

	<ul style="list-style-type: none"> – if the repayment occurs after the 17th anniversary (inclusive): zero point fifty per cent (0.50%).
Procurement Guidelines	means the contractual provisions contained in the document entitled "Procurement Guidelines for AFD Financed Contracts in Foreign Countries in its last version available on the Signing Date, which is available on the Website and a copy of which has been delivered to the Borrower.
Prohibited Practice(s)	means Anti-Competitive Practices, Acts of Corruption, Fraud, Fraud against the Financial Interests of the European Union, Non-Cooperative Practices, Misuse of AFD's Funds or Assets, as well as any breach of any applicable anti-Money Laundering and counter-Terrorist Financing laws.
Project	means the project as described in Schedule 2 (<i>Project Description</i>).
Project Accounts	means each of the Debt Service Account and the Eligible Expenses Financing Account.
Project Authorisations	means the Authorisations necessary in order for (i) the Borrower to implement the Project and execute all Project Documents to which it is a party, and to exercise its rights and perform its obligations under the Project Documents to which it is a party; and (ii) the Project Documents to which the Borrower is a party to be admissible as evidence before courts in the jurisdiction of incorporation of the Borrower.
Project Documents	<p>means all the documents, and in particular agreements, delivered or executed by the Borrower in relation to the implementation of the Project, being each of the following documents:</p> <ul style="list-style-type: none"> – the Operational Manual – the Procurement Plan of the Project; – the construction and service contracts related to the Project as described in Schedule 2; – the EMP of the Project and its implementation reports; – the Project periodic Progress reports as described in clause 12.3 (<i>Progress Report</i>).
Project Implementation Unit or PIU	means the duly staffed internal team dedicated to the implementation of the Project, to the satisfaction of the Lender.
Provider(s)	means a natural or legal person that has signed a contract with the Borrower which may include a supplier, a works company or a contractor, a consultant or a service provider.
Provider's Guarantee(s)	means any guarantee provided to the Borrower directly or indirectly by any of its Providers in charge of the performance of contracts entered into for the purposes of implementing the Project or any part

	thereof, such as, for example, a performance security or an advance payment security.
Public Official	means any holder of legislative, executive, administrative or judicial office whether appointed or elected, permanent or temporary, paid or unpaid, regardless of rank or any other person defined as a public official under the domestic law of the Borrower's jurisdiction of incorporation, and any other person exercising a public function, including for a public agency or organisation, or providing a public service.
Quotation Day	means, in relation to the period for which a floating Interest Rate is to be determined, two (2) US Government Securities Business Days and Business Days before the first day of that period.
Rate Conversion	means the conversion of the floating rate applicable to all or part of the Facility into a fixed rate pursuant to Clause 4.1 (<i>Interest Rate</i>).
Rate Conversion Request	means a notice substantially in the form attached as Schedule 5C (<i>Form of Rate Conversion Request</i>).
Rate Setting Date	Means, for each fixed rate Drawdown or Rate Conversion, the Tuesday or Thursday (or, if that date is not a Business Day, the immediately following Business Day) following the date of receipt by the Lender of the Drawdown Request or Rate Conversion request, provided that this request is received by the Lender at least two (2) full Business Days prior to said Tuesday or Thursday.
Ratio Certificate	means a certificate substantially in the form set out in Schedule 5F (<i>Form of Ratio Certificate</i>).
Reference Financial Institution	means a financial institution chosen as a suitable reference financial institution by the Lender and which regularly publishes quotations of financial instruments on one of the international financial information networks according to the practices recognized by the banking industry.
Schedule(s)	means any schedule or schedules to this Agreement.
Security	means any pledge, mortgage, assignment, lien, charge, lease, guarantee, hypothecation or security interest or any other agreement or arrangement having an effect similar to a security of any type created or existing over an asset for the purposes of securing a person's obligations.
Self-Financed Investments	means, for a given period, total capital expenditures minus (i) drawdowns under medium to long term Financial Indebtedness and (ii) cash arising from equity issuance. If the sum of debt drawdowns and equity issuance is greater than total capital expenditures, Self-Financed Investments will be considered as nil.
Signing Date	means the date of execution of this Agreement by all the Parties.

SOFR	means the secured overnight financing rate (SOFR) administered by the Federal Reserve Bank of New York (or any other person which takes over the administration of that rate) published (before any correction, recalculation or republication by the administrator) by the Federal Reserve Bank of New York (or any other person which takes over the publication of that rate).
Statement of Integrity	means the integrity and eligibility statement form, in the form set out in the Schedule 14, that any applicant, bidder or consultant shall deliver pursuant to the terms set out in Clause 11.8 (<i>Procurement</i>) of the Agreement.
Subsidiary	means, at any time, any entity of which the Borrower holds more than fifty per cent. (50%) of the share capital.
Tax(es)	means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with a failure to pay or any delay in the payment of any such amounts).
Technical Completion Date	means the date for the technical completion of the Project which is expected to be six (6) months after the payment date of the last Advance, or any other date to be agreed between the Parties.
Term SOFR	means, in relation to an Interest Period, the forward-looking term SOFR administered by CME Group Benchmark Administration Limited (or any other person which takes over the administration of that rate) for a period equal in length to the Interest Period, as published by CME Group Benchmark Administration Limited (or any other person which takes over the publication of that rate) as of 6:00 a.m. (New York City time) on the relevant Quotation Day (before any correction, recalculation or republication by the administrator).
Terrorist Financing	means providing or collecting, directly or indirectly, funds or managing funds with the intention that they should be used, or in the knowledge that they are to be used, for the purpose of committing an Act of Terrorism.
US Dollar(s) or USD	means the currency having legal tender in the United States of America.
US Fed Rate	means: <ul style="list-style-type: none"> (a) the short-term interest rate target set by the US Federal Open Market Committee as published by the Federal Reserve Bank of New York from time to time (any successor rate to, or replacement rate for, that rate); or (b) if that target is not a single figure, the arithmetic mean of: <ul style="list-style-type: none"> (i) the upper bound of the short-term interest rate target range set by the US Federal Open Market Committee and published by the Federal Reserve Bank of New York; and

