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PARLIAMENT OF THE REPUBLIC OF MACEDONIA

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

DECREE

ON PROMULGATION OF THE LAW ON GUARANTEE BY THE REPUBLIC OF MACEDONIA UPON THE LOAN AGREEMENT FOR FINANCING BOSKOV MOST HYDRO POWER PLANT PROJECT, TO BE CONCLUDED BETWEEN THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT AND AD ELEM

Law on Guarantee by the Republic of Macedonia upon the Loan Agreement for financing Boskov Most Hydro Power Plant Project, to be concluded between the European Bank for Reconstruction and Development and AD ELEM, adopted by the Parliament of the Republic of Macedonia at its session held on 28th September 2011 shall be promulgated.

No. 07-4040/1
28th September 2011
Skopje

President
of the Republic of Macedonia,
Gorge Ivanov, 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 UPON THE LOAN AGREEMENT FOR FINANCING BOSKOV MOST HYDRO POWER PLANT PROJECT, TO BE CONCLUDED BETWEEN THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT AND AD ELEM

Article 1

Republic of Macedonia shall guarantee the settlement of liabilities and fulfillment of the provisions under the Loan Agreement for financing the Boskov Most Hydro Power Plant Project, to be concluded between the European Bank for Reconstruction and Development and AD ELEM in the amount of EUR 65,000,000 under terms and conditions set under the Loan Agreement, if AD ELEM fails to meet and service the liabilities under the Loan Agreement.

Article 2

Terms and conditions and the manner of using the loan referred to in Article 1 of this Law shall be determined in a Loan Agreement, to be concluded between the European Bank for Reconstruction and Development and AD ELEM for financing the Boskov Most Hydro Power Plant 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 settled by AD ELEM from the revenues it generates, under the terms and conditions and within the deadlines set in the Loan Agreement.

Article 4

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

Interest rate shall be variable six month EURIBOR, plus 1% annually.

The loan shall be repaid in 20 semi-annual installments, each 15th March and 15th September in the year.

AD ELEM shall pay the European Bank for Reconstruction and Development front-end fee in the amount of 1% of the loan amount. Commitment charges shall be paid to the European Bank for Reconstruction and Development in the amount of 0.5% of the amount of undisbursed loan funds 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".