CREDIT AGREEMENT

FOR

Construction of Long Binh – Chrey Thom Bridge Project

BETWEEN

THE GOVERNMENT OF

THE SOCIALIST REPUBLIC OF VIET NAM

AND

THE GOVERNMENT OF

THE KINGDOM OF CAMBODIA

No.: VC-02

Credit Agreement dated December 26th, 2013 between The Government of the Socialist Republic of Viet Nam and The Government of the Kingdom of Cambodia.

The Government of the Socialist Republic of Viet Nam represented by the Ministry of Finance (hereinafter referred to as "the Creditor") and The Government of the Kingdom of Cambodia represented by the Ministry of Economy and Finance (hereinafter referred to as "the Borrower"), with the wish to further strengthen the co-operation between the two countries, have hereby agreed to enter into a Credit Agreement with the terms and conditions as follows:

Article 1: Credit Amount

In accordance with this Credit Agreement, the Creditor shall make available to the Borrower a credit in the currency of the United States Dollar with the amount not exceeding Eighteen Million Seven Hundred and Sixty Thousand Only (USD 18,760,000) (hereinafter referred to as "the Credit"), unless the Creditor shall otherwise agree.

Article 2: Purpose of the Credit

The Credit shall be used by the Borrower to finance the construction of the Long Binh - Chrey Thom Bridge and access road in Cambodian side (hereinafter referred to as "the Project"). Details of the items which are eligible to be financed by the Credit are provided for in the Appendix I hereto. The content of the Appendix I may be revised, added or changed as the Creditor and the Borrower may otherwise agree.

Article 3: Scope of the use of the Credit

The implementation of the items as specified in Appendix I shall be made according to the contracts signed between the consultants/contractors (to be selected in accordance with Appendix I hereof) and the Ministry of Public Works and Transport of the Kingdom of Cambodia – MPWT (hereinafter referred to as "the Project Executing Agency"), which are in compliance with this

Credit Agreement and the current laws and regulations of the Creditor's country and the Borrower's country.

Article 4: Disbursement Currency and Contract Currency

4.1 The contracts' prices shall be stated in the United States Dollar (USD).

4.2 The Credit shall be disbursed in the United States Dollar (USD) upon the Borrower's request supported by consultant/contractor's claims for payments. The total cumulative disbursements from the Credit to finance the contracts shall not exceed the credit amount as stipulated in the Article 1 hereof.

Article 5: The Authorized Vietnamese Bank

5.1 The Bank for Investment and Development of Vietnam JSC (BIDV) shall be hereby authorized for the purpose of effecting the Credit to the Borrower, implementing the disbursement, payment and collecting the debt from the Borrower under the Credit on behalf of the Creditor (hereinafter referred to as the "Authorized Bank").

5.2 The Authorized Bank shall open and maintain an account under the name of "Credit Account for the Kingdom of Cambodia - Account number ....".

Article 6: Disbursement Period

The final disbursement under this Credit Agreement shall be made within the period from the effective date of this Credit Agreement to January 20, 2018 (hereinafter referred to as the "Closing Date") unless the Creditor and the Borrower may otherwise agree. After the Closing Date, the Credit Account provided for in the Article 5 shall be closed and the debt service obligations of the Borrower shall be determined by the actual disbursements.

Article 7: Interest Payment and Principal Repayment

7.1 Interest Payment:

7.1.1 The Borrower shall pay the interest semi - annually to the Creditor at the rate of one and one - half percent (1.5%) per annum on the principal disbursed and outstanding on February, 20 and August, 20 of each year (hereinafter referred to as "the Interest Payment Dates").

7.1.2 The Borrower shall pay to the Creditor on February, 20 of each year the interest that has accrued up to February, 19 of that year from and including August, 20 of the preceding year and on August, 20 of each year the interest that has accrued up to August, 19 from and including February, 20 of that year.

7.1.3 Interest accrued from any disbursement made within thirty (30) days prior to any Interest Payment Date shall be paid on the next succeeding Interest Payment Date.

