**FINANCING AGREEMENT**

THIS FINANCING AGREEMENT, dated as of [INSERT DATE], entered into between [INSERT NAME OF BENEFICIARY] “Beneficiary” and [INSERT NAME OF COMMISION] “Commission”.

Whereas:

1. The Commission under the laws is authorized to contribute financial support to qualified beneficiary in the form of commercial paper notes.

2. The Beneficiary’s projects subject of this Financing Agreement have been authorized and approved by the Commission.

3. The parties express their intent to finance the project of the beneficiary and provide additional support when needed.

4. This Financing Agreement shall stipulate terms and conditions by which the Beneficiary accepts the support given by the Commission and submits to abide by the rules as well as the proper procedure for the disbursement and distribution of the said assistance. Furthermore, the acceptance of the support comes with corresponding duties and responsibilities the Beneficiary should perform.

WHEREFORE, Premises considered, the parties hereto agree to the following:

Article 1: General Provisions

SECTION 1: The terms used in this Agreement shall be understood in the manner they are taken in the context. A different interpretation of a term may only be utilized when a specific provision provides for the same. Any ambiguity in comprehending the stipulations hereto shall be construed in favor of the validity of this Agreement.

SECTION 2: Unless the context requires otherwise, the following shall be observed:

a. A reference to a singular term shall include its plural form;

b. A word associated with gender covers the masculine, feminine and neutral.

Article 2: Financing

SECTION 1: The Commission binds to extend to the Beneficiary a financial aid amounting to [INSERT AMOUNT OF GRANT IN WORDS AND NUMBERS] for the implementation of the Project stated in this Agreement.

SECTION 2: The Beneficiary may encase and withdraw the said aid on the terms and conditions set forth herein.

SECTION 3: This Financial aid shall be subject to a maximum commitment charge rate at one half (½) percent per annum on the Unwithdrawn Financing Balance.

SECTION 4: The payment dates are on the thirtieth (30th) day of June and December.

SECTION 5: The Payment currency is US dollars.

Article 3: Project

SECTION 1: The Beneficiary is fully authorized by the laws to enter into this agreement and implement the Project in which all the expenses related to the acquisition, construction, equipment, repairs, or renovation of the said Project shall be financed by the Commission.

SECTION 2: The Beneficiary represents that the description of the Project covered by this Agreement is true and accurate.

SECTION 3: The Beneficiary fully commits to the execution of the Project. The parties generally agree that:

1. They shall, at the instance of either party, regularly partake to the other party their views on the macroeconomic policy framework and the progress in the implementation of the Project herein;
2. The Beneficiary shall update and notify the Commission in detail the reviews in executing the Project.
3. The Beneficiary shall promptly inform the Commission of any events that would materially alter the stipulations in this Agreement and influence the carrying out of the Project.

SECTION 4: Construction and Acquisition. The Beneficiary shall cause the acquisition, construction, equipment, repairs, or renovation of the Project within a reasonable period.

SECTION 5: Licenses. The Beneficiary represents that it has secured all the approval of the respective government offices and licenses necessary for the implementation of the Project.

SECTION 6: The Beneficiary shall utilize the funds provided by it by the Commission in the execution of the Project according to the tenor of this Agreement.

SECTION 7: It is a requirement for the Beneficiary to secure the necessary documents and prepare the Disbursement Certificate and submit the same to the Commission before the funds be made available for disbursement. Said documents should be submitted to the Commission at least five (5) days before the disbursement of the funds. Upon completion of the said documents and verification thereof, the Assigned Officer of the Commission shall cause the transfer of the funds to the Beneficiary.

SECTION 8: The Beneficiary shall regularly update the Commission of the status of the Project and shall submit monthly report specifying therein the percentage of completion of the project as well as the allocation of the funds.

SECTION 9: The Beneficiary shall inform the Commission of any modifications made to the Project by a written notice delivered to the latter. Such notice shall contain the original plan and the corresponding changes made to the Project. It shall be delivered to the principal office of the Commission and such shall be subject to the approval of the Commission. The Commission shall within a period of fifteen (15) days from receipt of the notice communicate to the Beneficiary its response to it.

SECTION 10: The Commission shall, at reasonable times, conduct an ocular inspection of the Project and shall examine the records of the Beneficiary on the covered Project.

