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CONFORMED COPY

LOAN NUMBER 1022 ME

Loan Agreement

(Airports Development Project)

BETWEEN

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT

AND

NACIONAL FINANCIERA, S.A.

DATED JUNE 28, 1974

Public Disclosure Authorized

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DATED JUNE 28, 1974

LOAN AGREEMENT

AGREEMENT, dated June 28, 1974, between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank) and NACIONAL FINANCIERA, S.A. (hereinafter called the Borrower).

ARTICLE I

General Conditions; Definitions

Section 1.01. The parties to this Agreement accept all the provisions of the General Conditions Applicable to Loan and Guarantee Agreements of the Bank, dated March 15, 1974, with the same force and effect as if they were fully set forth herein (said General Conditions Applicable to Loan and Guarantee Agreements of the Bank being hereinafter called the General Conditions).

Section 1.02. Wherever used in this Agreement, unless the context otherwise requires, the several terms defined in the General Conditions have the respective meanings therein set forth and the following additional terms have the following meanings:

(a) "ASA" means *Aeropuertos y Servicios Auxiliares*, an entity of the Guarantor, and any successor thereto; and

(b) "ASA's Charter" means the Decree establishing ASA, dated June 10, 1965, published in the *Diario Oficial* on June 12, 1965, as amended to the date of this Agreement.

ARTICLE II

The Loan

Section 2.01. The Bank agrees to lend to the Borrower, on the terms and conditions in the Loan Agreement set forth or referred to, an amount in various currencies equivalent to twenty-five million dollars (\$25,000,000).

Section 2.02. (a) The amount of the Loan may be withdrawn from the Loan Account in accordance with the provisions of Schedule 1 to this Agreement, as such Schedule shall be amended from time to time, for expenditures made (or, if the Bank shall so agree, to be made) in respect of the reasonable cost of goods

and services required for the Project described in Schedule 1 to the Guarantee Agreement and to be financed out of the proceeds of the Loan and in respect of interest and other charges on the Loan.

(b) Except as the Borrower shall otherwise request, on or before each of the semi-annual interest payment dates specified in Section 2.06 of this Agreement, the Bank shall, on behalf of the Borrower, withdraw from the Loan Account and pay to itself the amounts required to pay, on such date, interest and other charges on the Loan accrued and payable on or before the date set forth, and up to the amount allocated, in Schedule 1 to this Agreement, as such Schedule may be amended from time to time.

Section 2.03. The Closing Date shall be June 30, 1978 or such other date as shall be agreed between the Bank and the Borrower.

Section 2.04. The Borrower shall pay to the Bank a commitment charge at the rate of three-fourths of one per cent ($3/4$ of 1%) per annum on the principal amount of the Loan not withdrawn from time to time.

Section 2.05. The Borrower shall pay interest at the rate of seven and one-quarter per cent ($7-1/4\%$) per annum on the principal amount of the Loan withdrawn and outstanding from time to time.

Section 2.06. Interest and other charges shall be payable semi-annually on February 15 and August 15 in each year.

Section 2.07. The Borrower shall repay the principal amount of the Loan in accordance with the amortization schedule set forth in Schedule 2 to this Agreement.

ARTICLE III

Transfer of Loan Proceeds

Section 3.01. The Borrower shall make contractual arrangements satisfactory to the Bank with the Guarantor providing, *inter alia*, for the transfer to the Guarantor of the proceeds of the Loan for the purpose of carrying out the Project and for the repayment of such proceeds, and except as the Bank shall otherwise agree, the Borrower shall not amend, assign, abrogate or waive any provision of such arrangements.

ARTICLE IV

Financial Covenants

Section 4.01. (a) The Borrower represents that at the date of this Agreement no lien exists on any of its assets as security for any external debt.