	(ii) the lower bound of that target range (rounded, if necessary, upwards to five (5) decimal places).
US Fed Rate Adjustment	means, in relation to a certain tenor, the percentage rate per annum notified by the Lender to the Borrower on the basis of the historical spread between Term SOFR for the relevant tenor and the US Fed Rate or (if any) any other applicable spread as recommended by any Relevant Nominating Body or the industry solution recommended by professional associations in the banking sector or the market practice observed in a series of comparable financing transactions.
US Government Securities Business Day	means any day other than: (a) a Saturday or Sunday; and (b) a day on which the Securities Industry and Financial Markets Association (SIFMA) (or any successor organisation) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in US Government securities.
Visibility and Communication Guide	means all contractual provisions binding on the Borrower relating to the communication and visibility of projects financed by AFD and contained in the document entitled "Visibility guide for projects supported by AFD - Level 1" or "Communication guide for projects supported by AFD - Level 2" as the case may be, a copy of which has been given to the Borrower before the signing.
Website	means the website of AFD www.afd.fr or any other such replacement website.
Withholding Tax	means any deduction or retention in respect of a Tax on any payment made under or in connection with the Financing Documents.
Working Capital Requirements	means the inventory, work in progress, trade and other receivables (including, without limitation, accounts receivables, cash advances, deposits and deferred expenses) less all operating liabilities (including, without limitation, trade creditors, accruals, provisions, account payables, tax, deferred revenues, etc.).

SCHEDULE 1B - CONSTRUCTION

- (a) **"assets"** includes present and future properties, revenues and rights of every description;
- (b) any reference to the **"Borrower"**, a **"Party"** or a **"Lender"** includes its successors in title, permitted assigns and permitted transferees;
- (c) any reference to a Financing Document or other document or Security is a reference to this Agreement or to such other document or Security as amended, restated or supplemented and includes, if applicable, any document which replaces it through novation, in accordance with the Financing Documents;
- (d) a **"guarantee"** includes any *cautionnement*, *aval* and any *garantie* which is independent from the debt to which it relates;
- (e) **"indebtedness"** means any obligation of any person whatsoever (whether incurred as principal or as surety) for the payment or repayment of money, whether present, future, actual or contingent;
- (f) **"merger"** means, in relation to the Borrower, a merger implemented in accordance with the provisions of the Ecuadorian Organic Law of Public Enterprise and the Law on Companies, whenever applicable;
- (g) a **"person"** includes any person, company, corporation, partnership, trust, government, state or state agency or any association, or group of two or more of the foregoing (whether or not having separate legal personality);
- (h) a **"regulation"** includes any legislation, regulation, rule, decree, official directive, instruction, request, advice, recommendation, decision or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, supervisory authority, regulatory authority, independent administrative authority, agency, department or any division of any other authority or organisation (including any regulation issued by an industrial or commercial public entity) having an effect on any of the Financing Documents or on the rights and obligations of a Party;
- (i) a provision of law is a reference to that provision as amended;
- (j) unless otherwise provided, a time of day is a reference to Paris time;
- (k) the Section, Clause and Schedule headings are for ease of reference only and do not affect the interpretation of this Agreement;
- (l) unless otherwise provided, words and expressions used in any other document relating to this Agreement or in any notice given in connection with this Agreement have the same meaning in that document or notice as in this Agreement;
- (m) an Event of Default is "continuing" if it has not been remedied or if the Lender has not waived any of its rights relating thereto;
- (n) a reference to a Clause or Schedule shall be a reference to a Clause or Schedule of this Agreement; and
- (o) words importing the plural shall include the singular and vice-versa.

SCHEDULE 2 - PROJECT DESCRIPTION

1. Objectives

The project aims to improve the living conditions of the population of Guayaquil both in terms of health and economic situations, to preserve its environment, as well as to contribute to how the area adapts to climate change.

More specifically, the project aims to:

- Extend sanitation networks (around 121 024 people);
- Extend drinking water networks (around 44 510 people);
- Improve the efficiency of the existing waste water treatment Plant Mi Lote;
- Improve access to hygiene by installing intra-home connections and toilets for the most vulnerable households;
- Raise hygiene awareness among project beneficiaries (around 165 534 people);
- Support EMAPAG in its policy of reducing gender-related inequalities.

2. Project Content

The project will finance part of EMAPAG's water and sanitation investments and support how they are implemented as listed below:

Component 1: Infrastructure

- Finalization of sanitation works, Flor de Bastion neighbourhood (outstanding LPI1+LPI2+Quebrada);
- Construction of sanitation and stormwater networks, Pascuales neighbourhood;
- Construction of outstanding intra-residential sanitation connections in Pascuales, LPI1, LPI2, Quebrada and LPI6;
- Installation of sanitary facilities for the most vulnerable households, paying particular attention to targeting single-parent households headed by women;
- Construction of drinking water networks in part of the Monte Sinaí 2 district;
- Improvement of the operation of the Mi Lote wastewater treatment plant;
- Design review studies and supervision of associated works.

Component 2: Support for Project implementation

- Strengthening of the AFD PMU by individual consultants, acquisition of soft and hardware;
- Awareness-raising actions on the use of services and promotion of hygiene with a gender-sensitive approach;
- Social awareness-raising actions ensuring the effective implementation of the intra-residential sanitation connections.

