche, a year of 360 days and a month of 30 (thirty) days; or

(b) for a VSFR Tranche, a year of 360 days and the number of days elapsed;

(c) for a FSFR Tranche, a year of 360 days (but 365 days (invariable) for GBP) and the number of days elapsed.

5.03 Dates for Payment

A. In this Contract:
"**Payment Date**" means:

(a) for a Fixed-Rate Tranche the semi-annual dates specified in the Disbursement Notice;
(b) for a VSFR Tranche, the semi-annual dates specified in the Disbursement Notice which shall be two Quarter Days falling six months apart.
(c) for a FSFR Tranche, the dates falling at semi-annual dates from the Scheduled Disbursement Date.

B. Payments due in any currency on a date which is not a Relevant Business Day (as defined below) are payable in respect of (i) a Fixed Rate Tranche or VSFR Tranche on the nearest succeeding Relevant Business Day, without adjustment to the interest due under Article 3.01A or Article 3.01B; and (ii) for a FSFR Tranche, the next day, if any, of that calendar month that is a Relevant Business Day or, failing that, the nearest preceding day that is a Relevant Business Day, with a corresponding adjustment to the interest due under Article 3.01C.

For the purposes of this Article 5.03B, **"Relevant Business Day"** means:

(i) for the EUR, a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET) payment system operates; and

(ii) for any other currency, a day on which banks are open for normal business in the principal domestic financial centre of the currency concerned.

C. All sums other than of interest, indemnity and principal are payable within seven (7) days of THE BORROWER's receipt of THE BANK's demand or within any longer period specified in THE BANK's notice of demand.

Each sum payable by THE BORROWER under this Contract shall be paid to the respective account notified by THE BANK to THE BORROWER. THE BANK shall indicate the account not less than fifteen (15) days before the due date for the first payment by THE BORROWER and shall notify any change of account not less than fifteen (15) days before the date of the first payment to which the change applies. This period of notice does not apply in the case of payment under Article 9.

A sum due from THE BORROWER shall be deemed paid when THE BANK receives it.

ARTICLE 6
PARTICULAR UNDERTAKINGS

6.01 Use of Loan

THE BORROWER and each SOCB shall use the proceeds of the Loan solely for the financing of Projects to which allocations have been made under Article 1.02 by means of Sub-loan Agreements.

Each SOCB shall inform each of its Final Beneficiaries of the fact that THE BANK has funded or part-funded the relevant Sub-loan Agreement.

6.02 Provisions concerning the On-lending Agreement

THE BORROWER and each SOCB shall enter into an On-lending Agreement which shall include, inter alia, the following provisions in relation to Sub-loans to be provided by each SOCB to Final Beneficiaries:

A. For Sub-loans to be denominated in VND

(i) the term of the Sub-loan shall be up to15 years with a grace period of up to 4 years;

(ii) shall bear a market related interest rate.

B. For Sub-loans to be denominated in foreign currency

(i) the term of the Sub-loan shall be up to 15 years with a grace period of up to 4 years;

(ii) shall bear a market related interest rate.

6.03 Provisions concerning Sub-loan Agreements

A. Each SOCB shall ensure that each Sub-loan Agreement shall provide that in respect of each Project, the Final Beneficiary shall :

(a) complete the relevant Project as envisaged;

(b) use the funds received exclusively for the purpose of carrying out the Project;

(c) have, or shall have access to, the technical and financial expertise to select all equipment, services and works pertaining to the Project in question in a manner appropriate to the Project's size and taking due account of issues of price, quality and efficiency. When procedures of international tendering are required, they shall be open on equal terms to nationals of all countries;

(d) respect the relevant national regulations concerning energy saving, health and safety;

(e) implement and operate the relevant Project in conformity with Environmental Laws and (ii) upon the relevant SOCB's request, supply evidence to verify its fulfilment of that obligation. Each SOCB undertakes to exercise such rights in respect of any Final Beneficiary at the specific request of THE BANK and to transmit to THE BANK forthwith any material information received in relation to such request.

For the purposes of this Article 6.03A(e):

"Environmental Laws" means the Laws of the Socialist Republic of Vietnam, being laws of which a principal objective is the preservation, protection or improvement of the Environment, and includes legislative provisions giving effect to international agreements concerning the Environment; and
"Environment" means closely inter-related natural factors and man-made material factors that surround human beings and affect life, production, the existence and development of man and nature.

