

LOAN NUMBER 8605-IN

Loan Agreement

(First Programmatic Electricity Distribution Reform Development Policy Loan for Rajasthan)

between

INDIA

and

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT

Dated MARCH 31 , 2016

LOAN AGREEMENT

Agreement dated MARCH 31, 2016, entered into between INDIA ("Borrower") and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("Bank") for the purpose of providing financing in support of the Program (as defined in the Appendix to this Agreement). The Bank has decided to provide this financing on the basis, inter alia, of: (a) the actions which the STATE OF RAJASTHAN (variously "Rajasthan" or the "Program Implementing Entity") has already taken under the Program and which are described in the Schedule to the Program Agreement; and (b) the Borrower's maintenance of an adequate macroeconomic policy framework. The Borrower and the Bank therefore hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) constitute an integral part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — LOAN

- 2.01. The Bank agrees to lend to the Borrower, on the terms and conditions set forth or referred to in this Agreement, the amount of two hundred and fifty million United State dollars (USD 250,000,000), as such amount may be converted from time to time through a Currency Conversion in accordance with the provisions of Section 2.08 of this Agreement ("Loan").
- 2.02. The Borrower may withdraw the proceeds of the Loan in support of the Program in accordance with Schedule 1 to this Agreement.
- 2.03. The Front-end Fee payable by the Borrower shall be equal to one quarter of one percent (0.25%), of the Loan amount.
- 2.04. The Commitment Charge payable by the Borrower shall be equal to one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.
- 2.05. The interest payable by the Borrower for each Interest Period shall be at a rate equal to the Reference Rate for the Loan Currency plus the Variable Spread, provided, that upon a Conversion of all or any portion of the principal amount of the Loan, the interest payable by the Borrower during the Conversion Period on such amount shall be determined in accordance with the relevant provisions of Article IV of the General Conditions. Notwithstanding the foregoing, if any amount of the Withdrawn Loan Balance remains unpaid when due and such non-payment continues for a period of thirty days, then the interest payable by the Borrower shall instead be calculated as provided in Section 3.02 (e) of the General Conditions.

- 2.06. The Payment Dates are February 15 and August 15 in each year.
- 2.07. The principal amount of the Loan shall be repaid in accordance with the amortization schedule set forth in Schedule 2 to this Agreement.
- 2.08. (a) The Borrower may at any time request any of the following Conversions of the terms of the Loan in order to facilitate prudent debt management: (i) a change of the Loan Currency of all or any portion of the principal amount of the Loan, withdrawn or unwithdrawn, to an Approved Currency; (ii) a change of the interest rate basis applicable to: (A) all or any portion of the principal amount of the Loan withdrawn and outstanding from a Variable Rate to a Fixed Rate, or vice versa; or (B) all or any portion of the principal amount of the Loan withdrawn and outstanding from a Variable Rate based on a Reference Rate and the Variable Spread to a Variable Rate based on a Fixed Reference Rate and the Variable Spread, or vice versa; or (C) all of the principal amount of the Loan withdrawn and outstanding from a Variable Rate based on a Variable Spread to a Variable Rate based on a Fixed Spread; and (iii) the setting of limits on the Variable Rate or the Reference Rate applicable to all or any portion of the principal amount of the Loan withdrawn and outstanding by the establishment of an Interest Rate Cap or Interest Rate Collar on the Variable Rate or the Reference Rate.
- (b) Any conversion requested pursuant to paragraph (a) of this Section that is accepted by the Bank shall be considered a "Conversion", as defined in the General Conditions, and shall be effected in accordance with the provisions of Article IV of the General Conditions and of the Conversion Guidelines.
- (c) Promptly following the Execution Date for an Interest Rate Cap or Interest Rate Collar for which the Borrower has requested that the premium be paid out of the proceeds of the Loan, the Bank shall, on behalf of the Borrower, withdraw from the Loan Account and pay to itself the amounts required to pay any premium payable in accordance with Section 4.05 (c) of the General Conditions up to the amount allocated from time to time for the purpose in the table in Schedule 1 to this Agreement.
- 2.09. (a) If on any given day, the Total Exposure exceeds the Standard Exposure Limit (as said terms are defined in sub-paragraphs (b)(ii) and (b)(iii) of this Section), the Borrower shall pay to the Bank a surcharge at the rate of one half of one percent (0.5%) per annum of the Allocated Excess Exposure Amount (as defined in sub-paragraph (b)(i) of this Section) for each said day ("Exposure Surcharge"). The Exposure Surcharge (if any) shall be payable semi-annually in arrears on each Payment Date.
- (b) For purposes of this Section the following terms have the meanings set forth below:
- (i) "Allocated Excess Exposure Amount" means for each day during which the Total Exposure exceeds the Standard Exposure Limit, the product of:

(A) the total amount of said excess; and (B) the ratio of all (or, if the Bank so determines, a portion) of the Loan to the aggregate amount of all (or the equivalent portions) of the loans made by the Bank to the Borrower and to other borrowers guaranteed by the Borrower that are also subject to an exposure surcharge, as said excess and ratio are reasonably determined from time to time by the Bank.