(b) The Borrower undertakes that, except as the Bank shall otherwise agree, if any lien shall be created on any assets of the Borrower as security for any external debt, such lien will *ipso facto* equally and ratably secure the payment of the principal of, and interest and other charges on, the Loan, and that in the creation of any such lien express provision will be made to that effect, at no cost to the Bank; provided, however, that the foregoing provisions of this paragraph shall not apply to: (i) any lien created on property, at the time of purchase thereof, solely as security for the payment of the purchase price of such property; or (ii) any lien arising in the ordinary course of banking transactions and securing a debt maturing not more than one year after the date on which it is originally incurred.

ARTICLE V

Remedies of the Bank

Section 5.01. For the purposes of Section 6.02 of the General Conditions, the following additional events are specified:

(a) ASA's Charter shall have been modified so as to affect adversely and substantially the carrying out of ASA's operations.

(b) The Guarantor or any other authority having jurisdiction shall have taken any action for the dissolution or disestablishment of ASA or for the suspension of its operations.

Section 5.02. For the purposes of Section 7.01 of the General Conditions, the following additional event is specified, namely, that any of the events specified in Section 5.01 of this Agreement shall occur.

ARTICLE VI

Effective Date; Termination

Section 6.01. The following event is specified as an additional condition to the effectiveness of the Loan Agreement within the meaning of Section 12.01(c)

of the General Conditions, namely, that the Guarantor and the Borrower have entered into the contractual arrangements referred to in Section 3.01 of this Agreement.

Section 6.02. The following are specified as additional matters, within the meaning of Section 12.02(c) of the General Conditions, to be included in the opinion or opinions to be furnished to the Bank:

(a) that the contractual arrangements referred to in Section 6.01 of this Agreement have been duly authorized by, and executed and delivered on behalf of, and are legally binding on, the parties thereto in accordance with their terms; and

(b) that in accordance with the Guarantor's legislation, the Guarantor has powers sufficient to cause ASA to take all steps necessary to enable the Guarantor to fulfill its obligations in respect of ASA under the Guarantee Agreement.

Section 6.03. The date September 30, 1974 is hereby specified for the purposes of Section 12.04 of the General Conditions.

ARTICLE VII

Addresses

Section 7.01. The following addresses are specified for the purposes of Section 11.01 of the General Conditions:

For the Bank:

International Bank for
Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Cable address:

INTBAFRAD
Washington, D.C.

For the Borrower:

Nacional Financiera, S.A.
Isabel la Católica 51
México 1, D.F. México

Cable address:

NAFIN 383-1772538
México City

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

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By /s/ Gerald Alter

*Regional Vice President
Latin America and the Caribbean*

NACIONAL FINANCIERA, S.A.

By /s/ Jesus Puente Leyva

Authorized Representative

SCHEDULE 1

Withdrawal of the Proceeds of the Loan

1. The table below sets forth the Categories of items to be financed out of the proceeds of the Loan, the allocation of amounts of the Loan to each Category and the percentage of expenditures for items so to be financed in each Category:

<i>Category</i>	<i>Amount of the Loan Allocated (Expressed in Dollar Equivalent)</i>	<i>% of Expenditures to be Financed</i>
I. Civil works	14,000,000	42%
II. Navigational aids and communication equipment and installation thereof	1,400,000	65%
III. Interest and other charges on the Loan accrued on or before February 14, 1977	4,000,000	Amounts due
IV. Unallocated	5,600,000	
TOTAL	25,000,000	

2. Notwithstanding the provisions of paragraph 1 above, no withdrawals shall be made in respect of:

(a) expenditures prior to the date of this Agreement; and

(b) payments for taxes imposed under the laws of the Guarantor or laws in effect in its territories on goods or services, or on the importation, manufacture, procurement or supply thereof. To the extent that the amount represented by the percentage set forth in the third column of the table in paragraph 1 above in respect of any Category would exceed the amount payable net of all such taxes, such percentage shall be reduced to ensure that no proceeds of the Loan will be withdrawn on account of payments for such taxes.