(f) maintain, repair, overhaul and renew all property forming part of the Project as required to keep it in good working order; and

(g) acknowledge that THE BANK may be obliged to divulge such documents relating to the Final Beneficiary and the Project to the Court of Auditors of the European Communities (hereinafter the **"Court"**) as are necessary for the performance of the Court's task in accordance with European Community law and shall permit persons designated by THE BANK, who may be accompanied by representatives of the Court, to visit the premises of Financial Beneficiary and the site, installations and works comprising the Project and to conduct such checks as they may wish, and for this purpose, the Final Beneficiary shall provide them, or ensure that they are provided, with all necessary assistance. The Final Beneficiary shall agree, that upon the occasion of such a visit, the representatives of the Court may require the Final Beneficiary to provide documents falling within the scope of the first paragraph of this Article 6.03A(g).

B. Each SOCB undertakes not to modify any material condition of a Sub-Loan Agreement without the prior written consent of THE BANK.

6.04 Financial conditions for Sub-loans

Each SOCB shall:

(a) ensure that the financing under the Sub-Loan Agreement shall conform with the terms set out in the respective Letter of Allocation, in particular in respect of any specific environmental requirements set by THE BANK;

(b) ensure that the financing under the Sub-Loan Agreement shall bear a market related interest rate;

(c) make sums advanced by THE BANK hereunder available to Final Beneficiaries as soon as reasonably possible after disbursement by THE BANK; and

(d) ensure that the duration of any Sub-loan shall be based on the requirements of the relevant Project, provided that it shall not be shorter than four (4) years (except in case of re-employment of funds pursuant to Article 6.05) and have a moratorium on capital repayments in line with the Project's implementation of up to maximum four (4) years, but that in any event the final maturity of any Sub-loan shall not fall later than the final repayment date of the corresponding Tranche funding such Sub-loan.

6.05 Re-employment of funds

In the event that sums disbursed by THE BANK to THE BORROWER under Article 1 and advanced by THE BORROWER to a SOCB for onlending to a Final Beneficiary are:

(a) voluntarily prepaid by the Final Beneficiary to such SOCB, or

(b) repaid to such SOCB in consequence of a demand for prepayment under the relevant Sub-loan; or

(c) repaid to such SOCB at the final maturity date of the relevant Sub-loan, if such final maturity date falls earlier than the final maturity date of the Tranche disbursed by THE BANK to refund the relevant Sub-loan,

the relevant SOCB shall, within a period on 120 (one hundred and twenty) days from the receipt of such sums, re-employ such sums to finance other Projects eligible for financing by THE BANK, save to the extent that such SOCB prepays to THE BORROWER for repayment of such sums by the latter to THE BANK under Article 4.02.

6.06 Auditing of Accounts

Each SOCB undertakes to retain as its auditors an independent firm of accountants of international repute.

6.07 SOCB Declaration

Each SOCB warrants that it complies with the duties of banks envisaged by the Recommendations of the OECD Task Force on Money laundering.

ARTICLE 7
INFORMATION AND VISITS

7.01 Information concerning Projects and Final Beneficiaries

Each SOCB shall:

(a) deliver to THE BANK within six (6) months of the last disbursement of the Credit, or at such later date agreed by THE BANK, a report, in a format agreed with THE BANK, on the status of each Allocation for Sub-loans financed by THE BANK evidencing that 100% of all disbursements made by THE BANK have been disbursed to Final Beneficiaries;

(b) deliver to THE BANK, by 31st March of each year, a report, in a format agreed with THE BANK, specifying inter alia:

(i) any amounts prepaid by Final Beneficiaries to such SOCB relating to any allocation under Article 1.01E in respect of such payments, whether voluntarily or consequent upon a demand for prepayment under the terms of a Sub-loan Agreement;

(ii) any amounts repaid by Final Beneficiaries at the final maturity date of the relevant Sub-loan if such final maturity date falls earlier than the final maturity date of the Tranche disbursed by THE BANK to fund such Sub-loan;

(iii) all amounts re-employed pursuant to Article 6.05; and

(iv) the status of each Allocation and of each re-allocation/re-employment of funds made pursuant to Article 1.06B and 6.05;

(c) if so requested, provide to or procure for THE BANK promptly all documents and information necessary to enable THE BANK to follow the physical and financial progress of Projects and the financial condition of the Final Beneficiaries;

(d) inform THE BANK as soon as reasonably practicable following any material default by and any notice of intention to prepay given by any Final Beneficiary under any Sub-loan Agreement;

(e) deliver to THE BANK, if so requested, certified copies of any Sub-loan Agreement (with an English translation) and of any addendum or amendment (with English translation) thereto; and

(f) generally inform THE BANK of all facts and events known to it which: (i) might materially prejudice the completion or operation of any Project or the financial condition of any Final Beneficiary or (ii) entitles or which would with the lapse of time entitle it to demand prepayment by a Final Beneficiary under any Sub-loan Agreement.