- (ii) "Standard Exposure Limit" means the standard limit on the Bank's financial exposure to the Borrower which, if exceeded, would subject the Loan to the Exposure Surcharge, as determined from time to time by the Bank.
- (iii) "Total Exposure" means for any given day, the Bank's total financial exposure to the Borrower, as reasonably determined by the Bank.

2.10. Without limitation upon the provisions of Section 5.08 of the General Conditions (renumbered as such pursuant to paragraph 5 of Section II of the Appendix to this Agreement and relating to *Cooperation and Consultation*), the Borrower shall promptly furnish to the Bank such information relating to the provisions of this Article II as the Bank may, from time to time, reasonably request.

ARTICLE III — PROGRAM

- 3.01. The Borrower declares its commitment to the Program and its implementation. To this end, and further to Section 5.08 of the General Conditions:
- (a) the Borrower and the Bank shall from time to time, at the request of either party, exchange views on the Borrower's macroeconomic policy framework and the progress achieved in carrying out the Program;
 - (b) prior to each such exchange of views, the Borrower shall furnish to the Bank for its review and comment a report on the progress achieved in carrying out the Program, in such detail as the Bank shall reasonably request; and
 - (c) without limitation upon the provisions of paragraphs (a) and (b) of this Section, the Borrower shall promptly inform the Bank of any situation that would have the effect of materially reversing the objectives of the Program or any action taken under the Program including any action specified in the Schedule to the Program Agreement.

ARTICLE IV — REMEDIES OF THE BANK

- 4.01. The Additional Event of Suspension consists of the following, namely, that a situation has arisen which shall make it improbable that the Program, or a significant part of it, will be carried out.

- 4.02. The Additional Event of Acceleration consists of the following, namely that the event specified in Section 4.01 of this Agreement occurs and is continuing for a period of 30 days after notice of the event has been given by the Bank to the Borrower.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Additional Condition of Effectiveness consists of the following, namely, that the Bank is satisfied with the progress achieved by the Borrower and Rajasthan in carrying out the Program and with the adequacy of the Borrower's macroeconomic policy framework.
- 5.02. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

- 6.01. The Borrower's Representative is any of the following officials, acting severally: Secretary, Additional Secretary, Joint Secretary, Director, Deputy Secretary, or Under Secretary of the Department of Economic Affairs in the Ministry of Finance of the Borrower.
- 6.02. The Borrower's Address is:

Secretary
Department of Economic Affairs
Ministry of Finance,
Government of India
North Block
New Delhi 110001, India

Facsimile:

91-11-23092883

- 6.03. The Bank's Address is:


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

Facsimile:

1-202-477-6391

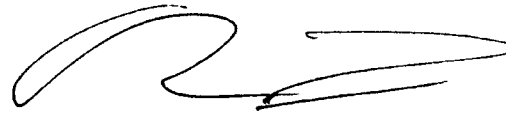
AGREED at NEW DELHI, India, as of the day and year first above written.

INDIA

By  31.3.16

Authorized Representative
Name: RAJ KUMAR
Title: JOINT SECRETARY

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By 

Authorized Representative
Name: ONNO RUUL
Title: COUNTRY DIRECTOR, INDIA

SCHEDULE 1

Availability of Loan Proceeds

- A. **General.** The Borrower may withdraw the proceeds of the Loan in accordance with the provisions of this Section and such additional instructions as the Bank may specify by notice to the Borrower.
- B. **On-Lending Arrangements.** To facilitate the carrying out of the Program, the Borrower shall make all proceeds of the Loan available to Rajasthan in accordance with the Borrower's standard arrangements for development assistance to the State of India.
- C. **Allocation of Loan Amounts.** The Loan (except for amounts required to pay the Front-end Fee) is allocated in a single withdrawal tranche, from which the Borrower may make withdrawals of the Loan proceeds. The allocation of the amounts of the Loan to this end is set out in the table below:

Allocations	Amount of the Loan (expressed in USD)
(1) Single Withdrawal Tranche	249,375,000
(2) Front-end Fee	625,000
(3) Amount due pursuant to Section 2.08(c) of this Agreement	0
TOTAL AMOUNT	250,000,000

- D. **Withdrawal Tranche Release Conditions**

No withdrawal shall be made of the Single Withdrawal Tranche unless the Bank is satisfied: (a) with the Program being carried out by the Borrower and Rajasthan; and (b) with the adequacy of the Borrower's macroeconomic policy framework.
- E. **Deposits of Loan Amounts.** Except as the Bank may otherwise agree:
 - 1. all withdrawals from the Loan Account shall be deposited by the Bank into an account designated by the Borrower and acceptable to the Bank; and
 - 2. the Borrower shall ensure that upon each deposit of an amount of the Loan into this account, an equivalent amount is accounted for in the Borrower's budget management system, in a manner acceptable to the Bank.
- F. **Excluded Expenditures.** The Borrower undertakes that the proceeds of the Loan shall not be used to finance Excluded Expenditures. If the Bank determines at any time that an amount of the Loan was used to make a payment for an Excluded Expenditure, the Borrower shall, promptly upon notice from the Bank, refund an amount equal to the amount

of such payment to the Bank. Amounts refunded to the Bank upon such request shall be cancelled.

G. Closing Date. The Closing Date is March 31, 2017.

SCHEDULE 2

Amortization Schedule

1. The following table sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date (“Installment Share”). If the proceeds of the Loan have been fully withdrawn as of the first Principal Payment Date, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined by the Bank by multiplying: (a) Withdrawn Loan Balance as of the first Principal Payment Date; by (b) the Installment Share for each Principal Payment Date, such repayable amount to be adjusted, as necessary, to deduct any amounts referred to in paragraph 4 of this Schedule, to which a Currency Conversion applies.

Principal Payment Date	Installment Share (Expressed as a Percentage)
On each February 15 and August 15 Beginning on August 15, 2023 through February 15, 2038	3.23%
On August 15, 2038	3.10%

2. If the proceeds of the Loan have not been fully withdrawn as of the first Principal Payment Date, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined as follows:
 - (a) To the extent that any proceeds of the Loan have been withdrawn as of the first Principal Payment Date, the Borrower shall repay the Withdrawn Loan Balance as of such date in accordance with paragraph 1 of this Schedule.
 - (b) Any amount withdrawn after the first Principal Payment Date shall be repaid on each Principal Payment Date falling after the date of such withdrawal in amounts determined by the Bank by multiplying the amount of each such withdrawal by a fraction, the numerator of which is the original Installment Share specified in the table in paragraph 1 of this Schedule for said Principal Payment Date (“Original Installment Share”) and the denominator of which is the sum of all remaining Original Installment Shares for Principal Payment Dates falling on or after such date, such amounts repayable to be adjusted, as necessary, to deduct any amounts referred to in paragraph 4 of this Schedule, to which a Currency Conversion applies.
3. (a) Amounts of the Loan withdrawn within two calendar months prior to any Principal Payment Date shall, for the purposes solely of calculating the principal amounts payable on any Principal Payment Date, be treated as withdrawn and outstanding on the second Principal Payment Date following the date of withdrawal and shall be repayable on each Principal Payment Date commencing with the second Principal Payment Date following the date of withdrawal.

- (b) Notwithstanding the provisions of sub-paragraph (a) of this paragraph, if at any time the Bank adopts a due date billing system under which invoices are issued on or after the respective Principal Payment Date, the provisions of such sub-paragraph shall no longer apply to any withdrawals made after the adoption of such billing system.
- 4. Notwithstanding the provisions of paragraphs 1 and 2 of this Schedule, upon a Currency Conversion of all or any portion of the Withdrawn Loan Balance to an Approved Currency, the amount so converted in the Approved Currency that is repayable on any Principal Payment Date occurring during the Conversion Period, shall be determined by the Bank by multiplying such amount in its currency of denomination immediately prior to the Conversion by either: (i) the exchange rate that reflects the amounts of principal in the Approved Currency payable by the Bank under the Currency Hedge Transaction relating to the Conversion; or (ii) if the Bank so determines in accordance with the Conversion Guidelines, the exchange rate component of the Screen Rate.
- 5. If the Withdrawn Loan Balance is denominated in more than one Loan Currency, the provisions of this Schedule shall apply separately to the amount denominated in each Loan Currency, so as to produce a separate amortization schedule for each such amount.