7.2 Repayment of Principal

The Borrower shall repay the principal amount of the Credit to the Creditor over a period of 08 years into 16 equal semi-annual installments on February 20 and August 20 of each year according to the Amortization Schedule as provided for in Appendix III hereto. The first principal repayment shall be made on February 20, 2021; the last principal repayment shall be made on August 20, 2028.

Article 8: Overdue charge

8.1 In the cases where the Borrower can not service any of the principal repayment or interest payment on the due date, that repayment and/or payment shall be deemed overdue.

8.2 For the overdue debt as specified in the Article 8.1 hereof, the Borrower shall have to pay the overdue charge calculated at the rate of one and one – half percent (1.5%) per annum over and above the interest rate specified in the Article 7.1.1. This charge shall be accrued from the date when a payment is due to the date preceding that when the payment is actually and eventually received by the Creditor.

Article 9: Repayment/ Payment Currency and Computation of Interest, Overdue Charge

9.1 The Borrower shall make all repayments of principal and all payments of interest, and overdue charge in USD to the account which shall be designated by the Creditor.

9.2 Interest, overdue charge shall accrue on a day to day basis and be computed on the basis of three hundred and sixty (360) days per annum and the actual number of days elapsed.

Article 10: Application of Payment

All payments made to or collected by the Authorized Bank under this Credit Agreement shall be applied by the Authorized Bank in the following order of priority: (i) to any overdue charge then due and payable; (ii) to any ovedue interest then due and payable; (iii) to any overdue principal then due and payable; (iv) to accrued interest then due and payable; (v) to principal then due and payable.

Article 11: Banking Day

Whenever any payment and/or repayment is to be made by the Borrower under the Credit Agreement falls due on a day which is not banking day in the Socialist Republic of Viet Nam, such payment and/or repayment shall be made on the immediately succeeding banking day in the Socialist Republic of Viet Nam.

Article 12: Settlement of Disputes and Arbitration

12.1 Any dispute between the Creditor and the Borrower concerning the interpretation or application of this Agreement or any supplementary agreements between the Creditor and the Borrower shall be settled through diplomatic channels.

12.2. If the dispute referred to in the Article 12.1 can not be settled within three months from the date on which either party to the dispute requested in writing the settlement through diplomatic channels, it shall, at the request of either party, be settled by arbitration before

Vietnam International Arbitration Center -VIAC in accordance with the rules of the VIAC. The arbitration tribunal shall consist of 3 members. Language of arbitration shall be English.

Article 13: Governing Law

This Credit Agreement shall be governed by the law of the Socialist Republic of Viet Nam.

Article 14: No waiver

The Borrower and the Borrower's property shall not be exempted from litigation, administrative procedures, execution or other legal proceeding relating to the performance of Borrower's obligations under this Agreement and any of the contracts that is financed from the proceeds of the Credit.

Article 15: Information

During the time until the date when the disbursed and outstanding amount of the Credit has been fully repaid, each Government shall, upon the reasonable request of the other party, provide the other party due reports and reasonable and detailed information on the execution of this Agreement. The contact addresses are as follows:

For the Creditor:

Ministry of Finance (MOF)
No. 28 Tran Hung Dao Str.,, Hanoi, Viet Nam
Tel: 84-4-22202828 Fax: 84-4-22202868

For the Borrower:

Ministry of Economy and Finance (MEF)
St. 92, Sangkat Wat Phnom, Khan Daun Penh, Phnom Penh, Cambodia
Tel: 855-23724664 Fax: 855-23-427798

For the Authorized Bank:

The Bank for Investment and Development of Vietnam JSC– BIDV

No.35 Hang Voi Str., Hanoi, Viet Nam
Tel: 84-4-22205544, Fax: 84-4-22200399

Article 16: Taxes and Charges

16.1 No any proceeds of the Credit shall be used to pay any of the taxes, charges or levies imposed in the territory of the Borrower.

16.2 Every debt service transaction according to this Credit Agreement shall be made by the Borrower without being subject to any deduction to pay any taxes, charges or levies or any other expenses.