Component 3: Support EMAPAG in its policy of reducing gender-related inequalities

- Develop a diagnosis of the gender situation in the communities served by EMAPAG to establish an action plan that promotes gender equity in water and sanitation management, improving living conditions and ensuring the effective inclusion of women in all phases of the project;
- Develop a diagnosis of the current situation of gender equality within EMAPAG, in order to identify areas for improvement and develop an action plan that promotes gender equity in all its internal operations and policies.
- Awareness-raising actions on the use of services and promotion of hygiene with a gender-sensitive approach (part not covered by Component 2);

Component 4 (optional): Preservation of the El Salado mangrove (southern part of the city of Guayaquil)

- Mangrove preservation activities;
- Capacity building of local mangrove protection actors;
- Capacity building of institutions responsible for mangrove monitoring;
- Support for farmers in the project area in changing practices;
- Raising awareness of the ecosystem services provided by the mangrove.

EMAPAG is expected to devote people of its own staff to supporting project implementation until the project is completed (i.e. until the Technical Completion Date), as part of the consideration financed by EMAPAG.

SCHEDULE 3 - FINANCING PLAN

PART I – TENTATIVE FINANCING PLAN

Project activities	Total amount MUSD	AFD Loan MUSD	AFD Grant MUSD	AECID Loan MUSD
- Component 1 – Infrastructures: includes works, supervision of works and studies (excluding applicable local taxes)	52.42	34.94		17.48
- Component 2 - Project Support implementation (excluding applicable local taxes)	3.2	2.07		1.13
UEP strengthening	0.75	0.75		-
Socialization and hygiene campaigns	2.45	1.32		1.13
- Component 3 – Actions to reduce gender-related inequalities (AFD as contracting authority)	0.16 (0.15MEUR)		0.16 (0.15MEUR)	-
- Component 4 (optional) - Preservation of the El Salado mangrove	0.2	0.2		-
- Contingencies (excluding applicable local taxes)	4.18	2.79		1.39
Total (excluding applicable local taxes)	60.16	40	0.16 (0.15MEUR)	20

Total amount of activities may differ as part of Project implementation.

The Borrower undertakes to self-finance any amount linked to the Project implementation and not already listed under the above Tentative Financing Plan table, including but not limited to (i) all costs related to Environmental and Social risks and impacts generated by the Project and not foreseen under Schedule 8 (*Environmental and Social Commitment Plan*), (ii) remaining costs of the PIU, and (iii) applicable local taxes.

PART II - ELIGIBLE EXPENSES

All expenses related to activities listed above except for non-eligible expenses listed below.

PART III - NON-ELIGIBLE EXPENSES

Applicable local taxes.

All expenses related to activities leading to E&S impacts not foreseen under Schedule 8 (*Environmental and Social Commitment Plan*).

All costs related to Component 2 that exceed the expenses foreseen under the above Tentative Financing Plan table, which must be self-financed by the Borrower.

SCHEDULE 4 - CONDITIONS PRECEDENT

The following applies to all documents delivered by the Borrower as a condition precedent:

- if the document which is delivered is not an original but a photocopy, the original Certified photocopy shall be delivered to the Lender;
- the final version of a document which draft was previously sent to, and agreed upon, by the Lender, shall not materially differ from the agreed draft;
- documents not previously sent and agreed upon, shall be satisfactory to the Lender.

PART I – CONDITIONS PRECEDENT TO BE SATISFIED ON THE SIGNING DATE

- (a) Delivery by the Borrower to the Lender of the following documents:
- (i) a Certified copy of the municipal ordinance dated October 1, 2012 creating the Borrower and any amendments to it;
 - (ii) a Certified copy of the excerpt of certificate of incorporation or registration of the Borrower dated no earlier than ninety (90) days before the Signing Date;
 - (iii) a letter of comfort from the Municipality of Guayaquil as the controlling entity of the Borrower, whereby the Municipality undertakes, *inter alia*:
 - not to liquidate the Borrower, practice or omit itself to avoid any action of any nature that hampers the ability of the Borrower to accomplish its obligations under the Financing Documents;
 - to financially support the Borrower and to enable it to assume its operational and financial commitments under the Financing Documents until the full repayment of the Facility (in particular, to ensure that the Borrower complies with the financial ratios agreed upon in this Credit Facility Agreement).
 - (iv) a Certified copy of the resolution(s) of the board of directors of the Borrower whereby the board resolves that the Project is deemed priority and to include the Project in the Borrower's annual investment plan;
 - (v) a Certified copy of the resolution(s) of the board of directors of the Borrower:
 - authorising the Borrower to enter into this Agreement and the Banking Service Agreements;
 - approving the terms and conditions of this Agreement;
 - approving the execution of this Agreement;
 - appointing the General Manager (legal representative) of the Borrower;

- authorising the General Manager of the Borrower to execute the Agreement and the Banking Service Agreements on its behalf; and
 - authorizing the Borrower to submit disputes under this Agreement to international arbitration under ICC rules.
- (vi) an evidence of the identity of the directors or any person duly authorised to sign the Financing Documents for and on behalf of the Borrower, the name and address of such persons and any other document or evidence required by the Lender for the purposes of its "know your customer" or anti-money laundering procedures;
- (vii) a certificate issued by a duly authorised representative of the Borrower listing the person(s) authorised to sign, on behalf of the Borrower, the Drawdown Requests and any certificate in connection with this Agreement and to take all other measures and/or sign all other necessary documents on behalf of the Borrower under this Agreement;
- (viii) a specimen of the signature of each person listed in the certificate mentioned in paragraph (vii) above;
- (ix) the Attorney General's authorisation with respect to French law as the law governing the Agreement, and the submission of disputes to international arbitration under ICC Rules;
- (x) a certificate of a duly authorised representative of the Borrower certifying that each copy document listed above relating to it is correct, complete and in full force and effect on the Signing Date; and
- (xi) a certificate of a duly authorised representative of the Borrower certifying that utilising the commitment in full will not breach any borrowing limit, guarantee or any other similar limit binding on it.
- (xii) a certificate issued and signed by the Ministry of Economy and Finance certifying, among others, that:
- the Facility does not entail that the authorised indebtedness limit and/or the limit approved by the National Assembly for the corresponding fiscal year would be exceeded;
 - the financial conditions of the Facility (in terms of tenor, grace period, interest rate and other applicable conditions) are sustainable and convenient to the Borrower;
 - the Borrower has the financial capacity to comply with the obligations under the Credit Facility;
- (b) Delivery to the Lender of a draft legal opinion, in form and substance satisfactory to the Lender, of a reputable law firm established in the jurisdiction of the Borrower and the Guarantor and appointed by the Lender.
- (c) Delivery by the Guarantor of the documents listed below:

