

Public Disclosure Authorized

OFFICIAL DOCUMENTS

CREDIT NUMBER 6022-PK

Financing Agreement

(Karachi Neighborhood Improvement Project)

between

ISLAMIC REPUBLIC OF PAKISTAN

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated *July 26*, 2017

CREDIT NUMBER 6022-PK

FINANCING AGREEMENT

AGREEMENT dated July 26, 2017, entered into between ISLAMIC REPUBLIC OF PAKISTAN ("Recipient") and INTERNATIONAL DEVELOPMENT ASSOCIATION ("Association"). The Recipient and the Association 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 — CREDIT

- 2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a credit in the amount of sixty-two million and eight hundred thousand Special Drawing Rights (SDR62,800,000) ("Credit"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").
- 2.02. The Recipient may withdraw the proceeds of the Credit in accordance with Section IV of Schedule 2 to this Agreement.
- 2.03. The Front-end Fee payable by the Recipient shall be equal to one quarter of one percent ($\frac{1}{4}$ of 1%) of the Credit amount.
- 2.04. The Commitment Charge payable by the Recipient shall be one-quarter of one percent ($\frac{1}{4}$ of 1%) per annum on the Unwithdrawn Credit Balance.
- 2.05. The Interest Charge payable by the Recipient for each Interest Period shall be at a rate equal to [three point thirty-six percent (3.36%)] per annum.
- 2.06. The Payment Dates are February 1 and August 1 in each year.

- 2.07. The principal amount of the Credit shall be repaid in accordance with the amortization schedule set forth in Schedule 3 to this Agreement.
- 2.08. The Payment Currency is the Dollar.

ARTICLE III — PROJECT

- 3.01. The Recipient declares its commitment to the objectives of the Project. To this end, the Recipient shall cause the Project to be carried out by the Project Implementing Entity in accordance with the provisions of Article IV of the General Conditions and the Project Agreement.
- 3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Recipient and the Association shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

ARTICLE IV — EFFECTIVENESS; TERMINATION

- 4.01. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.
- 4.02. For purposes of Section 8.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty years after the date of this Agreement.

ARTICLE V — REPRESENTATIVE; ADDRESSES

- 5.01. The Recipient's Representative is the Secretary to the Government of Pakistan, Economic Affairs Division, Ministry of Economic Affairs and Statistics, or any Additional Secretary, Joint Secretary, Deputy Secretary or Section Officer in that Division.
- 5.02. The Recipient's Address is:

The Secretary to the Government of Pakistan
Economic Affairs Division
Ministry of Finance, Economic Affairs, Revenue, Statistics and
Privatization
Islamabad, Pakistan

Facsimile: 92-51-921-8976

5.03. The Association's Address is:

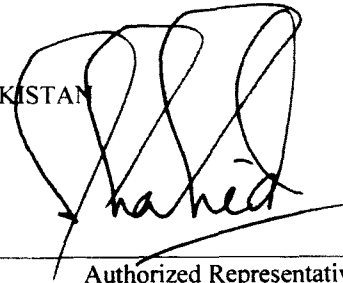
International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Telex: 248423 (MCI) Facsimile: 1-202-477-6391

AGREED at Islamabad, Islamic Republic of Pakistan, as of the day and year first above written.

ISLAMIC REPUBLIC OF PAKISTAN

By



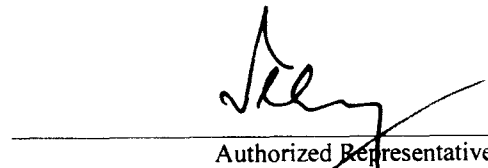
Authorized Representative

Name: SHAHID MAHMOOD

Title: Secretary
Economic Affairs Division
Government of Pakistan
Islamabad

INTERNATIONAL DEVELOPMENT ASSOCIATION

By



Authorized Representative

Name: Patchamuthu Ollangovan

Title: Country Director, Pakistan

SCHEDULE 1

Project Description

The objectives of the Project are to enhance public spaces in targeted neighborhoods of Karachi, and to improve the city's capacity to provide selected administrative services.

