

CONFORMED COPY

LOAN NUMBER 3374 CS

Loan Assumption Agreement
(Structural Adjustment Loan)

between

SLOVAK REPUBLIC

and

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT

Dated as of January 1, 1993

LOAN NUMBER 3374 CS

LOAN ASSUMPTION AGREEMENT

AGREEMENT, dated as of January 1, 1993, between SLOVAK
REPUBLIC and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
(the Bank).

WHEREAS (A) the Bank received a letter, dated June 6, 1991,
from the Czech and Slovak Federal Republic (the CSFR) describing a
program of actions, objectives and policies designed to achieve
structural adjustment of the CSFR's economy (the Program), declaring
the CSFR's commitment to the execution of the Program, and
requesting assistance from the Bank in the financing of urgently
needed imports required during such execution;

(B) by a loan agreement (the Loan Agreement), dated July 31,
1991, between the Bank and the CSFR, the Bank agreed to support the
Program by extending to the CSFR a loan (the Loan) in three tranches
in various currencies aggregating the equivalent of four hundred
fifty million dollars (\$450,000,000), on the terms and conditions
set forth in the Loan Agreement;

(C) by a letter to the Bank, dated December 15, 1992, the

Czech Republic confirmed that, in the event the CSFR separated into two states, the Czech Republic would service, as borrower, two-thirds of the principal, interest and other charges of the Loan;

(D) by a letter to the Bank, dated November 24, 1992, the Slovak Republic confirmed that, in the event the CSFR separated into two states, the Slovak Republic would service, as borrower, one-third of the principal, interest and other charges of the Loan;

(E) the Czech Republic and the Slovak Republic have agreed to assume all other obligations of the CSFR as provided in the Loan Agreement;

(F) the CSFR ceased to exist on December 31, 1992 and was succeeded on January 1, 1993, by the Czech Republic and the Slovak Republic as independent and sovereign states; and

(G) on the basis, inter alia, of the foregoing, the Bank decided to release the third tranche of the Loan in the amount of the equivalent of one hundred twenty-five million dollars (\$125,000,000) in continued support of the Program;

NOW THEREFORE the parties hereto hereby agree as follows:

ARTICLE I

Assumption of Part of the Obligations under the Loan Agreement

Section 1.01. The Slovak Republic hereby assumes and agrees to carry out (a) the obligation of the CSFR to repay the principal and pay interest and other charges and premium, if any, in respect of one-third of the Loan and (b) all other obligations of the CSFR under the Loan Agreement, and the Bank hereby recognizes the succession of the Slovak Republic to the rights of the CSFR under the Loan Agreement, with the same effect as though the words "the Slovak Republic" were substituted for the words "the Borrower" and the words "the part of the Loan the Slovak Republic has agreed to repay" were substituted for the words "the Loan" wherever used therein, subject to the following modifications of the Loan Agreement:

(a) Delete Section 1.02 (b) and substitute therefor the following new Section:

"Section 1.01 (b) 'Central Bank of the Slovak Republic' means the State Bank of the Slovak Republic, established and operating pursuant to Law No. 566 of the Slovak Republic adopted on November 18, 1992, as the same may be amended from time to time."

(b) Delete the words "Central Bank" from Section 2.08 (a) and substitute therefor the words "Central Bank of the Slovak Republic".

(c) Delete the Amortization Schedule in Schedule 2 and substitute therefor the following new Amortization Schedule:

Date Payment Due	Payment of Principal of the Part of the Loan the Slovak Republic has agreed to repay (expressed in dollars)*
On each March 15 and September 15	
Beginning March 15, 1997 through September 15, 2006	7,500,000

* The figure in this column represents dollar equivalents determined as of the respective dates of withdrawal. See General Conditions, Sections 3.04 and 4.03.

ARTICLE II

Effective Date; Miscellaneous

Section 2.01. This Agreement shall take effect as of January 1, 1993.

Section 2.02. The Slovak Republic shall furnish the Bank, not later than April 30, 1993: (a) evidence, satisfactory to the Bank, that the execution and delivery of the Loan Assumption Agreement on behalf of the Slovak Republic have been duly authorized or ratified by all necessary governmental action; and

(b) an opinion satisfactory to the Bank of counsel acceptable to the Bank or, if the Bank shall so request, a certificate satisfactory to the Bank of a competent official of the Slovak Republic showing:

- (i) that the Loan Assumption Agreement has been duly authorized or ratified by, and executed and delivered on behalf of, the Slovak Republic and is legally binding upon the Slovak Republic in accordance with its terms; and
- (ii) such other matters as shall be reasonably requested by the Bank in connection therewith.

Section 2.03. The Minister of Finance of the Borrower is designated as representative of the Borrower for purposes of Section 11.03 of the General Conditions.

Section 2.04. The following address is designated to the Bank by the Slovak Republic for the purposes of Section 11.01 of the General Conditions:

Ministry of Finance
Stefanovicova 5
81308 Bratislava
Slovak Republic

Telex:

92365

IN WITNESS WHEREOF, the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names in the District of Columbia, United States of America, as of the day and year first above written.

SLOVAK REPUBLIC

By /s/ Milan Erban
Authorized Representative

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By /s/ Kemal Dervis
Acting Regional Vice President
Europe and Central Asia

