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PARLIAMENT OF THE REPUBLIC OF MACEDONIA

Pursuant to paragraphs 1 and 2 of Article 75 of the Constitution of the Republic of Macedonia, President of the Republic of Macedonia and President of the Parliament of the Republic of Macedonia issue

DECREE ON PROMULGATION OF THE LAW ON GUARANTEE BY THE REPUBLIC OF
MACEDONIA ON THE LIABILITIES UNDER THE LOAN AGREEMENT FOR FINANCING THE
DISTRICT HEATING BITOLA PROJECT, TO BE CONCLUDED BETWEEN KfW
DEVELOPMENT BANK OF THE FEDERAL REPUBLIC OF GERMANY AND AD ELEM

Law on Guarantee by the Republic of Macedonia on the liabilities under the Loan Agreement for financing the District Heating Bitola Project, to be concluded between KfW Development Bank of the Federal Republic of Germany and AD ELEM, adopted by the Parliament of the Republic of Macedonia at its session held on 23th December 2015 shall be promulgated.

No. 08-6076/1
23rd December 2015
Skopje

President
of the Republic of Macedonia
Gjorge Ivanov, Ph.D., in his own hand

President
of the Parliament of the Republic
of Macedonia
Trajko Veljanoski, in his own hand

LAW ON GUARANTEE BY THE REPUBLIC OF MACEDONIA ON THE LIABILITIES UNDER
THE LOAN AGREEMENT FOR FINANCING THE DISTRICT HEATING BITOLA PROJECT, TO
BE CONCLUDED BETWEEN KfW DEVELOPMENT BANK OF THE FEDERAL REPUBLIC OF
GERMANY AND AD ELEM

Article 1

Republic of Macedonia shall guarantee the settlement of liabilities and fulfillment of the provisions in the Loan Agreement for financing the District Heating Bitola Project, to be concluded between KfW Development Bank of the Federal Republic of Germany and AD ELEM, in the amount of EUR 39,000,000 within the deadlines and under the terms and conditions provided in the Loan Agreement, should AD ELEM fail to meet and settle the liabilities under the Loan Agreement.

Article 2

Terms and conditions and the manner of using the Loan shall be determined in the Loan Agreement referred to in Article 1 of this Law, which shall be concluded between KfW Development Bank of the Federal Republic of Germany and AD ELEM, for financing of the District Heating Bitola Project.

Article 3

All liabilities arising from the Loan Agreement referred to in Article 1 of this Law, as well as the loan servicing, shall be carried out by AD ELEM from the revenues it realizes, within the deadlines and under the terms and conditions determined in the Loan Agreement referred to in Article 1 of this Law.

Article 4

Repayment deadline for the loan referred to in Article 1 of this Law shall be 15 years, including 4-year grace period.

Interest rate shall be fixed interest rate and it shall be additionally determined on the day of signing the agreements.

The Loan shall be repaid in semi-annual installments, falling due on 30th January and 30th July. AD ELEM shall pay KfW Development Bank front-end fee in the amount of 1% of the loan amount.

AD ELEM shall pay KfW Development Bank commitment charge in the amount of 0.25% annually.

Article 5

To the end of regulating the mutual rights and obligations arising from the Loan Agreement and the Guarantee Agreement, Ministry of Finance and AD ELEM shall conclude separate agreement.

Article 6

This Law shall enter into force on the day it is published in the „Official Gazette of the Republic of Macedonia“.