3. Notwithstanding the allocation of an amount of the Loan set forth in the second column of the table in paragraph 1 above:

(a) if the estimate of the expenditures under any Category shall decrease, the amount of the Loan then allocated to such Category and no longer required therefor will be reallocated by the Bank by increasing correspondingly the unallocated amount of the Loan;

(b) if the Borrower shall pay interest and other charges on the Loan with funds other than the proceeds of the Loan, the Bank shall, at the request of the Borrower, reallocate from Category III to Category IV an amount equivalent to the amount so paid;

(c) if the estimate of the expenditures under any Category shall increase, the percentage set forth in the third column of the table in paragraph 1 above in respect of such expenditures shall be applied to the amount of such increase, and a corresponding amount will be allocated by the Bank, at the request of the Borrower, to such Category from the unallocated amount of the Loan, subject, however, to the requirements for contingencies, as determined by the Bank after consultation with the Borrower, in respect of any other expenditures; and

(d) if the Bank, after consultation with the Borrower, shall have reasonably determined that the procurement of any item in any Category is inconsistent with the procedures set forth or referred to in Section 3.03 of the Guarantee Agreement, no expenditures for such item shall be financed out of the proceeds of the Loan and the Bank may, without in any way restricting or limiting any other right, power or remedy of the Bank under the Loan Agreement, by notice to the Borrower, cancel such amount of the Loan as in the Bank's reasonable opinion, represents the amount of such expenditures which would otherwise have been eligible for financing out of the proceeds of the Loan.

4. Notwithstanding the percentages set forth in the third column of the table in paragraph 1 above, if the estimate of total expenditures under Category I or II shall increase and no proceeds of the Loan are available for reallocation to such Category, the Bank may, by notice to the Borrower, adjust the percentage then applicable to such expenditures in order that further withdrawals under such Category may continue until all expenditures thereunder shall have been made.

SCHEDULE 2

Amortization Schedule

<i>Date Payment Due</i>	<i>Payment of Principal (expressed in dollars)*</i>
August 15, 1978	285,000
February 15, 1979	295,000
August 15, 1979	310,000
February 15, 1980	320,000
August 15, 1980	330,000
February 15, 1981	345,000
August 15, 1981	355,000
February 15, 1982	370,000
August 15, 1982	380,000
February 15, 1983	395,000
August 15, 1983	410,000
February 15, 1984	425,000
August 15, 1984	440,000
February 15, 1985	455,000
August 15, 1985	475,000
February 15, 1986	490,000
August 15, 1986	505,000
February 15, 1987	530,000
August 15, 1987	545,000
February 15, 1988	565,000
August 15, 1988	585,000
February 15, 1989	605,000
August 15, 1989	630,000
February 15, 1990	650,000
August 15, 1990	675,000
February 15, 1991	700,000
August 15, 1991	725,000
February 15, 1992	750,000
August 15, 1992	780,000
February 15, 1993	805,000
August 15, 1993	835,000
February 15, 1994	865,000
August 15, 1994	900,000
February 15, 1995	930,000
August 15, 1995	960,000
February 15, 1996	1,000,000
August 15, 1996	1,035,000
February 15, 1997	1,075,000
August 15, 1997	1,110,000
February 15, 1998	1,160,000

* To the extent that any portion of the Loan is repayable in a currency other than dollars (see General Conditions, Section 4.02), the figures in this column represent dollar equivalents determined as for purposes of withdrawal.

Premiums on Prepayment

The following percentages are specified as the premiums payable on repayment in advance of maturity of any portion of the principal amount of the Loan pursuant to Section 3.05(b) of the General Conditions:

<i>Time of Prepayment</i>	<i>Premium</i>
Not more than three years before maturity	3/4%
More than three years but not more than six years before maturity	2-1/4%
More than six years but not more than eleven years before maturity	3%
More than eleven years but not more than sixteen years before maturity	4-1/2%
More than sixteen years but not more than twenty-one years before maturity	5-3/4%
More than twenty-one years but not more than twenty-three years before maturity	6-3/4%
More than twenty-three years before maturity	7-1/4%