- (i) a Certified copy of the Debt and Financing Committee's or of the Ministry of Economy and Finance resolution approving the Credit Facility, setting out the terms and conditions of the loan;
- (ii) a Certified copy of the authorization issued by the Ministry of Economy and Finance of the Republic of Ecuador, authorising the granting of the guarantee under the Guarantee Agreement, in compliance with the legislation of the jurisdiction of the Guarantor, including:
 - the authorization of the Guarantor, to enter into the Guarantee Agreement;
 - the approval of the terms and conditions of the Guarantee Agreement;
 - the approval of the execution of this Guarantee Agreement.
- (iii) the Attorney General's authorisation with respect to French law as law governing the Guarantee Agreement, and the submission of disputes to international arbitration under ICC Rules;
- (iv) the authorisation from the Ministry of Economy and Finance or its delegate with respect to the submission of disputes to international arbitration under ICC Rules;
- (d) Notification from EMAPAG to the World Bank, to the European Investment Bank and to the Banco de Desarrollo del Ecuador of the AFD Facility;
- (e) Confirmation of compliance with the commitments taken in the environmental and social commitment plan described in the ESCP attached as Schedule 8 (*Environmental and Social Commitment Plan*), satisfactory to the Lender, at the date of Signing;
- (f) Payment by the Borrower to the Lender of all fees and expenses due and payable under this Agreement.

PART II - CONDITIONS PRECEDENT TO THE FIRST DRAWDOWN

- (a) Delivery by the Borrower to the Lender of the following documents:
 - (i) this Agreement duly executed by each of the parties thereto and a Certified copy of its registration at the Ministry of Economy and Finance;
 - (ii) the duly executed Guarantee Agreement and a Certified copy of its registration at the Ministry of Economy and Finance;
 - (iii) the duly executed Banking Service Agreements;
 - (iv) evidence of any filing or registration, deposit or publication requirements of this Agreement at the Ministry of Economy and Finance, and payment of any stamp duty, registration fees or similar duties in connection with this Agreement and the Guarantee Agreement, as applicable;
 - (v) the specific financial agreement (*certificación de disponibilidad presupuestaria*) certifying that the Municipality of Guayaquil undertakes to transfer necessary funds to

the Borrower throughout the life of the Facility for the repayment of the amounts due under the Agreement;

- (vi) the funds availability certification (*convenio interinstitucional*) certifying that the Municipality of Guayaquil undertakes to transfer the necessary funds to the Borrower for the repayment of the amounts due under the Agreement for the year of the relevant drawdown and the following year, if available;
- (vii) the following Project Documents, as applicable:
 - a) the Procurement Plan, approved by the Lender;
 - b) the Operational Manual, approved by the Lender;
 - c) the consulting services, services, goods or works contract(s) which were procured as part of Eligible Expenses of the Project between the Drawdown Request and in any case after July 10, 2024;

and for each of the above-mentioned Project Documents:

- a Certified copy of each Project Document duly signed by each party thereto;
 - evidence that all formalities required under the Project Documents for the entry into, performance and enforceability against third parties of such Project Documents have been satisfied; and
 - evidence that any Authorisation which the Lender considers necessary or desirable for the entry into and performance of, and the transactions contemplated by, any Project Document, has been duly obtained and delivery of a Certified copy of any such Authorisation.
- (viii) a certificate from the Account Bank confirming that the Eligible Expenses Financing Account has been opened in the name of the Project and providing account details for such account.
 - (ix) Certified copies of the registration of the Banking Service Agreements (the terms of which have been previously agreed by the Lender) duly executed by the Borrower, the Ministry of Economy and Finance, and the Central Bank of Ecuador together with the evidence that all formalities relating to the Banking Service Agreements have been satisfied;
 - (x) a certificate from the Central Bank of Ecuador with the details of the Debt Service Account;
 - (xi) a Certified copy of the Initial Financial Statements.
 - (xii) a copy of the letter sent by the Borrower to its Auditors, authorising them to communicate directly with the Lender and provide the Lender with any information relating to the Borrower for the purposes of monitoring the financial position of the Borrower.

- (xiii) a document evidencing that the Borrower has put in place a duly staffed internal PIU dedicated to the Project implementation, to the satisfaction of the Lender;
 - (xiv) documents evidencing that the competent organs of the Co-Financiers have agreed to extend their financing in the manner specified in the Financing Plan;
 - (xv) confirmation of compliance with the commitments taken in the environmental and social commitment plan described in the ESCP attached as Schedule 8 (*Environmental and Social Commitment Plan*), satisfactory to the Lender, whenever applicable at the date of the First Drawdown;
 - (xvi) the duly signed legal opinion referred to in Part I of this Schedule 4 (*Conditions Precedent*) to the Lender;
 - (xvii) updated financial forecasts in form and substance satisfactory to the Lender;
 - (xviii) a provisional forecast of expenditure for the duration of the Project.
- (b) Payment by the Borrower to the Lender of all fees and expenses due and payable under this Agreement.

