

Section 2.02

Services, materials and equipment to be financed from the proceeds of the Loan shall be used exclusively to carry out the projects; the goods and services procured in Canada and financed from the Loan shall have an overall Canadian content of not less than sixty-six and two thirds percent ($66\frac{2}{3}\%$) unless otherwise agreed.

Section 2.03

Services, material and equipment contracted for prior to the effective date of this Agreement may not be financed out of the proceeds of the Loan except as may otherwise be agreed.

Section 2.04

Proceeds from the Loan shall not be used by Cuba to meet the cost of any taxes, fees or customs duties imposed directly or indirectly by Cuba on any services, materials or equipment required for the projects.

ARTICLE III

Withdrawals of Proceeds of Loan

Section 3.01

Withdrawals shall be deemed to occur on the dates on which payments are made by Canada either directly to Cuba or its designated agent, or to a firm or banking institution in respect of goods and services supplied under this Agreement.

Section 3.02

Subject to the conditions and limitations set forth herein, Cuba or its designated agent shall be entitled to withdrawals from the Loan Account in such amounts as are required to meet the costs of the goods and services which are eligible for financing as the costs become due and payable in accordance with Annex B.

Section 3.03

Cuba or its designated agent shall provide Canada with a copy of each invitation to tender, contract and/or purchase order for the procurement of materials, equipment and/or machinery and/or services in respect of which any withdrawal is to be made.

Section 3.04

Withdrawals from the Loan Account may be made in favour of such persons or agencies as may be designated by Cuba and agreed to by Canada.

ARTICLE IV

Cancellation and Suspension

Section 4.01

Cuba may, by sixty (60) days' written Notice to Canada, cancel all or any part of the Loan not withdrawn by Cuba prior to the giving of such Notice, and not required to meet outstanding financial obligations to suppliers or firms incurred under the Loan.