APPENDIX

Section I. Definitions

1. "AVVNL" means the Ajmer Vidyut Vitran Nigam Ltd, an electricity distribution public utility registered and operating in the territory of Rajasthan, under the Corporate Identity Number (CIN) U40109RJ2000SGC016482.
2. "Business Plans" means collectively: (i) the "*Ajmer Discom Business Plan for Efficiency Improvement*" approved by AVVNL's Board of Directors during its 239th meeting of February 8, 2016; (ii) the "*Jaipur Discom Business Plan for Efficiency Improvement*" approved by JVVNL's Board of Directors during its 246th meeting of February 8, 2016; and (iii) the "*Jodhpur Discom Business Plan for Efficiency Improvement*" approved by JoVVNL's Board of Directors during its 227th meeting of February 8, 2016.
3. "DISCOMs" means, collectively, the AVVNL, JVVNL and JoVVNL.
4. "Electricity Distribution Management Responsibility Ordinance" means the "*Rajasthan Rajya Vidyut Vitaran Prabandh Utardayitva Adhyadesh, 2016*" (i.e. Rajasthan State Electricity Distribution Management Responsibility Ordinance, 2016), made and promulgated by the Governor of Rajasthan on January 7, 2016, and published in Rajasthan's Official Gazette on January 11, 2016.
5. "Employee Performance Incentive" means the incentives scheme for the year 2015-16, authorized by the Department of Energy of Rajasthan pursuant to Order No. F4(5)Energy/2015, dated November 9, 2015, and adopted by the DISCOMs pursuant to their Chairman's Order No. JPD/Chairman Discoms/MIS/Corres./Dis. 480, of February 4, 2016.
6. "Energy Efficiency Lighting Program" means the domestic efficiency lighting program for the distribution of light-emitting diode (LED) bulbs in Rajasthan, as approved by RERC order March 20, 2015 (Petition No RERC-505/15).
7. "Excluded Expenditure" means any expenditure:
 - (a) for goods or services supplied under a contract which any national or international financing institution or agency other than the Bank or the Association has financed or agreed to finance, or which the Bank or the Association has financed or agreed to finance under another loan, credit, or grant;
 - (b) for goods included in the following groups or sub-groups of the Standard International Trade Classification, Revision 3 (SITC, Rev.3), published by the United Nations in Statistical Papers, Series M, No. 34/Rev.3 (1986) (the SITC), or any successor groups or subgroups under future revisions to the SITC, as designated by the Bank by notice to the Borrower:

Group	Sub-group	Description of Item
112		Alcoholic beverages
121		Tobacco, un-manufactured, tobacco refuse
122		Tobacco, manufactured (whether or not containing tobacco substitutes)
525		Radioactive and associated materials
667		Pearls, precious and semiprecious stones, unworked or worked
718	718.7	Nuclear reactors, and parts thereof; fuel elements (cartridges), non-irradiated, for nuclear reactors
728	728.43	Tobacco processing machinery
897	897.3	Jewelry of gold, silver or platinum group metals (except watches and watch cases) and goldsmiths' or silversmiths' wares (including set gems)
971		Gold, non-monetary (excluding gold ores and concentrates)

- (c) for goods intended for a military or paramilitary purpose or for luxury consumption;
- (d) for environmentally hazardous goods, the manufacture, use or import of which is prohibited under the laws of the Borrower or international agreements to which the Borrower is a party, and any other goods designated as environmentally hazardous by agreement between the Borrower and the Bank;
- (e) on account of any payment prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations; and
- (f) with respect to which the Bank determines that corrupt, fraudulent, collusive or coercive practices were engaged in by representatives of the Borrower or other recipient of the Loan proceeds, without the Borrower (or other such recipient) having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur.