The Project consists of the following parts:

Component 1: Public Space and Mobility Improvements in Selected Neighborhoods

- 1.1 Selection, design, preparation and implementation of activities to revitalize Saddar downtown area, such as: upgrading roads, streets, sidewalks and pedestrian crossing within the existing right of way; upgrading existing open spaces, installing shades features and removing barriers for visitors; reorganizing traffic patterns and closing certain street segments; installing signs, street furniture, lighting, and bus stop shelters; organizing parking and installing safety barriers to reduce vehicles encroachment on sidewalks; and rehabilitating underground infrastructure beneath upgraded roads and storm water drainage.
- 1.2 Selection, design, preparation and implementation of activities to enhance road and public spaces in Malir, such as: upgrading roads, sidewalks and pedestrian crossings within the existing right of way; reorganizing vehicular travel lanes; rehabilitating/enhancing open space with shade, adequate drainage and trash collection facilities; installing street furniture, bus shelters, safety barriers, shade features and lighting; and rehabilitating underground infrastructure beneath upgraded roads and storm water drainage.
- 1.3 Selection, design, preparation and implementation of activities to improve mobility in Korangi, such as upgrading roads, sidewalks and pedestrian crossings within the existing right of way; improving existing open space such as markets, playgrounds and road medians; installing street furniture, bus shelters, safety barriers and lighting; and rehabilitating underground infrastructure beneath upgraded roads and storm water drainage.

Component 2: Support to Improved Administrative Services and City Capacity Development

- 2.1 Design and implementation of Sindh provincial electronic one stop shop for business licenses and e-licensing by other provincial agencies; automation of construction permit processes, including capacity building

of the Sindh Building Control Authority, construction of integrated counters for the public requesting industrial and commercial building licenses, public access to information and complaints management and resolution.

- 2.2 Implementation of core modules of an integrated financial management information system for the KMC (including the foundation for incremental implementation of other modules; development of an asset management system in KMC for movable and immovable assets; survey in the two Partner DMCs to assess the potential tax base, establishment of a computerized data basis of potential taxpayers, and design and implementation of an upgraded online platform and potential incentives for taxpayers to pay municipal utility tax; design and implementation of a web-based platform for KMC for improved public access to information on city management, budgeting, planning, gathering of citizen feedback on services and enabling electronic payment of selected municipal fees and taxes; and development of a two year long public awareness and outreach program for city programs and activities.

Component 3: Support to Implementation and Technical Assistance

- 3.1 Project management and coordination; feasibility, conceptual and detailed designs, environmental and social assessments for sub-projects; preparation of follow-on operations; study on parking management; preparation of a shared vision to improve city prosperity, livability and inclusiveness and development of a coordinated road map of future investments and key policy reforms for its implementation.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. On-lending

1. To facilitate the carrying out of the Project, the Recipient shall make the proceeds of the Credit available to the Project Implementing Entity under the same terms and conditions under which they are made available by the Association to the Recipient and in accordance with the Recipient's on-lending and budgetary policies and procedures.
2. Notwithstanding the provisions of the preceding paragraph, in the event of a conflict between the on-lending and budgetary policies and procedures of the Recipient and the provisions of this Agreement, including such additional instructions as the Association shall have specified by notice to the Recipient pursuant to Section IV.A.1 of this Schedule, the provisions of this Agreement, including said additional instructions, shall govern.
3. The Recipient shall exercise its rights under the on-lending arrangements referred to in paragraph 1 of this Part A in such manner as to protect the interests of the Recipient and the Association and to accomplish the purposes of the Credit. Except as the Association shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive its rights or obligations under said arrangements.

B. Anti-Corruption

The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

C. Safeguards.

1. The Recipient shall ensure, and cause the Project Implementing Entity to ensure, that all terms of reference for any technical assistance or studies carried out under the Project are consistent with, and pay due attention to, the Association Policies, as well as the Recipient's and the Project Implementing Entity's own laws relating to the environment and social aspects.
2. The Recipient shall ensure, and cause the Project Implementing Entity to ensure, that the Project shall be implemented in accordance with the guidelines, procedures, timetables and other specifications set forth in the Safeguard Documents.

3. Except as the Association shall otherwise agree in writing and subject to compliance with applicable consultation and public disclosure requirements of the Association, the Recipient shall not abrogate, amend, repeal, suspend or waive any provisions of any of the Safeguard Documents, nor shall it permit the Project Implementing Entity or any other entity participating in the implementation of the Project to do so.
4. Without limitation upon its other reporting obligations under this Agreement, the Recipient shall, and shall cause the Project Implementing Entity to, regularly collect, compile and submit to the Association, on a quarterly basis, reports on the status of compliance with the Safeguard Documents, giving details of: (a) measures taken in furtherance of the Safeguard Documents; (b) conditions, if any, which interfere or threaten to interfere with the smooth implementation of the Safeguard Documents; and (c) remedial measures taken or required to be taken to address such conditions.
5. In the event that any provision of the Safeguard Documents shall conflict with any provision under this Agreement or the Project Agreement, the terms of this Agreement and the Project Agreement shall prevail, in that order of priority.