7.02 Information concerning THE BORROWER and each SOCB

A. Information concerning each SOCB

Each SOCB shall:

(a) deliver to THE BANK:

(i) within one month after receipt thereof, a copy of the annual Auditor's report, including its balance sheets and profit and loss accounts audited in accordance with Article 6.06;

(ii) its annual report upon publication; and

(iii) from time to time such other information as THE BANK may reasonably require as to its financial or general situation.

(b) inform THE BANK immediately:

(i) of any material alteration to its constitutional documents or to the regulations applicable to it;

(ii) of any substantial change in the legal character of its capital, the legal form of the company or of any transaction by which there occurs a change of ownership structure of 10% or more;

(iii) of any intention to cease all or material part of its business; and

(iv) generally of any fact or event which might prevent the fulfilment of any of its obligations under this Contract or adversely affect its financial or general situation.

B. Information concerning THE BORROWER

THE BORROWER shall:

(a) deliver to THE BANK, if so requested, certified copies of its On-lending Agreement(s) with each SOCB (with an English translation thereof) and of any addendum or amendment thereto.

(b) inform THE BANK immediately:

(i) of any decision made by it to make a prepayment of a Term Loan as referred to in Article 4.03A.1;

(ii) of any material breach or repudiation by a SOCB under the relevant On-lending Agreement; and

(iii) generally of any fact or event which might prevent the fulfilment of any obligation of THE BORROWER under this Contract or adversely affect its financial or general situation.

7.03 Court of Auditors and Visits

THE BORROWER and each SOCB acknowledge that THE BANK may be obliged to divulge such documents relating to THE BORROWER, each SOCB, the Final Beneficiaries and the Projects to the Court of Auditors of the European Communities (the **"Court"**) as are necessary for the performance of the Court's task in accordance with the law of the European Communities.

THE BORROWER and each SOCB shall permit, and shall ensure that the Final Beneficiaries shall permit, persons designated by THE BANK, who may be accompanied by representatives of the Court, to visit the Final Beneficiaries and the sites, installations and works comprising the Projects and to conduct such checks as they may wish. For this purpose, THE BORROWER and each SOCB shall provide them, or ensure that they are provided, with all necessary assistance. THE BORROWER and each SOCB further agree, and shall ensure that Final Beneficiaries shall agree, that, upon the occasion of such a visit, the representatives of the Court may request THE BORROWER, each SOCB or the Final Beneficiaries to provide documents falling within the scope of the first paragraph of this Article.

ARTICLE 8
CHARGES AND EXPENSES

8.01 Taxes, Duties and Fees

THE BORROWER shall pay all taxes, duties, fees and other impositions of whatsoever nature, including stamp duty and registration fees, arising out of the execution or implementation of this Contract or any related document and in the creation of any security for the Loan.

THE BORROWER shall pay all principal, interest, indemnity and other amounts due under this Contract gross without deduction of any national or local impositions whatsoever.

8.02 Other Charges

THE BORROWER shall bear all charges and expenses, including professional, banking or exchange charges incurred in connection with the preparation, and implementation of this Contract or any related document, including any amendment thereto, and in the creation, management and realisation of any security for the Loan.

ARTICLE 9
PREPAYMENT UPON AN EVENT OF DEFAULT

9.01 Right to demand Repayment

THE BORROWER shall repay the Loan or any part thereof, together with accrued interest and other accrued sums, forthwith upon demand being made therefor by THE BANK:

A. immediately:

(a) if any information or document given to THE BANK by or on behalf of THE BORROWER or any relevant SOCB in connection with the negotiation of this Contract or during its lifetime proves to have been incorrect in any material particular;

(b) if THE BORROWER fails on due date to repay any part of the Loan, to pay interest thereon or to make any other payment to THE BANK as herein provided;

(c) if THE BORROWER defaults in the performance of any obligation in respect of any other loan granted by THE BANK from the resources of THE BANK or of the European Community.