8. "FY 14-15" means the Borrower's and Rajasthan's fiscal year which begun on April 1, 2014 and finished on March 31, 2015.
9. "FY 15-16" means the Borrower's and Rajasthan's fiscal year which begun on April 1, 2015 and finishes on March 31, 2016.
10. "General Conditions" means the "International Bank for Reconstruction and Development General Conditions for Loans", dated March 12, 2012, with the modifications set forth in Section II of this Appendix.
11. "JVVNL" means the Jaipur Vidyut Vitran Nigam Ltd, an electricity distribution public utility registered and operating in the territory of Rajasthan under the Corporate Identity Number (CIN) U40109RJ2000SGC016486.
12. "JoVVNL" means the Jodhpur Vidyut Vitran Nigam Ltd, an electricity distribution public utility registered and operating in the territory of Rajasthan, under the Corporate Identity Number (CIN) U40109RJ2000SGC016483.
13. "Program" means the program of actions, objectives and policies designed to promote growth and achieve sustainable reductions in poverty and set forth or referred to in the letter dated February 16, 2016 from Rajasthan to the Bank declaring Rajasthan's commitment to the execution of the Program, and requesting assistance from the Bank in support of the Program during its execution.
14. "Rajasthan" means the Borrower's State of Rajasthan.
15. "Rajasthan Energy Development Corporation Ltd." means the Rajasthan Urja Vikas Nigam Ltd. company, established on December 4, 2015 and registered pursuant to sub-section (2) of section 7 of India's Companies Act 2013, under the Corporate Identity Number (CIN) U40104RJ2015SGC048738.
16. "RERC" means Rajasthan Electricity Regulatory Commission established pursuant to Section 82 of India's Electricity Act 2003 (Act No 36 of 2003).
17. "Single Withdrawal Tranche" means the amount of the Loan allocated to the category entitled "Single Withdrawal Tranche" in the table set forth in Part C of Schedule I to this Agreement.
18. "Tri-Partite MoUs" means collectively the Tripartite Memoranda of Understanding, dated January 27, 2016, entered into among the Borrower's Ministry of Power, Rajasthan and each of the AVVNL, JVVNL and JoVVNL, for the adherence to the UDAY Program.
19. "UDAY Program" means the "*Ujjwal Discom Assurance Yojana*" program launched by the Union Government on November 5, 2015 for the financial turnaround of power distribution companies in India.

20. "Union Government" means the Indian central (federal) government.

Section II. Modifications to the General Conditions

The General Conditions are hereby modified as follows:

1. In the **Table of Contents**, the references to Sections, Section names and Section numbers are modified to reflect the modifications set forth in the paragraphs below.
2. The last sentence of paragraph (a) of Section 2.03 (relating to Applications for Withdrawal) is deleted in its entirety.
3. Sections 2.04 (*Designated Accounts*) and 2.05 (*Eligible Expenditures*) are deleted in their entirety, and the remaining Sections in Article II are renumbered accordingly.
4. Section 3.01. (*Front-end Fee*) is modified to read as follows:

"Section 3.01. *Front-end Fee; Commitment Charge*

(a) The Borrower shall pay the Bank a front-end fee on the Loan amount at the rate specified in the Loan Agreement (the "Front-end Fee").

(b) The Borrower shall pay the Bank a commitment charge on the Unwithdrawn Loan Balance at the rate specified in the Loan Agreement (the "Commitment Charge"). The Commitment Charge shall accrue from a date sixty days after the date of the Loan Agreement to the respective dates on which amounts are withdrawn by the Borrower from the Loan Account or cancelled. The Commitment Charge shall be payable semi-annually in arrears on each Payment Date."

5. Sections 5.01 (*Project Execution Generally*), and 5.09 (*Financial Management; Financial Statements; Audits*) are deleted in their entirety, and the subsequent Sections in Article V are renumbered accordingly.
6. Paragraph (a) of Section 5.05 (renumbered as such pursuant to paragraph 5 above and relating to *Use of Goods, Works and Services*) is deleted in its entirety.
7. Paragraph (c) of Section 5.06 (renumbered as such pursuant to paragraph 5 above) is modified to read as follows:

"Section 5.06. *Plans; Documents; Records*

[...] (c) The Borrower shall retain all records (contracts, orders, invoices, bills, receipts and other documents) evidencing expenditures under the Loan until two years after the Closing Date. The Borrower shall enable the Bank's representatives to examine such records."

8. Paragraph (c) of Section 5.07 (renumbered as such pursuant to paragraph 5 above) is modified to read as follows:

“Section 5.07. Program Monitoring and Evaluation

[...] (c) The Borrower shall prepare, or cause to be prepared, and furnish to the Bank not later than six months after the Closing Date, a report of such scope and in such detail as the Bank shall reasonably request, on the execution of the Program, the performance by the Loan Parties and the Bank of their respective obligations under the Legal Agreements and the accomplishment of the purposes of the Loan.”