Section II. Project Monitoring Reporting and Evaluation

A. Project Reports

1. The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of indicators acceptable to the Association. Each Project Report shall cover the period of one (1) calendar semester, and shall be furnished to the Association not later than forty-five (45) days after the end of the period covered by such report.
2. The Recipient shall:
 - (a) not later than twenty-four (24) months after the Effective Date, or such other date as may be agreed with the Association, carry out jointly with the Association and the Project Implementing Entity, a midterm review of the Project, to assess the status of Project implementation, as measured against the indicators referred to in Section II.A.1 above and the legal covenants included in this Agreement and the Project Agreement. Such review shall include an assessment of the following: (i) overall progress in implementation; (ii) results of monitoring and evaluation activities; (iii) progress on procurement and disbursement; (iv) progress on implementation of safeguards measures; (v) implementation arrangements and

Project staff turnover; and (vi) the need to make any adjustments to the Project and reallocate funds to improve performance;

- (b) to this end, cause the Project Implementing Entity to prepare and furnish to the Recipient and the Association, at least one (1) month before such review, a report, in scope and detail satisfactory to the Association and integrating the results of the monitoring and evaluation activities performed pursuant to Section II.A.1 of this Schedule and Section II.A.1 of the Schedule to the Project Agreement, on the progress achieved in the carrying out of the Project during the period preceding the date of such report and setting out the measures recommended to ensure the efficient carrying out of the Project and the achievement of the objective thereof during the period following such date; and
- (c) review jointly with the Association and the Project Implementing Entity the report referred to in the preceding paragraph and thereafter cause the Project Implementing Entity to take all measures required to ensure the efficient completion of the Project and the achievement of the objective thereof, based on the conclusions and recommendations of such report and the Association's views on the matter.

B. Financial Management, Financial Reports and Audits

- 1. The Recipient shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.
- 2. The Recipient shall prepare and furnish to the Association not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Association.
- 3. The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the Association not later than six months after the end of such period.

Section III. Procurement

All goods, works, non-consulting services and consulting services required for the Project and to be financed out of the proceeds of the Credit shall be procured in accordance with the requirements set forth or referred to in the Procurement Regulations and the provisions of the Procurement Plan.

Section IV. Withdrawal of the Proceeds of the Credit

A. General

1. The Recipient may withdraw the proceeds of the Credit in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Association shall specify by notice to the Recipient (including the "Disbursement Guidelines for Investment Project Financing" dated February 2017, as revised from time to time by the Association and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.
2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Credit ("Category"), the allocations of the amounts of the Credit to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:

Category	Amount of the Credit Allocated (expressed in SDR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, and consulting services and Incremental Operating Costs and Training for the Project	62,600,000	100%
(2) Front-end Fee	200,000	Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 3.01 (a) of the General Conditions
TOTAL AMOUNT	62,800,000	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed SDR 3,700,000 may be made

for payments made prior to this date but on or after April 1, 2017, for Eligible Expenditures.

2. The Closing Date is November 30, 2021.

SCHEDULE 3
Amortization Schedule

Date Payment Due	Principal Amount of the Credit repayable (expressed as a percentage)*
On each February 1 and August 1 commencing on August 1, 2022 to and including February 1, 2031	2.5%
and on August 1, 2031, to and ending on February 1, 2041	2.75%

* The percentages represent the percentage of the principal amount of the Credit to be repaid.

APPENDIX

Section I. Definitions

1. “Annual Work Plans and Budgets” means the annual work plans and budgets (including related cash and disbursement forecasts) for the implementation of the Project approved by the Association, referred to in Section II.A.3(d) of the Schedule to the Project Agreement.
2. “Anti-Corruption Guidelines” means the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 and as of July 1, 2016.
3. “Association Policies” means, collectively, but only if and to the extent that they are applicable to the Project activities, the operational policies and procedures OP/BP 4.01 (Environmental Assessment), OP/BP 4.04 (Natural Habitats), OP/BP 4.07 (Water Resources Management), OP/BP 4.11 (Physical Cultural Resources), OP/BP 4.12 (Involuntary Resettlement), OP/BP 4.36 (Forests), and OP/BP 4.37 (Safety of Dams), contained in the Association’s Operational Manual which can be found on the Association’s website at www.worldbank.org.
4. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
5. “DGUPSP” means the Project Implementing Entity’s Directorate General of Urban Policy and Strategic Planning, or any successor thereto.
6. “Displaced Person” means a person who, on account of the execution of an activity under the Project, has experienced or would experience direct economic and social impacts caused by: (a) the involuntary taking of land, resulting in: (i) relocation or loss of shelter; (ii) loss of assets or access to assets, or (iii) loss of income sources or means of livelihood, whether or not such person must move to another location; or (b) the involuntary restriction of access to legally designated parks and protected areas, resulting in adverse impacts on the livelihood of such person; and “Displaced Persons” means all such persons.
7. “Environmental and Social Management Framework” means the Borrower’s document for the Project entitled “Environmental and Social Management Framework (ESMF)” and dated February 2017, which sets forth, *inter alia*, baseline conditions, guidelines and procedures for impact assessment and preparation of mitigation measures in consultation with the stakeholders and an assessment of the needs for technical assistance, training and capacity building for their implementation; and such term includes any annexes, appendices, or