PART III – CONDITIONS PRECEDENT FOR ALL DRAWDOWNS OTHER THAN THE FIRST DISBURSEMENT

- (a) Delivery by the Borrower of the following documents:
- (i) a certificate signed by a duly authorised representative of the Borrower certifying that at least eighty per cent (80%) of the Advance immediately preceding the Advance requested in the Drawdown Request and one hundred per cent (100%) of the penultimate Advance have been utilised, including a detailed breakdown of the payment with respect to Eligible Expenses during the relevant period;
 - (ii) all contracts and orders together with any plans and quotes (if applicable) previously provided to AFD in accordance with, and as defined in, the Procurement Guidelines, in connection with the requested Drawdown;
 - (iii) if not already provided for the previous Drawdown(s), the following Project Documents related to Project components as described in Schedule 2 and in connection with the requested Drawdown:
 - the consulting services, services, goods or works contract(s) which were procured as part of Eligible Expenses of the Project between the Drawdown Request and the one immediately preceding it;
- and, for each of the above-mentioned Project Documents:
- a Certified copy of each Project Document duly signed by each party thereto, if so requested by the Lender;
 - evidence that all formalities required under the Project Documents for the entry into, performance and enforceability against third parties of such Project Documents have been satisfied; and

- evidence that any Authorisation which the Lender considers necessary or desirable for the entry into and performance of, and the transactions contemplated by, any Project Document, has been duly obtained and delivery of a Certified copy of any such Authorisation, if so requested by the Lender;
 - (iv) the other updated Project Documents listed in Schedule 1A (*Definitions*) when applicable;
 - (v) the funds availability certification (*convenio interinstitucional*) certifying that the Municipality of Guayaquil undertakes to transfer the necessary funds to the Borrower for the repayment of the amounts due under the Agreement for the year of the relevant drawdown and the following year, if available;
 - (vi) confirmation of compliance with the commitments taken in the environmental and social commitment plan described in the ESCP attached as Schedule 8 (*Environmental and Social Commitment Plan*), satisfactory to the Lender, whenever applicable at the date of the Drawdown;
 - (vii) evidence, in form and substance satisfactory to the Lender, that all relevant expenses have been paid.
 - (viii) the provisional forecast of expenses for the duration of the Project, updated on the relevant Drawdown Date;
 - (ix) a revised estimate of the Project costs as well as the Eligible Expenses; and
 - (x) the latest annual audit report prepared in accordance with Clause 3.4.8 (Control – audit).
- (b) Payment by the Borrower to the Lender of all fees and expenses due and payable under this Agreement.

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SCHEDULE 5A - FORM OF DRAWDOWN REQUEST

[on the Borrower's letterhead]

To: AGENCE FRANÇAISE DE DÉVELOPPEMENT

On: *[date]*

EMAPAG – Credit Facility Agreement n° CEC1046 01A dated November 26, 2025

Drawdown Request n°[●]

Dear Sirs,

We refer to the Credit Facility Agreement n° CEC1046 01A entered into between the Borrower and the Lender dated November 26, 2025 (the "Agreement"). Capitalized words and expressions used but not defined herein have the meanings given to them in the Agreement.

This letter is a Drawdown Request.

We irrevocably request that the Lender makes a Drawdown available on the following terms:

Amount: USD [●] or, if less, the Available Facility.

[Interest Rate: *[fixed / floating]*]

The Interest Rate will be determined in accordance with the provisions of Clause 4 (*Interest*) and Clause 5 (*Change to the calculation of interest*) of the Agreement. The Interest Rate applicable to the requested Drawdown will be provided to us in writing and we accept this Interest Rate [(subject to the paragraph below, if applicable)], including when the Interest Rate is determined by reference to a Replacement Benchmark plus any Replacement Benchmark Adjustment Margin as notified by the Lender following the occurrence of a Screen Rate Replacement Event.

[For fixed Interest Rate only:] If the Interest Rate applicable to the requested Drawdown is greater than [●*insérer pourcentage en lettres*] ([●]%), we request that you cancel this Drawdown Request.

We confirm that each condition specified in Clause 2.4 (*Conditions precedent*) is satisfied on the date of this Drawdown Request and that no Event of Default is continuing or is likely to occur. We agree to notify the Lender immediately if any of the conditions referred to above is not satisfied on or before the Drawdown Date.

The proceeds of this Drawdown should be credited to the following bank account(s):

- (a) Name of the Borrower: [●]
- (b) Address of the Borrower: [●]
- (c) IBAN account number: [●]
- (d) SWIFT number: [●]
- (e) Bank and bank's address of the Borrower: [●]

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- (f) correspondent bank and account [●]
number of the Borrower's bank:

This Drawdown Request is irrevocable.

We have attached to this Drawdown Request all relevant supporting documents specified in Clause 2.4 (*Conditions precedent*) of the Agreement:

[List of supporting documents]

Yours sincerely,

.....

Authorised signatory of Borrower

SCHEDULE 5B - FORM OF CONFIRMATION OF DRAWDOWN AND RATE

[on Agence Française de Développement letterhead]

To: *[the Borrower]*

Date: *[●]*

Ref: Drawdown Request n° *[●]* dated *[●]*

EMAPAG – Credit Facility Agreement n° CEC1046 01A dated November 26, 2025

Drawdown Confirmation n°*[●]*

Dear Sirs,

1. We refer to the Credit Facility Agreement n° CEC1046 01A entered into between the Borrower and the Lender dated November 26, 2025 (the “**Agreement**”). Capitalised words and expressions used but not defined herein have the meanings given to them in the Agreement.

By a Drawdown Request letter dated *[●]*, the Borrower has requested that the Lender makes available a Drawdown in the amount of *[●]* US Dollars (USD *[●]*), pursuant to the terms and conditions of the Agreement.