B. upon expiry of a reasonable period of time specified in a notice served by THE BANK on THE BORROWER, without the matter being remedied to the satisfaction of THE BANK:

(a) if THE BORROWER or any relevant SOCB fails to comply with any material obligation under this Contract other than one mentioned in Article 9.01A(b);

(b) if the obligation contained in Articles 8 and 9 of the Framework Agreement ceases to be fulfilled as regards any loan made to any borrower in Vietnam from the resources of THE BANK or of the EC; or

(c) if any material fact stated in the Recitals substantially alters or proves to be erroneous and if the alteration or error either prejudices the interests of THE BANK as lender to THE BORROWER or adversely affects the implementation or operation of Projects by the Final Beneficiaries.

9.02 Other Rights at Law

Article 9.01 shall not restrict any other right of THE BANK at law to demand repayment of the Loan.

9.03 Damages

A. Fixed Rate Tranches

In case of demand under Article 9.01 in respect of any Fixed-Rate Tranche, THE BORROWER shall pay to THE BANK a sum calculated in accordance with the procedures laid down in Article 4.02B on the sum which has become due and payable. Such sum shall accrue from the due date for payment specified in THE BANK's notice of demand and be calculated on the basis that prepayment is effected on that date.

B. VSFR Tranches and FSFR Tranches

In case of a demand for prepayment under Article 9.01 in respect of the whole or any portion of principal of a VSFR Tranche or a FSFR Tranche, THE BORROWER shall pay to THE BANK a sum equal to the aggregate present value of 0.15% (15 basis points) per annum calculated and accruing on the amount due to be prepaid in the same manner as interest would have been calculated and have accrued if that amount would have remained outstanding according to the original amortisation schedule of the Tranche.

Such present value shall be determined using a discount rate equal to the EIB Redeployment Rate, applied as of each relevant Payment Date.

Amounts due by THE BORROWER pursuant to this Article shall be payable on the date of prepayment specified in THE BANK's demand.

9.04 Non-Waiver

No failure or delay by THE BANK in exercising any of its rights under this Article 9 shall be construed as a waiver of such right.

9.05 Application of Sums Received

Sums received following a demand under this Article 9 shall be applied first in payment of damages, commission and interest in that order and secondly in reduction of outstanding instalments of principal in inverse order of maturity. THE BANK may apply sums received between Tranches at its discretion.

ARTICLE 10
LAW AND JURISDICTION

10.01 Law

This Contract shall be governed by the laws of England.

10.02 Jurisdiction

The parties hereby submit to the jurisdiction of the Court of Justice of the European Communities (the "CoJ") and all disputes concerning this Contract shall be submitted to the Court.

The parties to this Contract hereby waive any immunity from or right to object to the jurisdiction of the CoJ.

A decision of the CoJ given pursuant to this Article 10.02 shall be conclusive and binding on the parties without restriction or reservation.

10.03 THE BORROWER's Agent for Service

THE BORROWER appoints the Ambassador of the Socialist Republic of Vietnam in England, whose present address is 12 Victoria Road, London W8 5RD, United Kingdom, to be its attorney for the purpose of accepting service on its behalf of any writ, notice, order, judgement or other legal process. The appointment of the Ambassador of England as THE BORROWER's agent for service shall not constitute a waiver of immunities enjoyed by him in terms of the Vienna Convention on Diplomatic Relations.

10.04 Evidence of Sums due

In any legal action arising out of this Contract the certificate of THE BANK as to any amount due to THE BANK under this Contract shall be prima facie evidence of such amount.

ARTICLE 11
FINAL CLAUSES

11.01 Notices

Save as provided in Article 10.03, notices and other communications given hereunder by one party to this Contract to the other shall be sent to its respective address set out below, or to such other address as it shall have previously notified to the former in writing as its new address for such purpose:

- for THE BORROWER:

Ministry of Finance
8, Phan Huy Chu
Hanoi, Vietnam
Fax: 84.4.826.2266

- for THE BANK:

100, boulevard Konrad Adenauer
L - 2950 Luxembourg
Grand-Duchy of Luxembourg

Copy of notices by THE BANK to the relevant SOCB pursuant to Articles 1.02C and 2.4:

- for Vietcombank	198, Tran Quang Khai Hanoi, Vietnam Fax: 84.4.826.5548
- for Vietindebank	Vincom City Tower A 191, Ba Trieu Hanoi, Vietnam Fax: 84.4.220.0589
- for Agribank	No. 2 Lang Ha, Ba Dinh District Hanoi, Vietnam Fax: 84.4.831.3717

11.02 Form of Notice

Notices and other communications, for which fixed periods are laid down in this Contract or which themselves fix periods binding on the addressee, shall be served by hand delivery, registered letter, facsimile, internationally recognised courier services, telex or any other means of transmission which affords evidence of receipt by the addressee. The date of registration or, as the case may be, the stated date of receipt of transmission, shall be conclusive for the determination of a period.