schedules to such framework as the same may be amended with the prior written agreement of the Association.

8. "Environmental and Social Management Plan" means each plan prepared by the Project Implementing Entity in accordance with the provisions of the Environmental and Social Management Framework, which sets forth mitigation, enhancement, monitoring, and institutional measures, including capacity building through training, to eliminate any adverse environmental and social impacts of activities under the Project, offset them, or reduce them to acceptable levels, or enhance positive impacts; and such term includes any annexes, appendices, or schedules to such plan as the same may be amended with the prior written agreement of the Association.
9. "General Conditions" means the "International Development Association General Conditions for Credits and Grants", dated July 31, 2010, with the modifications set forth in Section II of this Appendix.
10. "Incremental Operating Costs" means the reasonable incremental operating costs of the Project incurred by the Project Implementing Entity for purposes of Project management, implementation, and monitoring and evaluation on account of office supplies and consumables, utilities, bank charges, communications, mass media and printing services, vehicle rental, operation, maintenance, and insurance, office space rental, building and equipment maintenance, domestic and international travel, lodging, and subsistence allowances, and salaries and salary supplements of contractual and temporary staff, but excluding salaries, salary supplements and overheads of members of the Recipient's or the Project Implementing Entity's civil service.
11. "Interest Period" means the initial period from and including the date of this Agreement to but excluding the first Payment Date occurring thereafter, and after the initial period, each period from and including a Payment Date to but excluding the next following Payment Date.
12. "Karachi Metropolitan Corporation" or "KMC" means the public corporation and governing body to provide municipal services to Karachi, or any successor thereto.
13. "Karachi Transformation Steering Committee" or "KTSC" means the Project Implementing Entity's committee established by Notification of its Services, General Administration and Coordination Department, on November 8, 2016, and referred to in Section I.A of the Schedule to the Project Agreement.
14. "Partner DMC" means, collectively, District Municipal Corporation South and District Municipal Corporation Korangi, each a public corporation and governing body to provide municipal services to District South and District Korangi respectively, or any successor thereto.

15. "Planning and Development Department" means the Project Implementing Entity's Planning and Development Department, or any successor thereto.
16. "Procurement Plan" means the Recipient's procurement plan for the Project, dated March 1, 2017 and provided for under Section IV of the Procurement Regulations, as the same may be updated from time to time in agreement with the Association.
17. "Procurement Regulations" means the "World Bank Procurement Regulations for Borrowers under Investment Project Financing", dated July 1, 2016.
18. "Project Coordination Committee" or "PCC" means the Project Implementing Entity's committee, to be established in accordance with Section I.A.3 of the Schedule to the Project Agreement.
19. "Project Implementing Entity" means the Recipient's Province of Sindh, or any successor thereto.
20. "Project Implementation Unit" or "PIU" means the Project Implementing Entity's project implementation unit established by Notification of its Planning and Development Department on October 27, 2016, and referred to in Section I.A.2 of the Schedule to the Project Agreement.
21. "Project Operations Manual" means the Project Implementing Entity's document referred to in Section I.E of the Schedule to the Project Agreement.
22. "Resettlement Action Plan" means each plan prepared by the Project Implementing Entity in accordance with the provisions of the Resettlement Policy Framework, which sets forth mitigation, enhancement, monitoring, and institutional measures, including capacity building through training, to eliminate any adverse environmental and social impacts of activities under the Project, offset them, or reduce them to acceptable levels, or enhance positive impacts; and such term includes any annexes, appendices, or schedules to such plan, as the same may be amended with the prior written agreement of the Association.
23. "Resettlement Policy Framework" means the Recipient's document entitled "Resettlement Policy Framework – Karachi Neighborhood Improvement Project (KNIP)" and dated February 2017 which contains, *inter alia*, baseline conditions, guidelines and procedures for the identification of the affected people, the impact assessment and the preparation of mitigation measures in consultation with the stakeholders, the establishment of grievance redress mechanism, and measures for the monitoring and evaluation of their implementation; and such term includes any annexes, appendices, or schedules to such framework as the same may be amended with the prior written agreement of the Association.