Article 4: Representations and Warranties

SECTION 1: Representations and Warranties of the Commission. The Commission warrants that:

1. It is existing and organized under the laws of [INSERT THE COUNTRY WHERE IT WAS ORGANIZED AND REGISTERED] which gives it the rights, powers and authority to operate.
2. It possesses legal capacity and full authority to enter into this Financing Agreement and has the power to perform its duties and responsibilities under this Agreement.
3. The execution of the terms and conditions under this Agreement is in consonance with the laws and is not contrary to morals and public policy, or any instrument executed by the Commission.
4. It is lawfully authorized to issue commercial paper notes as medium for the disbursement of the financial aid to the Beneficiary for the implementation of the Project.
5. [STATE OTHER WARRANTIES OF THE COMMISSION].

SECTION 2: Representations and Warranties of the Beneficiary. The Beneficiary represents and warrants:

1. It is existing and registered under the laws of [INSERT THE COUNTRY WHERE IT WAS ORGANIZED AND REGISTERED] and is authorized to operate under the said law.
2. It has the rights, power and authority granted to it by law to legally enter into this Agreement and execute the obligations herein stipulated.
3. The Beneficiary represents the description of the Project covered by this Agreement.
4. It is duly authorized to implement the Project covered by this Agreement.
5. The execution of the terms and conditions herein stated by the Beneficiary including the securing of the necessary documents and carrying out of the Project shall not in any way violate any provisions of the law nor contradictory to morals and public policy.
6. No other instrument is entered into by the Beneficiary that counters this Agreement.
7. [STATE OTHER WARRANTIES OF THE BENEFICIARY].

Article 5: Commercial Paper Notes

SECTION 1: The Commission upon receipt of the required documents secured by the Beneficiary as stated in Sec.7 of Art. 3 shall issue commercial paper notes to accommodate the amount needed to finance the Project and shall allocate the same for the implementation of the said Project.

SECTION 2: The Beneficiary shall perform the necessary actions and secure the required approval and certificates as stipulated herein, and coordinate with the Commission for the lawful issuance of the commercial paper notes under this Agreement.

SECTION 3: The Beneficiary shall not allow the use of the funds or allot a part thereof in any way other than it is intended for as contained in the provisions of this Agreement.

SECTION 4: If there is a failure on the part of the Beneficiary to use the funds within the period allotted for the completion of the Project, the Commission may inquire as to the cause of the failure and the Beneficiary shall promptly provide for an explanation through a written report within ten (10) days from the inquiry.

Article 6: Other Agreements

SECTION 1: The Beneficiary shall retain all the official records and certificates obtained in the pursuance of this Agreement and the subject Project. The Beneficiary is also obliged to furnish the Commission of a copy of the said records and certificates.

SECTION 2: The Beneficiary represents that no other funds have been appropriated to it for the cost of the Project.

Article 7: Term of the Agreement

SECTION 1: This Financing Agreement shall be given effect on the above stated date following the completion of the requirements, securing of the approval of the government offices and communication by the parties of their assent to the provisions of this Agreement. This shall remain in full force until terminated.

SECTION 2: This Agreement shall automatically cease to exist upon completion of the Project. Such completion of the Project shall not preclude the parties from performing their respective obligations stated herein nor exercising the rights granted by the stipulations of this Agreement.

Article 8: Novation

SECTION 1: Alterations in this Financing Agreement shall not be entertained unless both parties - the Commission and the Beneficiary expressly consent thereto in writing. It shall only be given effect when:

1. The Beneficiary consults and obtains legal opinion from its counsel to the effect that such modification is not violative of the law and such is not contradictory to morals and public policy.
2. The desired changes will not in any way affect substantial rights of the parties, nor prejudice third parties, nor in conflict with any existing agreements entered into by the parties.

SECTION 2: Material alterations, however, shall not be allowed if it significantly alters or makes this agreement null and void.

SECTION 3: In effecting changes in the provisions of this Agreement, the initiating party shall furnish the other party a written document stating therein the old provision and the desired modification and deliver the same by personal service or through a registered mail to the principal office of the parties. The receiving party shall then within a period of five (5) working days communicate its position to the said proposed changes to the other party using the mode of delivery mentioned.

SECTION 4: Upon receipt of the position on the proposed changes, such change, if approved, shall be given effect after the lapse of five (5) days. If the position on the proposed change is unfavorable, then such shall not be entertained.