Notices issued by THE BORROWER pursuant to any provision of this Contract shall, where required by THE BANK, be delivered to THE BANK together with satisfactory evidence of the authority of the person or persons authorised to sign such notice on behalf of THE BORROWER and the authenticated specimen signature of such person or persons.

11.03 Invalidity

If any provision hereof is invalid, such invalidity shall not prejudice any other provision hereof.

11.04 Assignment

THE BORROWER may not assign any of its rights or obligations under this Contract.

11.05 Third Party Rights

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

11.06 Recitals, Schedules and Annexes

The Recitals and the following Schedules form part of this Contract:

- Schedule A	Form of Disbursement Request
- Schedule B	Definitions of EURIBOR and LIBOR

The following Annexes are attached hereto:

- Annex I	Authorisation of Signatory of Borrower

- Annex II	Resolution of the Board of Directors of Vietcombank - Authorisation of Signatory of Vietcombank
- Annex III	Authorisation of Signatory of Vietindebank
- Annex IV	Authorisation of Signatory of Agribank

IN WITNESS WHEREOF the parties hereto have caused this Contract to be executed in six (6) originals in the English language. This Finance Contract has been initialled by Mrs. Regan Otte on behalf of THE BANK, by Ms. Nguyễn Thị Hồng Yến, on behalf of THE BORROWER, by Mr. Nguyễn Ngọc Bảo on behalf of Vietcombank, by Mr. Nguyễn Huy Tiếp on behalf of Vietindebank and by Mr. Phạm Minh Tú, on behalf of Agribank.

Signed for and on behalf of
THE GOVERNMENT OF THE
SOCIALIST REPUBLIC OF VIETNAM

Dr. Truong Thai Phuong

Signed for and on behalf of
EUROPEAN INVESTMENT BANK

Mr. F. de Paula Coelho

Mrs. R. Otte

Signed for and on behalf of
BANK FOR FOREIGN TRADE
OF VIETNAM

Mrs. Nguyen Thu Ha

Signed for and on behalf of
BANK FOR INVESTMENT & DEVELOPMENT
OF VIETNAM

Mr. Hoang Huy Ha

Signed for and on behalf of
VIETNAM BANK FOR AGRICULTURE AND RURAL DEVELOPMENT

Mr. Le Van So

this 8th day of December 2005 at Hanoi

SCHEDULE A

FORM OF DISBURSEMENT REQUEST

Disbursement Request	*Tranche No.*	*Date: ..*

Please proceed with the following disbursement:

Loan Name:	*Credit Line Vietnam*
Signature Date:	*[ ] 2005*
Reference number:	
Disbursement N°:	
Proposed disbursement date:	
Total request (contract currency):	
To be disbursed as follows.	
Currency (Art. 1.03)	
Amount	
Interest rate basis	
Interest rate/spread (Art. 3.01)	
Repayment basis (Art. 4.01)	*Equal capital instalments.*
Repayment frequency (Art. 4.01)	*Semi-annual*
Payment Dates (Art. 5.01)	
First repayment date	
Last repayment date	

Reserved for the EIB

Loan Amount:	30 000 000 EUR
Disbursed to date:	
Balance for disbursement:	
Disbursement deadline:	*[Date of signature of FC + 3 years + 8 months]*
Max. number of disbursements:	15
Minimum Tranche size:	1 000 000 EUR
Total allocations to date:	
Conditions precedent:	

Allocation(s) covered by requested disbursement / Identity of the relevant SOCB: [*to be listed by reference to relevant Allocation Letter(s)*]:

THE BORROWER hereby confirms that:

- each Sub-loan Agreement in relation to which the Disbursement Request is submitted has been executed between the relevant SOCB and the Final Beneficiary in substantial conformity with the model agreed upon by THE BANK and there is no obstacle to the disbursement thereunder.

- as from the date of signature of the Finance Contract and up to the date of the Disbursement Request to the best knowledge of THE BORROWER:

  (i) there has been no material adverse change in its financial condition or in the financial condition of the relevant SOCB that would or may affect its/their ability to perform its/their obligations under the Finance Contract; and

  (ii) no situation exists by virtue of which THE BANK may cancel or suspend the undisbursed part of the Credit pursuant to Article 1.07B(i) of the Finance Contract.