24. "Safeguards Documents" means, collectively, the Environmental and Social Management Framework, the Environmental and Social Management Plans prepared in accordance with the Environmental and Social Management Framework, if any, the Resettlement Policy Framework, and the Resettlement Action Plans prepared in accordance with the Resettlement Policy Framework, if any.
25. "Sindh" means the Borrower's Province of Sindh.
26. "Training" means the reasonable cost of trainings, seminars and workshops, conferences and study tours, conducted in the territory of the Borrower, including: (i) the fees of training institutions and courses; (ii) domestic travel costs, lodging costs, and subsistence/per diem allowances both for trainers and trainees; (iii) the rental of training facilities; and (iv) preparation, purchase or reproduction of training materials.

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, as necessary, to reflect the modifications set forth in the paragraphs below.
2. Section 2.07 (*Refinancing Preparation Advance*) is retitled as "*Refinancing Preparation Advance; Capitalizing Front-end Fee*", amended by adding a new paragraph (b), and modified to read as follows:

"Section 2.07. *Refinancing Preparation Advance; Capitalizing Front-end Fee*

(a) If the Financing Agreement provides for the repayment out of the proceeds of the Financing of an advance made by the Bank or the Association ("Preparation Advance"), the Association shall, on behalf of the Recipient, withdraw from the Financing Account on or after the Effective Date the amount required to repay the withdrawn and outstanding balance of the advance as at the date of such withdrawal from the Financing Account and to pay all accrued and unpaid charges, if any, on the advance as at such date. The Association shall pay the amount so withdrawn to itself or the Bank, as the case may be, and shall cancel the remaining unwithdrawn amount of the advance.

(b) Except as otherwise provided in the Financing Agreement, the Association shall, on behalf of the Recipient, withdraw from the Financing Account on or after the Effective Date and pay to itself the amount of the Front-end Fee payable pursuant to Section 3.01 (a)."

3. Section 3.01 (*Commitment Charge*) is retitled as "*Front-end Fee; Commitment Charge*", amended by adding a new paragraph (a), and modified to read as follows:

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

(a) The Recipient shall pay the Association a front-end fee on the Credit amount at the rate specified in the Financing Agreement (the "Front-end Fee").

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

4. Section 3.02 (*Service Charge*) is retitled as "*Interest Charge*" and modified to read as follows:

"Section 3.02. *Interest Charge*

The Recipient shall pay the Association interest on the Withdrawn Credit Balance at the rate specified in the Financing Agreement. Interest shall accrue from the respective dates on which amounts of the Credit are withdrawn and shall be payable semi-annually in arrears on each Payment Date. Interest Charges shall be computed on the basis of a 360-day year of twelve 30-day months."

5. Section 3.03 (*Repayment of the Credit*) is modified by deleting paragraph (b) in its entirety and amending the remaining paragraph (a) to read as follows:

"Section 3.03. *Repayment of the Credit*

The Recipient shall repay the Withdrawn Credit Balance to the Association in installments as provided in the Financing Agreement."

6. In the Appendix, **Definitions**, all relevant references to Sections, numbers and paragraphs are modified, as necessary, to reflect the modifications set forth in paragraphs 1 through 5 above.

7. Paragraph 28 of the Appendix ("Financing Payment") is modified to read as follows:

"28. "Financing Payment" means any amount payable by the Recipient to the Association pursuant to the Financing Agreement or these General Conditions, including (but not limited to) any amount of the Withdrawn Credit Balance,

interest, the Front-end Fee and the Commitment Charge.”

8. A new paragraph 30 is inserted in the Appendix with the following definition of “Front-end Fee”, and the subsequent paragraphs are renumbered accordingly:

“30. “Front-end Fee” means the fee specified in the Financing Agreement for the purpose of Section 3.01 (a).”
9. A new paragraph 33 is inserted in the renumbered Appendix with the following definition of “Interest Charge”, and the subsequent paragraphs are renumbered accordingly:

“33. “Interest Charge” means the interest charge specified in the Financing Agreement for the purpose of Section 3.02.”
10. Renumbered paragraph 38 (originally paragraph 36) of the Appendix (“Payment Date”) is modified by deleting the words “Service Charges” and inserting the words “Interest Charges”.
11. Renumbered paragraph 51 (originally paragraph 49) of the Appendix (“Service Charge”) is deleted in its entirety, and the subsequent paragraphs are renumbered accordingly.