Article 17: Effectiveness of Credit Agreement

17.1 Evidence of Authority and Specimen Signatures

(1) The Borrower shall furnish the Creditor with an Evidence of Authority made substantially in the form given as per Appendix VI for the person(s) who will make, sign and deliver documents necessary for the implementation of the Credit Agreement, together with an authenticated specimen signature of each such person.

(2) When any change has been made relevant to the evidence of authority mentioned in the preceding paragraph, the Borrower shall notify the Creditor in writing of the fact, providing the Creditor with satisfactory new evidence of authority.

(3) When a person(s) has been appointed to replace a person(s) specified in the evidence of authority referred to in paragraph (1) above, the Borrower shall notify the Creditor in writing of the fact, providing the Creditor with an authenticated specimen signature of the newly appointed person(s).

17.2 Legal Opinion

The Borrower shall provide the Creditor with a Legal Opinion made substantially in the form given as per Appendix VII to this Credit Agreement prepared and certified by a person acceptable to the Creditor showing:

With regard to the Borrower, that the Credit Agreement has been duly authorized by and executed and delivered on behalf of the Borrower and constitutes a valid and binding obligation upon the Borrower with regard to all its terms and conditions, and that the authorizations and all other procedures necessary for the implementation of the Credit Agreement have been duly effected and completed.

17.3 Effective Date

This Credit Agreement shall become effective on the date on which the Creditor declares itself satisfied with the evidence of authority and the specimen signatures referred to in the Article 17.1 and with the Legal Opinion referred to in the Article 17.2, the Creditor shall immediately notify the Borrower in writing of the effective date of the Credit Agreement.

This Agreement is made and signed in Hanoi on December 26th, 2013 in two originals in the English language.

For the Government of the Socialist Republic of Viet Nam	**For the Government of the Kingdom of Cambodia**
H.E. Dinh Tien Dung	**H.E. Aun Pornmoniroth**
Minister of Finance	**Minister of Economy and Finance**

Appendix I

List of Expenditure eligible to be financed by the proceeds of the Credit according to the Credit Agreement between the Government of the S.R Viet Nam and the Government of the Kingdom of Cambodia No. VC-02, dated December 26th, 2013.

Category	Amount of the Credit Allocated (in million US Dollars)	% of expenditure to be financed
1. Consulting Services including: - Technical Design and Bidding Document Preparation provided by TEDI SOUTH - Supervisory Consulting Services to be selected upon the agreement between the Creditor's Ministry of Transport and the Borrower's Ministry of Public Works and Transport.	2.01	100
2. Construction works of Long Binh – Chrey Thom Bridge to be selected upon the agreement between the Creditor's Ministry of Transport and the Borrower's Ministry of Public Works and Transport.	13.62	100
3. Contingency *(other necessary expenditures to be approved by the Creditor and the Borrower)*	3.13	
Total	**18.76**	

The items not eligible for financing are listed as bellows:

(a) General administration expenses;

(b) Taxes and duties;

(c) Purchase of land and other real property;

(d) Compensation;

(e) Mine clearance expenses;

(f) Other indirect items.

Appendix II

Disbursement Procedure

I - Conditions for disbursement

1. For the Credit Agreement

1.1 The Credit Agreement has been declared effective as stipulated in the Article 17.3 of the Credit Agreement.

1.2 If a Bank or another agency of the Kingdom of Cambodia is authorized to undertake disbursement procedure, an authorization document signed by the Minister of Economy and Finance of the Kingdom of Cambodia should be sent to the Ministry of Finance of Viet Nam.

2. For each contract

2.1 All contracts shall be subject to the approval of the authorized agencies of the Creditor (the Ministry of Transport) and the Borrower (the Ministry of Public Work and Transport) and shall contain a clause to that effect.

2.2 The Ministry of Economy and Finance of the Kingdom of Cambodia shall furnish to the Ministry of Finance of Viet Nam the copy of each contract in English duly certified by the Ministry of Economy and Finance of the Kingdom of Cambodia and the approval documents (in English) as mentioned in the Section 2.1 above with its confirmation of eligible amount to be financed out of the proceeds of this Credit (part or whole amount of contract).