Borrower's account to be credited:
Acc. N°:
Bank name and address:
Please transmit information relevant to request to:
Borrower's authorised name(s) and signature(s):

Made at [*place*]

_____
[authorized signatory/ies of Borrower]

Attached hereto: evidence of the authority of person(s) to sign Disbursement Request, together with authenticated specimen signature of such person(s).

SCHEDULE B

DEFINITIONS OF EURIBOR AND LIBOR

A. EURIBOR

"EURIBOR" means:

(i) in respect of any relevant period, including a VSFR Reference Period or FSFR Reference Period or any other period of time of one month or more, the rate of interest for deposits in EUR for a term being the number of whole months most closely corresponding to the duration of the period; and

(ii) in respect of a relevant period of less than a month, the rate of interest for deposits in EUR for a term of one month,

(the period for which the rate is taken being hereafter called the **"Representative Period"**) as published at 11.00 a.m. Brussels time or at a later time acceptable to THE BANK on the day (the **"Reset Date"**) which falls two Relevant Business Days prior to the first day of the relevant period, on Reuters page EURIBOR 01 or its successor page or, failing which, by any other means of publication chosen for this purpose by THE BANK.

If such rate is not so published, THE BANK shall request the principal euro-zone offices of four major banks in the euro-zone, selected by THE BANK, to quote the rate at which EUR deposits in a comparable amount are offered by each of them as at approximately 11:00 a.m. Brussels time, on the Reset Date to prime banks in the euro-zone interbank market for a period equal to the Representative Period. If at least two quotations are provided, the rate for that Reset Date will be the arithmetic mean of the quotations.

If fewer than two quotations are provided as requested, the rate for that Reset Date will be the arithmetic mean of the rates quoted by major banks in the euro-zone, selected by THE BANK, at approximately 11:00 a.m. Brussels time on the day which falls two Relevant Business Days after the Reset Date, for loans in EUR in a comparable amount to leading European Banks for a period equal to the Representative Period.

B. LIBOR USD

"**LIBOR**" means, in respect of USD:

(i) in respect of any relevant period, including a VSFR Reference Period or FSFR Reference Period or any other period of time of one month or more, the rate of interest for deposits for a period being the number of whole months most closely corresponding to the duration of the period, and

(ii) in respect of a relevant period of less than a month, the rate of interest for deposits in USD for a period of one month,

(the period for which the rate is taken being hereafter called the **"Representative Period"**) as set by the British Bankers Association and released by financial news providers at 11.00 a.m. London time or at a later time acceptable to THE BANK on the day (the **"Reset Date"**) which falls two London Business Days prior to the first day of the relevant period.

If such rate is not so released by any financial news provider acceptable to THE BANK, THE BANK shall request the principal London offices of four major Banks in the London interbank market selected by THE BANK to quote the rate at which USD deposits in a comparable amount are offered by each of them at approximately 11.00 a.m. London time on the Reset Date, to prime banks in the London interbank market for a period equal to the Representative Period. If at least two such quotations are provided, the rate will be the arithmetic mean of the quotations provided.

If fewer than two quotations are provided as requested, THE BANK shall request the principal New York City offices of four major Banks in the New York City interbank market, selected by THE BANK, to quote the rate at which USD deposits in a comparable amount are offered by each of them at approximately 11.00 a.m. New York City time on the day falling two New York Business Days after the Reset Date, to prime banks in the European market for a period equal to the Representative Period. If at least two such quotations are provided, the rate will be the arithmetic mean of the quotations provided.

C. LIBOR GBP

"**LIBOR**" means, in respect of GBP:

(i) in respect of any relevant period, including a VSFR Reference Period or FSFR Reference Period or any other period of time of one month or more, the rate of interest for deposits for a period being the number of whole months most closely corresponding to the duration of the period; and

(ii) in respect of a relevant period of less than a month, the rate of interest for deposits in GBP for a period of one month,

(the period for which the rate is taken being hereafter called the **"Representative Period"**), as set by the British Bankers Association and released by financial news providers at 11.00 a.m. London time or at a later time acceptable to THE BANK on the day (the **"Reset Date"**) on which the relevant period starts or, if that day is not a Business Day in London, on the next following day which is such a Business Day.

If such rate is not so released by any financial news provider acceptable to THE BANK, THE BANK shall request the principal London offices of four major banks in the London interbank market, selected by THE BANK (the **"Reference Banks"**), to quote the rate at which GBP deposits in a comparable amount are offered by each of them at approximately 11.00 a.m. London time on the Reset Date, to prime banks in the London interbank market for a period equal to the Representative Period. If at least two such quotations are provided, the rate will be the arithmetic mean of the quotations provided.