The Drawdown which has been made available according to your Drawdown Request is as follows:

- Amount: *[●amount in words]* (*[●]*)

[Option: floating Interest Rate Drawdowns:

- Applicable interest rate: equal to the aggregate of the six-month Term SOFR⁴ and the Margin]⁵

[Option: fixed Interest Rate Drawdowns:

- Applicable interest rate: *[●percentage in words]* (*[●]*%)

For information purposes only:

- Rate Setting Date: *[●]*
- Fixed Reference Rate: *[●percentage in words]* (*[●]*%) per annum
- Effective global rate (for a six (6) months period): *[●percentage in words]* (*[●]*%)
- Effective global rate (per annum)⁶: *[●percentage in words]* (*[●]*%)

⁴ If Term SOFR has been replaced by a Replacement Benchmark on the date of confirmation of drawdown due to the occurrence of a Screen Rate Replacement Event, the Replacement Benchmark, the precise terms and conditions of replacement of such Screen Rate with a Replacement Benchmark will be as set out in SCHEDULE 11 (SOFR Terms) or, as applicable, as notified to the Borrower in a separate letter.

⁵ To be deleted in case of fixed Interest Rate.

⁶ Periodic global effective rate to be provided also.

[It being specified that the above Interest Rate may vary in accordance with the provisions of clauses (a) (*Floating Interest Rate*) and 5.2 (*Replacement of a Screen Rate*) of the Agreement.]⁷

Yours sincerely,

.....
Authorised signatory of *Agence Française de Développement*

⁷ To be deleted in case of fixed Interest Rate.

SCHEDULE 5C - FORM OF RATE CONVERSION REQUEST

[on the Borrower's letterhead]

To: AGENCE FRANÇAISE DE DÉVELOPPEMENT

On: *[date]*

EMAPAG – Credit Facility Agreement n° CEC1046 01A dated November 26, 2025

Rate Conversion Request n°[●]

Dear Sirs,

1. We refer to the Credit Facility Agreement n° CEC1046 01A entered into between the Borrower and the Lender dated November 26, 2025 (the “**Agreement**”). Capitalised words and expressions used but not defined herein have the meanings given to them in the Agreement.

Pursuant to Clause 4.1.3 (*Conversion from a floating Interest Rate to a fixed Interest Rate*) of the Agreement, we hereby request that you convert the floating Interest Rate of the following Drawdowns:

- *[list the relevant Drawdowns]*,

into a fixed Interest Rate in accordance with the terms of the Agreement.

This rate conversion request will be deemed null and void if the applicable fixed Interest Rate exceeds *[insérer pourcentage en lettres]* [●%].

Yours sincerely,

.....

Authorised signatory of Borrower

PRC

SCHEDULE 5D - FORM OF RATE CONVERSION CONFIRMATION

[on Agence Française de Développement letterhead]

To: *[the Borrower]*

Date: [●]

Re: Rate Conversion Request n° [●] dated [●]

EMAPAG – Credit Facility Agreement n° CEC1046 01A dated November 26, 2025

Rate Conversion Confirmation n°[●]

Dear Sirs,

SUBJECT: Conversion from a floating Interest Rate to a fixed Interest Rate

1. We refer to the Credit Facility Agreement n° CEC1046 01A entered into between the Borrower and the Lender dated November 26, 2025 (the “**Agreement**”). Capitalised words and expressions used but not defined herein have the meanings given to them in the Agreement.

We refer also to your Rate Conversion Request dated [●]. We confirm that the fixed Interest Rate applicable to the Drawdown(s) referred to in your Rate Conversion Request delivered in accordance with Clause 4.1.3 (*Conversion from a floating Interest Rate to a fixed Interest Rate*) of the Agreement is:

- [●]% per annum.

This fixed Interest Rate, calculated in accordance with Clause 4.1.1(b) (*Fixed Interest rate*) will apply to the Drawdown(s) referred to in your Rate Conversion Request from [●] (effective date).

Further, we notify you that the effective global rate per annum of the Facility is [●]%.

Yours sincerely,

.....
Authorised representative of *Agence Française de Développement*

SCHEDULE 5E - FORM OF LETTER TO THE AUDITORS

[on the Borrower's letterhead]

From: *[the Borrower]*

To: *[the Auditors]*

Date: [●]

Dear Sirs,

We authorise and request you to give to the AGENCE FRANCAISE DE DEVELOPPEMENT ("AFD") all such information that AFD may reasonably request with regard to our financial statements, accounts and operations. We have agreed to supply that information and those statements under the terms of the credit facility agreement n° CEC1046 01A entered into between AFD and ourselves dated November 26, 2025 (the "**Agreement**"). For your information, we enclose a copy of the Agreement.

We authorise and request you to send copies of our audited financial statements to AFD to enable us to satisfy our obligations under Clause 12.1 (*Financial Statements, budget and Financial Forecasts*) of the Agreement.

For our records, please ensure that you send to us a copy of every letter that you receive from AFD immediately upon receipt and a copy of each reply made by you immediately upon the issue of that reply.

Yours sincerely,

.....

Authorised signatory of Borrower

PR

SCHEDULE 5F - FORM OF RATIO CERTIFICATE

[on the Borrower's letterhead]

To: Agence Française de Développement as Lender

From: [the Borrower]

Date: [●]

Dear Sirs,

EMAPAG – Credit Facility Agreement n° CEC1046 01A dated November 26, 2025 (the “Agreement”)

We refer to the Agreement. This is a Ratio Certificate. Capitalised words and expressions used but not defined herein have the meanings given to them in the Agreement.

We confirm that on the date of this Ratio Certificate [the Borrower] is in compliance with the ratios set out at Clause 11.12 (*Financial ratios*) of the Agreement, i.e.:

- (a) the EBITDA/Debt Service Ratio is not less than one point one (1.1x);
- (b) the Financial Indebtedness to EBITDA Ratio does not exceed ten (10.0x) until the end of the 2030 financial year (included) and seven (7.0x) thereafter.

We attach to this certificate the calculation details of the above-mentioned ratios.