3. For each disbursement:

The Borrower shall furnish the Authorized Bank the following documents:

- The Request for Payment (in the form given as per Appendix IV);

- The Claim of Payment issued by the consultant/contractor (in the form given as per Appendix V) and approved by the Project Executing Agency;

- Confirmation of the Borrower that the requested payment to the consultant/contractor are in compliance with the Borrower's regulations.

II - Disbursement procedure

1. The Authorized Bank shall open and maintain an account named "Credit for the Kingdom of Cambodia - Account Number..." in order to monitor the disbursement of the Credit. This account is recorded in USD.

2. Based on the set of documents mentioned in the Section I.3 above, the Authorized Bank shall make payment directly to the consultant/ contractor's account.

3. The monthly statement of the Credit Account mentioned in the Section II.1 above shall be sent by the Authorized Bank to the Borrower and the Creditor.

Appendix III

Amortization Schedule

Due Date	Amount of Repayment (percentage (%) to actual disbursed amount)
20/02/2021	6.25
20/8/2021	6.25
20/02/2022	6.25
20/8/2022	6.25
20/02/2023	6.25
20/8/2023	6.25
20/02/2024	6.25
20/8/2024	6.25
20/02/2025	6.25
20/8/2025	6.25
20/02/2026	6.25
20/8/2026	6.25
20/02/2027	6.25
20/8/2027	6.25
20/02/2028	6.25
20/8/2028	6.25
Total	**100%**

Appendix IV

Form of Request for Payment

REQUEST FOR PAYMENT

Date:
No.:

To: The Authorized Bank

1. Pursuant to the Credit Agreement No. VC-02, dated December 26th, 2013 between the Government of the Socialist Republic of Viet Nam and the Government of the Kingdom of Cambodia (the Credit Agreement), the undersigned hereby requests the Bank for Investment and Development of Vietnam JSC (BIDV) for disbursement under the said Credit Agreement of the amount of USD... (say USD...) for the payment of expenditures as described in the Summary Sheet(s) attach hereto.
2. The undersigned certifies that the expenditures described in the Summary Sheet(s) are made for the purposes specified in the Credit Agreement.
3. We hereby request the Bank for Investment and Development of Vietnam JSC (BIDV) to transfer the exact amount in (1.) to account No. .....at the bank....

Ministry of Economy and Finance
of Cambodia

(Name and Title of the Signer)

Appendix V

Form of Claim for Payment

Date:

CLAIM FOR PAYMENT

Serial No.:
Name of Project:

To: The Executing Agency (Name of Executing Agency in the Decision of Investment approved by the Government of the Kingdom of Cambodia)

The Consultant/Contractor (Name of the Consultant/Contractor in the Contract) here by submit Claim for Payment to you for the progress of the work in the following content:

1. Contract No. and date:
2. Description of goods and services accomplished (Name of Project, contract amount and items of accomplished work)
3. Credit Agreement No. VC-02, dated December 26th, 2013.
4. Accumulated amount already paid (if any):
5. Claimed amount: (currency and amount in number and words)
6. Name of Beneficiary (name of beneficiary, account No., name and address of the bank)

Approval by Executing Agency Name of Consultant/Contractor/Supplier

Signature and Stamp Signature and Stamp

Claims for Payment should be printed in the type clearly and fully. Hand writing and erasement are not accepted.

Appendix VI

Form of Evidence of Authority

To: The Ministry of Finance of the Socialist Republic of Viet Nam

28 Tran Hung Dao Str., Hanoi, Viet Nam

Date:

Evidence of Authority

I....., the Minister of the Ministry of Economy and Finance of the Kingdom of Cambodia, hereby certify that the following persons are authorized to make, sign and deliver, on my behalf, the documents necessary for the implementation of Credit Agreement No. VC-02, dated December 26th, 2013 executed between the Government of the Kingdom of Cambodia and the Government of the Socialist Republic of Viet Nam.

