

## INVESTMENT LOAN

### List of required documents for the Local Public Authorities

1. Decision of the local/county/Bucharest General Council, as the case may be, approving to be contracted an internal bank loan, according to the law in force. The document shall be submitted to the Bank with the mention „true copy”, under the signature of the Secretary of Mayoralty, not latter than before the first withdraw from the loan.
2. The Loan Application, signed by the duly representatives of the Public Local Authority, namely the main loan authorizing officer and the head of the financial-accounting department (financial manager/chief accountant);
3. Decision of the local/county/Bucharest General Council, as the case may be, approving the signature of the loan contract under repayment and guaranteeing terms as determined pursuant the analysis carried out;
4. Economic and technical documentation for the investment for which the loan is requested, as approved according to the law in force, which shall include at least the following:
  - Substantiation notes on the necessity and opportunity to incur the investment expenses, as drafted and approved according to the law in force;
  - List of expenses for the planned investment, as included in the approved and rectified budgets;
  - Data regarding the investment programming and amount, the planned commissioning date, the total amount of the investment project as determined upon the approval of the economic and technical documentations and updated according to the subsequent evolution of the prices;
  - Amount of settled and executed works (in case of completion/continuation of the investment projects begun), amount of the investment program in the current year and amount of the investment project remained to be executed in the next years, the expected/approved execution term, the financing schedule per sources and years in correlation with the execution schedule;
  - Authorizations, endorsements and agreements attesting that the investment will be executed according to the provisions in force;
  - Data on investment financing sources: own sources, loans, special funds, State Budget, sources broken down per incurred expenses, forecast expenses, proposals and estimations for the next years;
  - Investment execution contract for new investments and for the part of investment remained to be executed;
  - Price offer for goods to be purchased with the loan, the sale-purchase/procurement contract, in case of:
    - a) purchase of cars, machineries, transport means, informatics equipment and other independent goods;
    - a) purchase of buildings, constructions, production facilities, etc.
5. The visa of the local Loan Authorization Committee (according to Law No 273 of 18 July 2006 on local public finances, as subsequently amended and supplemented, as well as to GEO No 37/2008 on regulation of some financial actions in budgetary field, amended and supplemented by GEO No 4/2009);
6. Report for the last quarter and upon the end of the last two financial years, that shall include at least:
  - the quarter and annual financial statements with the annexes to them;
  - the forecast budget.
7. List of investments for the current year, representing the identification of the capital investment needs afferent to communal utilities that require or will require contributions from the local budget during the current year;
8. Detailing of overall expenses per items, according to the National Classification of Economic Activities;
9. Data and information on the structure of own income sources, structure and amount of taxes, dimensioning and allocation of public expenses, unsettled litigations;

10. Report on local public debt service and Indebtedness Degree Calculation, as submitted to obtain the visa of the local Loan Authorization Committee, according to the provisions of Government Decision No 9 of 10 January 2007, on establishment, membership and functioning of the local Loan Authorization Committee, as amended and supplemented (eventually, copies of the forms submitted to the local Loan Authorization Committee).

Also, copies of the current payment obligations of the local public administrative authority, as derived from loan agreements and contracts and internal and external guarantee contracts, or a declaration on own responsibility of the duly representative of the Local Public Authority, concerning the current incomes and debts expressed in foreign currency, shall be submitted to the Bank agency;

11. Any other reports, documents and information deemed by the Bank as required to establish the lending terms.

**Documents and information concerning the proposed guarantees:**

1. Assessment reports for the goods of the private domain, proposed to guarantee the loan;
2. Documents attesting that the goods proposed to guarantee the loan belong to the private domain of the territorial administrative unit.

(Customer Name)

**REPORT**

on local public debt service\* for the period .....

Thousands RON

Item No	Annual local public debt service	Current Year (n)				n+1	n+2	...	n+x
		1 <sup>st</sup> quarter	2 <sup>nd</sup> quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter				
1.	Local public debt service for the existing loan (a + b + c)								
	a) Loan repayment								
	b) Interests								
	c) Fees								
2.	Local public debt service for the loan for which the authorization is requested (a + b + c)								
	a) Loan repayment								
	b) Interests								
	c) Fees								
3.	TOTAL local public debt service (a + b + c)								

**MAIN LOAN AUTHORIZING OFFICER  
MAYOR/PRESIDENT**

**FINANCIAL MANAGER (CHIEF ACCOUNTANT)**

\* It is drawn up based on the loan repayment schedules provided for in the report on the existing contracted/guaranteed loans and the forecast loan repayment schedule afferent to the loan for which contracting is requested.

**NOTE:**

The local public debt service for the existing loan shall be detailed per each contracted/guaranteed loan in progress.

(Customer Name)

**INDEBTEDNESS DEGREE CALCULATION**

**affherent to the local budget of the commune/town/city/county pursuant contracting/guaranteeing reimbursable financings, based on the data extracted from the local budget**

The column A from the below table means:  
A – Local budget execution<sup>\*1)</sup> on 31 December -

Item no	Indicator Name	A	A	A	Approved local budget <sup>*2)</sup> (current year)	Approved local budget execution <sup>*3)</sup> (current year)	Indicators during the local public debt service <sup>*4)</sup>				
							n	n+1	n+2	n+3	n+...
0	A	1	2	3	4	5	6	7	8	9	10
1	Own revenues										
2	Indebtedness limit of 30% over own revenues										
3	Annual local public debt service <sup>*5)</sup>										
4	Repayment										
5	Interests										
6	Fees										
7	Indebtedness Degree (%) (annual debt service/(own revenues x 100))										

- \*1) Financial report on the local budget execution account of the territorial administrative unit.
- \*2) The last approved local budget in the current year (n).
- \*3) The budget execution account at the end of the month previous to that when the authorization was requested.
- \*4) During the local public debt service, the forecast own revenues shall be supplemented with the local budget execution average on the last 3 years, namely (col. 1 + col. 2 + col. 3) / 3.
- \*5) It comprises the local public debt service affherent to the reimbursable financing contracts/agreements in progress and to those whose authorization is requested (it must correspond with the data included in the form provided for in annex no 2a, on the forecast public debt service report).

**NOTE:**

It shall be taken into consideration that the data comprised in the annex must comply with the provisions of the following documents: the last budget approved in the current year, the financial reports on the local budget execution account, the forecast public debt service report.

**Main loan authorizing officer,  
Mayor/President,**

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**Financial Manager (Chief Accountant),**

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