We confirm that no event or circumstances have occurred under which the Borrower has breached its undertakings, including without limitation those described in the following clauses of the Agreement:

- 11.1 Corporate existence
- 11.2 Compliance with laws and regulations
- 11.5 Activities of the Borrower
- 11.6 Reservation of Assets
- 11.10 Disposals and investments
- 11.11 Financial Indebtedness
- 11.13 Dividends
- 11.14 Additional Financings
- 11.15 Financial years and auditors
- 11.16 Pari passu ranking
- 11.17 Security
- 11.22 Financial Sanctions Lists and Embargo
- 11.23 Origin of Funds, no Act of Corruption, Fraud or Anti-competitive Practices

We confirm that no Event of Default is continuing.

Yours sincerely,

.....

Authorised signatory of Borrower

[Insert the sentence agreed with the Auditors]

For and on behalf of:

.....

Borrower's Auditors

Examples of ratio calculation based on EMAPAG 2022 and 2023 financial statements

Credit Agreement Terms	Equivalent terms in EMAPAG's Financial Statements	2022	2023
Net Income	Resultado del Ejercicio Vigente	46 133 937,26	13 537 144,73
Extraordinary income or expense	Actualizaciones y ajustes as detailed in the Financial Model (excluding net amortizations, depreciations, impairment and provisions)	245 950,44 -	1 602 563,28
(-) Extraordinary income		0,10 -	1 942 021,41
(+) Extraordinary expense		245 950,34	339 458,13
Net depreciation and amortization allowances and provisions	"Costo de venta y diferidos" and net amortizations, depreciations, impairment and provisions included in item "Actualizaciones y Ajustes" as detailed in the Financial Model	18 136 611,11	17 646 193,15
Interest Expense	Gastos Financieros	9 728 201,63	19 410 098,01
Tax Expense		-	-
Net foreign exchange losses or gains		-	-
EBITDA		74 244 700,44	48 990 872,61

Credit Agreement Terms	Equivalent terms in EMAPAG's Financial Statements	2022	2023
Interest Expense	Gastos Financieros	9 728 201,63	19 410 098,01
Debt Repayments	Amortizacion de la deuda publica (devengado)	11 914 689,42	11 325 004,21
Debt service		21 642 891,05	30 735 102,22
EBITDA/Debt service		3,43	1,59

Credit Agreement Terms	Equivalent terms in EMAPAG's Financial Statements	2 022,00	2 023,00
Financial Indebtedness	Deuda Publica	302 660 207,28	381 642 056,46
EBITDA		74 244 700,44	48 990 872,61
Financial Indebtedness/EBITDA		4,08	7,79

Nota Bene:

The Borrower informs the Lender that account numbers mentioned in this Example of ratio calculation could be modified in case of changes in EMAPAG EP accounting system. However, the Borrower hereby confirms that this should not significantly impact the content of this ratio calculation and undertakes to duly inform de Lender in case of any change.

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SCHEDULE 6 - EXISTING LOANS ON SIGNING DATE

Número de Operación de Crédito	Entidad Prestamista	Proyecto Relacionado al Crédito	Monto de Crédito	Fecha Inicio de Operación de Crédito
45107	BANCO DEL ESTADO	TRAMO III Y IV DEL QUINTO ACUEDUCTO	\$ 17.693.880,45	abr-15
45603	BANCO DEL ESTADO	CONSTRUCCION DRENAJE PLUVIAL VARIOS SECTORES DE GUAYAQUIL	\$ 8.000.021,29	nov-18
45639	BANCO DEL ESTADO	CANAL 7 UNION DE BANANEROS	\$ 4.885.523,19	jun-19
45620	BANCO DEL ESTADO	CANAL 33	\$ 5.841.490,87	oct-19
45621	BANCO DEL ESTADO	RAMAL A ESTERO SALADO	\$ 6.005.325,93	jul-19
45738	BANCO DEL ESTADO	CUENCA INMACONSA-MUCHO LOTE-CERRO COLORADO	\$ 18.317.553,61	dic-19
85050	BANCO MUNDIAL	PLANTA DE TRATAMIENTO DE AGUAS RESIDUALES LAS ESCLUSAS Y COMPONENTES COMPLEMENTARIOS	\$ 102.500.000,00	dic-15
84689	BANCO EUROPEO DE INVERSIONES	PLANTA DE TRATAMIENTO DE AGUAS RESIDUALES LAS ESCLUSAS Y COMPONENTES COMPLEMENTARIOS	\$ 102.500.000,00	abr-17
88880	BANCO MUNDIAL	PLANTA DE TRATAMIENTO DE AGUAS RESIDUALES LOS MERINOS	\$ 233.600.000,00	dic-19
CEC1019 01A	AGENCIA FRANCESA DE DESARROLLO	ALCANTARILLADO SANITARIO DEL SISTEMA 3 FASES 2 Y TRES	\$ 84.000.000,00	jul-20

SCHEDULE 7 - EXISTING SECURITY ON SIGNING DATE

Name of debtor	Nature of the Security	Principal amount of the secured Financial Indebtedness
EMAPAG - EP	GARANTÍA SOLIDARIA - GAD DE GUAYAQUIL	\$ 17.693.880,45
EMAPAG - EP	GARANTÍA SOLIDARIA - GAD DE GUAYAQUIL	\$ 30.000.000,00
EMAPAG - EP	GARANTÍA SOLIDARIA - GAD DE GUAYAQUIL	\$ 18.317.553,61
EMAPAG - EP	GARANTÍA SOBERANA	\$ 102.500.000,00
EMAPAG - EP	GARANTÍA SOBERANA	\$ 102.500.000,00
EMAPAG - EP	GARANTÍA SOBERANA	\$ 233.600.000,00
EMAPAG - EP	GARANTÍA SOBERANA	\$ 84.000.000,00