If fewer than two quotations are provided as requested, the rate will be the arithmetic mean of the rates quoted at approximately 11.00 a.m. London time on the Reset Date by major banks in London (selected by THE BANK) for loans in GBP in a comparable amount to leading European banks for a period equal to the Representative Period.

D. General

For the purposes of the foregoing definitions:

(i) **"London Business Day"** means a day on which banks are open for normal business in London and **"New York Business Day"** means a day on which banks are open for normal business in New York.

(ii) All percentages resulting from any calculations referred to in this Schedule will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with halves being rounded up.

(iii) THE BANK shall inform THE BORROWER without delay of the quotations received by THE BANK.

(iv) If any of the foregoing provisions becomes inconsistent with provisions adopted under the aegis of EURIBOR FBE and EURIBOR ACI in respect of EURIBOR or of the British Bankers Association in respect of LIBOR, THE BANK may by notice to THE BORROWER amend the provision to bring it into line with such other provisions.

ANNEX I

ANNEX II

BANK FOR FOREIGN TRADE OF VIETNAM

HEAD OFFICE - HANOI

Our ref.: FID/Lux/051201.let

Hanoi, 1st December 2005

POWER OF ATTORNEY

I, VU VIET NGOAN, THE GENERAL DIRECTOR OF THE BANK FOR FOREIGN TRADE OF VIETNAM

Hereby authorize:

Mrs. **NGUYEN THU HA**, Deputy General Director of the Bank for Foreign Trade of Vietnam to consider and sign the **Credit Line Vietnam – Finance Contract** between the European Investment Bank as the Lender and the Government of Vietnam presented by the Ministry of Finance as the main Borrower, and other commercial banks of Vietnam of which the Bank for Foreign Trade of Vietnam acts as one of the Sub-Borrowers.

This Power of Attorney shall be valid from the signing date until the date of completion of all rights and obligations set forth in the above mentioned Agreement.

For and on behalf of the Bank for Foreign Trade of Vietnam

S.Đ.K.K.D: 105922 - D.N.H.N - NGÂN HÀNG NGOẠI THƯƠNG VIỆT NAM - NGÂN HÀNG NHÀ NƯỚC VIỆT NAM - Q. HOÀN KIẾM - TP. HÀ NỘI

Vu Viet Ngoan
General Director

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(0805) 411504 VCB - VT
(0805) 4111244 NHTW - VT

ANNEX III

BIDV

Bank for Investment and Development of Vietnam

Socialist Republic of Vietnam
Independence – Freedom – Happiness

No. 6586 /QD-PCCD

Hanoi, November 05 2005

DECISION

Re.:Authorisation to sign EIB facility contract

General Director
of the Bank for Investment and Development of Vietnam

- Subject to Charter on Establishing and Performance of BIDV attached to Decision No. 54/QD-HDBT issued by BIDV President and approved under Decision No. 936/2002/QDD-NHNN dated September 3, 2002 by the Governor of the State Bank of Vietnam;

- As the request of Director of Transaction Center III and BIDV's Director of Personnel and Human Resource Department,

Hereby decides :

Article 1: Authorising Mr Hoang Huy Ha, Deputy General Director of the Bank for Investment and Development of Vietnam to make and sign finance contract with European Investment Bank (EIB).

Mr. Hoang Huy Ha shall take the responsibility for directing Transaction Center III, Bank for Investment and Development of Vietnam to carry out the aforementioned content in an effective manner and in accordance with prevailing regulations.

Article 2: This Decision shall come into effect from the date of signing this Decision.

Article 3: Mr Hoang Huy Ha, Director of Transaction Center III, relevant units and personnels shall be responsible for implementing this decision.

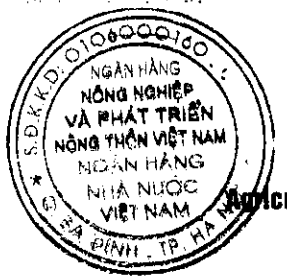
General Director

NGÂN HÀNG ĐẦU TƯ VÀ PHÁT TRIỂN VIỆT NAM

Tran Bac Ha

Recipients (05 copies)
- *As indicated in Article 3;*
- *Filed at Legal Dept., Office.*

ANNEX IV



Vietnam Bank for
Agriculture And Rural Development

CHARTER

ON THE ORGANIZATION AND OPERATION

OF THE VIETNAM BANK FOR
AGRICULTURE AND RURAL EVELOPMENT

HANOI, JUNE 2002

8. To make decision toward the total number of employees, managerial and organizational structures of the Head Office, management structure at representative offices, transaction centre, branches, subsidiaries, administrative entities unless otherwise stipulated by laws.