And I hereby declare that the said documents made, signed and delivered by the said persons shall be valid and binding on the Government of the Kingdom of Cambodia as though the same were signed personally by me.

The official title and names of the authorized persons are as follows:

Name	**Title**
1.	.....
2.	.....
3.	.....

Very truly yours,

By.....

Minister of Economy and Finance

Enclosure: Specimen Signature of authorized persons

Appendix VII

Form of Legal Opinion

MINISTRY OF FINANCE
THE SOCIALIST REPUBLIC OF VIET NAM
Hanoi, Viet Nam
Attention: Minister of Finance

Ladies and Gentlemen:

LEGAL OPINION ON CREDIT AGREEMENT

With respect to the Credit extended by the Government of the Socialist Republic of Viet Nam represented by the Ministry of Finance (hereinafter referred to as "the Creditor") to the Government of the Kingdom of Cambodia represented by the Ministry of Economy and Finance (hereinafter referred to as "the Borrower") in an aggregate amount of the Credit not exceeding 18,760,000 USD (US Dollar Eighteen Million Seven Hundred and Sixty Thousand Only) as principal in accordance with the terms and conditions of the Credit Agreement No. VC-02, dated December 26th, 2013, between the Borrower and the Creditor (hereinafter referred to as "the Credit Agreement"), I, the undersigned, acting as legal counsel for the Borrower, certify as follows:

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

(a) The Credit Agreement;

(b) Evidence of Authority and Specimen Signatures, dated (_____) issued by (_____); and

(c) Such other documents, certificates, governmental records, agreements and instruments as I have deemed necessary to give the opinions expressed below; and

(d) All the laws and regulations of the Kingdom of Cambodia as I have deemed necessary to give the opinion expressed below.

Based upon the foregoing, I hereby certify that, under the law and regulations of the Kingdom of Cambodia:

1. The Borrower has the power and authority to enter into the Credit Agreement and to borrower under the Credit Agreement and has taken all necessary actions to authorize the execution, delivery and performance of the Credit Agreement;

2. Mr./Ms. *(name and title of authorized person)* has been duly authorized and has the power to sign the Credit Agreement on behalf of the Borrower;

3. The Credit Agreement has been executed and delivered by the Borrower and constitutes a valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms and conditions;

4. The execution, delivery and performance of the Credit Agreement by the Borrower do not violate, conflict with or result in any breach of any provisions of the law or regulation of the Kingdom of Cambodia;

5. All consents, licenses, approvals or authorizations of relevant governmental authorities or agencies required in connection with the execution, delivery, performance, legality, validity and enforceability of the Agreement (including all authorizations and consents to make payments in foreign currencies under the Credit Agreement) have been duly obtained and are in full force and effect;

No further consents, licenses, approvals or authorizations of any governmental authorities or agencies are required to ensure (a) the validity and enforceability of the Credit Agreement; and (b) the admissibility in evidence of the Credit Agreement in the Kingdom of Cambodia;

6. The obligations of the Borrower under the Credit Agreement are direct and unconditional obligations and shall rank at least pari passu with all present and future indebtedness and contingent liabilities of the Borrower;

7. Under the laws and regulations of the Kingdom of Cambodia, the choice of the law of the Socialist Republic of Viet Nam to govern the Credit Agreement is a valid choice of law;

8. The execution and delivery of the Credit Agreement by the Borrower constitute commercial act rather than Governmental acts, and neither the Borrower nor any its property or assets enjoy any right of immunity on the grounds of sovereignty from legal proceedings or the execution of judgments, decisions or awards relating to the Credit Agreement;

9. Any award obtained in the arbitral tribunal stipulated in the Credit Agreement shall be recognized and enforced in accordance with the 1958 New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards.

IN WITNESS WHEREOF, I, the undersigned, have hereunto set my hand and affixed my official seal, this (_____) day of (_____).

Very truly yours,

(Minister of Justice, Attorney-General or Other Competent Authority)