Article 9: Communication

SECTION 1: Any notices, records, reports, certificates, or other documents specified in this Financing Agreement shall be made in writing, signed and delivered to the parties by personal delivery or registered mail. It shall be addressed to the following:

a. If to the Beneficiary:

[INSERT NAME OF THE DESIGNATED RECIPIENT]

[INSERT NAME OF BENEFICIARY]

[INSERT COMPLETE ADDRESS]

b. If to the Commission:

[INSERT NAME OF THE DESIGNATED RECIPIENT]

[INSERT NAME OF COMMISSION]

[INSERT COMPLETE ADDRESS]

SECTION 2: Any change in the address of either party shall be communicated to the other party through a written notification. Failure to update the other party of such change shall be taken against said party. The purpose of such notice shall be forfeited.

SECTION 3: The delivery of any notices, records, reports, certificates, or other documents to the parties by personal service is deemed to have been delivered as of the date of actual receipt of the other party. In case of delivery of the said notices, records, reports, certificates, or other documents through registered mail, the delivery date is the date of mailing.

Article 10: Conflict of Interest

SECTION 1: The Commission and the Beneficiary shall not in any way engage in the same or similar contract with another party or third parties involving the same subject matter. Both parties are precluded from doing such act that would prejudice the substantial rights of the other party.

SECTION 2: Any violation of this provision shall entitle the other party to indemnity as agreed by the parties in a compromise and corresponding damages for the commission of the said act.

Article 11: Settlement of Disputes, Governing Law & Arbitration

1. Any dispute and/or difference arising out of, or relating to this agreement including interpretation of its terms will be resolved through joint discussion by the authorized representatives of both the parties. Moreover, if the disputes are not resolved by discussion then the matter will be referred for adjudication to the Arbitration of a Sole arbitrator.
2. This Agreement shall be governed by the laws of India. The Courts in Mumbai (City Name) shall have exclusive jurisdiction over the subject matter of this Agreement.
3. In the event of any dispute or differences arising out of or in connection with this agreement, the parties hereto, agree to resolve their dispute by a sole arbitrator chosen by the parties in fast track procedure under the provision of Sec29B of Arbitration and Conciliation act of 1996. The award under this section shall be made within a period of 6 months from the date of commencement of the arbitral tribunal proceedings.
4. The arbitration proceedings shall be conducted in English. The place of Arbitration shall be Mumbai (City Name). The award passed in the arbitration proceedings shall be final and binding on both the parties.
5. The cost of arbitration proceedings shall be equally borne by both the parties.
6. Each party shall individually bear the fees of their respective Advocate/Counsel for the proceedings.

Article 12: Benefit

SECTION 1: This Financing Agreement shall inure to the benefit of the Commission, the Beneficiary, their assigns and successors-in-interest. The provisions herein shall be binding to the aforementioned parties.

Article 13: Counterparts

SECTION 1:This Financing Agreement shall be executed in multiple copies, each of the copies shall serve as original constituting one and the same document. Each party shall be furnished a copy of this Agreement.

Article 14: Severability Clause

SECTION 1 When it is found that a provision of this agreement, or a part, or some parts thereof are invalid and unenforceable, the said provision shall be taken out of this Agreement and not in any way affect the validity of the entire agreement. The rest of the agreement shall remain valid and enforceable.

Article 15: Scope of the Agreement

SECTION 1: The Commission and the Beneficiary voluntarily submit to have read and fully understood the provisions of this agreement. The parties recognize its existence and attest to its validity. Any repudiation of the herein provisions shall be construed against the said party.

IN WITNESS WHEREOF, [SPECIFY THE NAME OF THE COMMISSION] and [SPECIFY THE NAME OF THE BENEFICIARY], through their authorized representatives have caused the execution of this Financing Agreement this [INSERT DATE OF SIGNATURE] at [INSERT PLACE OF EXECUTION].

[INSERT NAME OF REPRESENTATIVE OF THE COMMISSION]

[SPECIFY THE NAME OF THE COMMISSION]

[INSERT DATE SIGNED]

[INSERT NAME OF REPRESENTATIVE OF THE BENEFICIARY]

[SPECIFY THE NAME OF THE BENEFICIARY]

[INSERT DATE SIGNED]