To approve the regulations on the recruitment, salary and bonus system; and working discipline applied in Agibank.

9. To issue the regulations on interest rates, commissions, fees and bonds, fines applied to its customers in accordance with the laws.

10. To issue the Charter on the organization and operation of Agribank's subsidiaries; regulations on the organization and operation of transaction fields, branches, representative offices, subsidiaries and administrative entities.

11. To issue the regulations on the operation of BOD and the Supervisory Board.

12. To issue the regulations on the organization and operation of the internal supervision and audit department in accordance with the laws.

13. To approve the annual laboured plan; the quarterly, semi-annual and annual business reports; financial statements of Agribank and its subsidiaries, unless otherwise regulated by law.

14. To issue the guidelines on the implementation of the relevant policies and regulations with regard to banking sector promugated by the State bank of Vietnam.

15. Other obligations and duties stipulated by Law.

<u>Article 26.</u> Responsibilities of the Members of BOD

1. The Chairman shall have the following duties:

a.To have the overall responsibility for the operation of BOD; to make decisions on work assignment to the BOD's members to implement the responsibilities and duties of BOD;

b.On behalf of BOD and in associate with the General Director, to sign agreement to receive capital and other resources from the government;

c.To sign documents within the authorization of BOD and submit them to the Governor of the State Bank of Vietnam and other competent state authorities;

d.To approve and sign the resolutions, decisions and other documents within the authorization of BOD to apply within Agribank;

e.To convene, chair the BOD's meetings and assign responsibilities to BOD's members to prepare for the meetings;

Evropská investiční banka
Den Europæiske Investeringsbank
Europäische Investitionsbank
Euroopa Investeerimispank
Ευρωπαϊκή Τράπεζα Επενδύσεων
European Investment Bank
Banco Europeo de Inversiones
Banque européenne d'investissement
Banca europea per gli investimenti
Eiropas Investīciju banka
Europos investicijų bankas
Európai Beruházási Bank
Bank tal-Investiment Ewropew
Europese Investeringsbank
Europejski Bank Inwestycyjny
Banco Europeu de Investimento
Európska investičná banka
Evropska investicijska banka
Euroopan investointipankki
Europeiska investeringsbanken

The Government of the Socialist Republic of Vietnam
Ministry of Finance
8, Phan Huy Chu
Hanoi
Vietnam

Hanoi, 8th December 2005 JU/RO/ef N° 2532

Subject: **CREDIT LINE TO MINISTRY OF FINANCE - VIETNAM**
(Own Resources)

Finance Contract of even date herewith between European Investment Bank (the "Bank"), The Government of the Socialist Republic of Vietnam represented by the Ministry of Finance (the "Borrower") and the SOCBs

Dear Sirs,

We refer to the above-mentioned Finance Contract and are willing to confirm the following (capitalized terms used in this letter have the same meanings as in the Finance Contract):

Article 8.01

We confirm that there are no taxes, duties, fees and other impositions of whatsoever nature, including stamp duty and registration fees, arising out of the execution or implementation of this Contract or any related document and in the creation of any security for the Loan, payable in Luxembourg.

Article 8.02

We furthermore confirm that THE BANK does not make any financial charge for any of its services connected with the normal signature, disbursement and administration of the Loan (not including amendments to the Loan for which a fee may be charged to cover internal costs; the level of such fee shall be based upon the scope of the work involved with such amendment).

Article 9.01A(b)

We confirm that it is our policy to take account of the reason for any non-payment of a sum due, in particular whether the reason is a clerical or banking transmission error, before exercising our rights under the provisions of that clause.

100, boulevard Konrad Adenauer L-2950 Luxembourg (+352) 43 79-1 (+352) 43 77 04 www.eib.org info@eib.org

Article 9.01B(c)

We acknowledge that the Third Recital contains a statement of THE BANK's policy and confirm that we would not consider this in the context of Article 9.01B(c).

Yours faithfully
EUROPEAN INVESTMENT BANK

Mr. F. de Paula Coelho

Mrs. R. Otte

100, boulevard Konrad Adenauer
L-2950 Luxembourg