SCHEDULE 8 - ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

Theme	Actions required	Resources and Responsibilities	Source of funding	Schedule: preparation and implementation	Actual implementation indicator
Monitoring the ESCP	Periodic reports: prepare and communicate regular monitoring reports on the implementation of the ESCP (including the monitoring of commitments made in the Environmental and Social Management Framework – ESMF /MGAS and the Gender Action Plan).	EMAPAG		Annual monitoring	ESMF Report sent to AFD deemed acceptable
Notification of incidents and accidents	Immediately report any incident or accident related to or affecting the Program that has or could have serious consequences for the environment, affected communities, the public or staff. Provide sufficient information on the incident or accident, indicating the immediate measures taken to address it, including information provided by any supplier or service provider and, where appropriate, by the supervisory authority.	EMAPAG		Maximum 24 hours after becoming aware of the incident or accident.	Written notification to AFD
Licenses, Approvals and Authorizations	Obtain permits, approvals and authorizations applicable to the project from the competent authorities (environmental permits/licenses, etc.). Fulfill the conditions associated with these licenses, approvals and authorizations during project implementation.	EMAPAG		Prior to the commencement of any activity requiring a license, approval or authorization.	Reception of a copy of licenses, approvals and authorizations by AFD
Quarterly reports from contracted companies	Requiring contractors to submit monitoring reports on environmental, social, occupational health and safety performance against the metrics specified in the respective bidding documents and contracts and summarize these reports in ESMF Annual Report, sending quarterly report on AFD request	EMAPAG		During the construction phase	Quarterly reports from contractors

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Theme	Actions required	Resources and Responsibilities	Source of funding	Schedule: preparation and implementation	Actual implementation indicator
Gender	Implementation of Gender Action Plan	EMAPAG	AFD Grant	Diagnosis available during the first year of the Project and action plan implemented throughout the duration of the Project	Diagnosis and action plan approved and implemented by the EMAPAG Semi-annual Gender Action Plan monitoring report received by AFD
Exclusion clauses	Ensure that no intervention made within the scope of the Project violates the exclusion criteria as developed in the ESMF/MGAS. This applies to activities carried out by EMAPAG itself or by contracted companies. Incorporation of a specific clause on the conditions for excluding activities in public notices for contracting works	EMAPAG		Prior to the commencement of any activity	Screening and verification of ESIA / ESMP AFD no objection on tender documents
1. Assessment and management of environmental and social risks and impacts					
1.1 Project Categorization	E&S Rated B Program	AFD			
1.2 Environmental and Social Assessment	- Develop and Adopt the Environmental and Social Management Framework (ESMF/MGAS) of the Project and a Resettlement Policy Framework (RPF) in line with national legislation and World Bank E&S standards for economic compensations if any	EMAPAG	AFD	<u>Condition precedent to signature</u>	ESMF approved by EMAPAG and deemed acceptable by AFD
	In accordance with the ESMF and based on the risks and impacts of project, develop where necessary: - Environmental and Social Impact Assessment (ESIA) - Environmental and Social Management Plan (ESMP) integrating the reinforced ESSS clauses of the AFD Standard tender documents	EMAPAG	AFD / EMAPAG	Before work	Reception of a copy of licenses, approvals and authorizations by AFD (non-objection on works contracts)

Theme	Actions required	Resources and Responsibilities	Source of funding	Schedule: preparation and implementation	Actual implementation indicator
1.4 Management of enterprises and subcontractors	Implementation of the Project Implementation Unit – PIU with the attribution of carrying out environmental, social, occupational health and safety management at work, with qualified personnel and resources to support the management of E&S risks and impacts of the Project	EMAPAG	AFD / EMAPAG	Before work	AFD non-objection notice on the E&S team of the PMU
	- Contractor's control of project management plans	EMAPAG / Project Implementation Unit	Project	During the construction phase	Semi-annual E&S monitoring report received by AFD
	<p>Include all the ESMP monitoring indicators in the tender documents for the contractors.</p> <p>The contractors and subcontractors responsible for the work must present an HSE Team. They must have sufficient logistical resources and equipment to effectively implement the mitigation measures resulting from the ESMP.</p> <p>The PIU HSE Specialist in connection with the supervision of the work on the sites will be responsible for ensuring that all environmental clauses are respected by the service providers.</p>	EMAPAG / Project Implementation Unit / Works Supervision	Project	During the construction phase	Quarterly Works Supervision reports– received by EMAPAG - EMAPAG annual E&S report received by AFD

Theme	Actions required	Resources and Responsibilities	Source of funding	Schedule: preparation and implementation	Actual implementation indicator
	<p>Include environmental, social, occupational health and safety clauses in contracts with subcontractors related to the following items:</p> <ul style="list-style-type: none"> • Construction Site; • Risk Management Plans and Emergency Actions in Construction; • Sexual harassment prevention and Environmental Education for Workers and Code of Conduct at Work; • Health and Safety at Work; • Waste Management and Disposal; • Noise Control; • Traffic control; • Service Roads; • Labor Management Procedures consistent with the guidelines defined in the ESMF, in all Terms of Reference and Notices for contracting activities with the potential to cause risks and environmental and social impacts. 	EMAPAG / Project Implementation Unit	Project	Before work	AFD's non-objection on tender documents
2. Labour and Working Conditions					
2.1 Working and employment conditions	Compliance with national legislation and conventions ratified by the country (including ILO conventions)				AFD non-objection on tender documents and works contracts
2.2 Non-discrimination and equal opportunities	Incorporation of the ESMFs requirements dealing with labor and working conditions in the bidding documents, in order to provide worker protection clauses				Quarterly reports from Constructor and Works Supervision received by EMAPAG --
2.3 Workers' organizations					
2.4 Labour Protection: Child or Forced Labour	Develop and implement the studies, plans, programs and manuals set out in the ESMFs and the Gender Action Plan, including, but not limited to, provisions on working conditions, management of labor relations, health and safety at work (including equipment protection)	EMAPAG / Project Implementation Unit contractors	Project	Before work and during the construction phase	
2.5 Grievance Mechanism					
2.6 Occupational Health and Safety					