9. In the Appendix, **Definitions**, all references to Section numbers and paragraphs are modified, as necessary, to reflect the modifications set forth above.
10. The Appendix is modified by inserting a new paragraph 19 with the following definition of “Commitment Charge”, and renumbering the remaining paragraphs accordingly:
- “19. ‘Commitment Charge’ means the commitment charge specified in the Loan Agreement for the purpose of Section 3.01(b).”
11. Renumbered paragraph 37 (originally paragraph 36) of the Appendix (“Eligible Expenditure”) is modified to read as follows:
- “37. ‘Eligible Expenditure’ means any use to which the Loan is put in support of the Program, other than to finance expenditures excluded pursuant to the Loan Agreement.”
12. Renumbered paragraph 44 (originally paragraph 43) of the Appendix (“Financial Statements”) is deleted in its entirety.
13. Renumbered paragraph 49 (originally paragraph 48) of the Appendix, the definition of “Front-end Fee” is modified by replacing the reference to Section 3.01 with Section 3.01 (a).
14. Renumbered paragraph 68 (originally paragraph 67) of the Appendix, the definition of the term “Loan Payment” is modified to read as follows:
- “67. ‘Loan Payment’ means any amount payable by the Loan Parties to the Bank pursuant to the Legal Agreements or these General Conditions, including (but not limited to) any amount of the Withdrawn Loan Balance, interest, the Front-end Fee, the Commitment Charge, interest at the Default Interest Rate (if any), any surcharge, any prepayment premium, any transaction fee for a Conversion or early termination of a Conversion, the Variable Spread Fixing Charge (if any), any premium payable upon the establishment of an Interest Rate Cap or Interest Rate Collar, and any Unwinding Amount payable by the Borrower.”
15. Renumbered paragraph 73 (originally paragraph 72) of the Appendix, the definition of “Payment Date” is modified by deleting the word “is” and inserting the words “and

Commitment Charge are” after the word “interest”.

16. The defined term “Project” in renumbered paragraph 76 (originally paragraph 75) of the Appendix is modified to read “Program” and its definition is modified to read as follows (and all references to “Project” throughout these General Conditions are deemed to be references to “Program”):

“76. ‘Program’ means the program referred to in the Loan Agreement in support of which the Loan is made.”

17. The defined term “Project Agreement” in renumbered paragraph 77 (originally paragraph 76) of the Appendix is modified to read “Program Agreement” and its definition is modified to read as follows (and all references to “Project Agreement” throughout these General Conditions are deemed to be references to “Program Agreement”):

“77. ‘Program Agreement’ means the agreement between the Bank and the Program Implementing Entity relating to the implementation of all or part of the Program, as such agreement may be amended from time to time. “Program Agreement” includes these General Conditions as applied to the Program Agreement, and all appendices, schedules and agreements supplemental to the Program Agreement.”

18. The defined term “Project Implementing Entity” in renumbered paragraph 78 (originally paragraph 77) of the Appendix is modified to read “Program Implementing Entity” and its definition is modified to read as follows (and all references to “Project Implementing Entity” throughout these General Conditions are deemed to be references to “Program Implementing Entity”):

“78. ‘Program Implementing Entity’ means a legal entity (other than the Borrower or the Guarantor) which is responsible for implementing all or a part of the Program and which is a party to the Program Agreement. If the Bank enters into a Program Agreement with more than one such entity, “Project Implementing Entity” refers separately to each such entity.”

19. The defined term “Project Implementing Entity’s Address” in renumbered paragraph 79 (originally paragraph 78) of the Appendix is modified to read “Program Implementing Entity’s Address” and its definition is modified to read as follows (and all references to “Project Implementing Entity’s Address” throughout these General conditions are deemed to be references to “Program Implementing Entity’s Address”):

“79. ‘Program Implementing Entity’s Address’ means the Project Implementing Entity’s address specified in the Program Agreement for the purpose of Section 10.01.”

20. The defined term “Project Implementing Entity’s Representative” in renumbered paragraph 80 (originally paragraph 79) of the Appendix is modified to read “Program Implementing Entity’s Representative” and its definition is modified to read as follows (and all references to “Project Implementing Entity’s Representative” throughout these General conditions are deemed to be references to “Program Implementing Entity’s

Representative”):

“80. ‘Program Implementing Entity’s Representative’ means the Program Implementing Entity’s representative specified in the Program Agreement for the purpose of Section 10.02 (a).”

21. The defined term “Project Report” in renumbered paragraph 81 (originally paragraph 80) in the Appendix is modified to read “Program Report” and its definition is modified to read as follows (and all references to “Project Report” throughout these General conditions are deemed to be references to “Program Report”):

“81. ‘Program Report’ means each report on the Program to be prepared and furnished to the Bank pursuant to Section 5.08 (b).”