

No. 6775

**INTERNATIONAL DEVELOPMENT ASSOCIATION
and
TURKEY**

**Development Credit Agreement—*Cukurova Power Project*
(with related letter, annexed Development Credit Reg-
ulations No. 1 and Project Agreement between the
Association and Cukurova Elektrik A.S.). Signed at
Washington, on 1 February 1963**

Official text: English.

Registered by the International Development Association on 11 June 1963.

**ASSOCIATION INTERNATIONALE
DE DÉVELOPPEMENT
et
TURQUIE**

**Contrat de crédit de développement — *Projet relatif à l'é-
nergie électrique — Société Cukurova* (avec lettre y
relative et, en annexe, le Règlement n° 1 sur les crédits
de développement et le Contrat relatif au projet entre
l'Association et la Cukurova Elektrik A.S.). Signé à
Washington, le 1^{er} février 1963**

Texte officiel anglais.

Enregistré par l'Association internationale de développement le 11 juin 1963.

No. 6775. DEVELOPMENT CREDIT AGREEMENT¹
(*CUKUROVA POWER PROJECT*) BETWEEN THE RE-
PUBLIC OF TURKEY AND THE INTERNATIONAL
DEVELOPMENT ASSOCIATION. SIGNED AT WASH-
INGTON, ON 1 FEBRUARY 1963

AGREEMENT, dated February 1, 1963, between the REPUBLIC OF TURKEY (hereinafter called the Borrower) and INTERNATIONAL DEVELOPMENT ASSOCIATION (hereinafter called the Association).

WHEREAS the Borrower has requested the Association to assist the Borrower and Cukurova Elektrik A.S., a company organized under the laws of the Borrower (hereinafter called the Company), in the financing of a project described in the Schedule² to this Agreement, and

WHEREAS the Association is willing to make a development credit available on the terms and conditions provided herein and in a project agreement of even date³ herewith between the Association and the Company;

NOW THEREFORE the parties hereto hereby agree as follows :

Article I

CREDIT REGULATIONS; SPECIAL DEFINITIONS

Section 1.01 The parties to this Agreement accept all the provisions of the Development Credit Regulations No. 1 of the Association, dated June 1, 1961,³ with the same force and effect as if they were fully set forth herein, subject, however, to the following modification thereof (said Development Credit Regulations No. 1, as so modified, being hereinafter called the Regulations) :

Section 6.02. is amended by inserting the words " or the Project Agreement " after the words " the Development Credit Agreement ".

Section 1.02. Wherever used in the Development Credit Agreement, unless the context shall otherwise require, the following terms shall have the following meanings :

¹ Came into force on 24 April 1963, upon notification by the Association to the Government of Turkey.

² See p. 238 of this volume.

³ See p. 242 of this volume.

- (a) "Company" means Cukurova Elektrik A.S., a company organized under the laws of the Borrower.
- (b) "Project Agreement" means the agreement between the Company and the Association of even date herewith, providing for the carrying out of Part A of the Project.
- (c) The term "Subsidiary Loan Agreement" means the agreement between the Borrower and the Company described in Section 3.01 of this Agreement and shall include all modifications thereto.

Article II

THE CREDIT

Section 2.01. The Association agrees to make available to the Borrower, on the terms and conditions in this Agreement set forth or referred to, a development credit in an amount in various currencies equivalent to one million seven hundred thousand dollars (\$1,700,000).

Section 2.02. The Association shall open a Credit Account in the name of the Borrower and shall credit to such Credit Account the amount of the Credit. The amount of the Credit may be withdrawn from the Credit Account as provided in, and subject to the rights of cancellation and suspension set forth in, this Agreement and the Regulations.

Section 2.03. (a) The Company shall be entitled, subject to the provisions of this Agreement and the Regulations, to withdraw from the Credit Account (i) such amounts as shall have been expended for the reasonable cost of goods required for the carrying out of the Project; and (ii), if the Association shall so agree, such amounts as shall be required to meet payments to be made for the reasonable cost of such goods, provided, however, that the aggregate amount withdrawn by the Company from the Credit Account shall not exceed the equivalent of \$1,620,000 or such other amount as shall from time to time be agreed upon between the Borrower and the Association with the concurrence of the Company.

(b) The Borrower shall be entitled, subject to the provisions of this Agreement and Regulations, to withdraw from the Credit Account (i) such amount as shall have been expended for the reasonable cost of goods required for the carrying out of Part B of the Project, and (ii), if the Association shall so agree, such amounts as shall be required to meet payments to be made for the reasonable cost of such goods.

(c) Except as the Association shall otherwise agree, no withdrawals shall be made on account of (i) expenditures in the currency of the Borrower or for goods produced in (including services supplied from) the territories of the Borrower, or (ii) expenditures prior to April 1, 1962.

Section 2.04. The Borrower shall pay to the Association a service charge at the rate of three-fourths of one per cent ($\frac{3}{4}$ of 1%) per annum on the principal amount of the Credit withdrawn and outstanding from time to time. The Borrower shall also pay to the Association a service charge at the same rate on the principal amount outstanding of any special commitment entered into by the Association pursuant to Section 4.02 of the Regulations.

Section 2.05. Service charges shall be payable semi-annually on May 15 and November 15 in each year.

Section 2.06. The Borrower shall repay the principal of the Credit withdrawn from the Credit Account in semi-annual instalments payable on each May 15 and November 15 commencing May 15, 1973 and ending November 15, 2012, each instalment to and including the instalment payable on November 15, 1982 to be one-half of one per cent ($\frac{1}{2}$ of 1%) of such principal amount, and each instalment thereafter to be one and one-half per cent ($1\frac{1}{2}$ %) of such principal amount.

Article III

USE OF PROCEEDS OF CREDIT

Section 3.01. (a) The Borrower shall relend, out of the proceeds of the Credit, an amount equivalent to \$1,620,000 (or such other amount as shall from time to time be agreed upon between the Borrower and the Association with the concurrence of the Company) to the Company pursuant to a loan agreement (the Subsidiary Loan Agreement) between the Borrower and the Company, containing terms and conditions satisfactory to the Borrower, the Association and the Company.

(b) The Borrower shall cause the proceeds of the Credit (except such amounts as shall be relent to the Company in accordance with paragraph (a) of this Section) to be applied exclusively to financing the cost of goods required to carry out Part B of the Project. The specific goods to be so financed out of the proceeds of the Credit shall be determined by agreement between the Borrower and the Association, subject to modification by further agreement between them.

Article IV

PARTICULAR COVENANTS

Section 4.01. The Borrower shall carry out or cause to be carried out Part B of the Project with due diligence and efficiency and to that end shall employ competent and experienced consultants acceptable to the Association, upon terms and conditions satisfactory to the Borrower and the Association.

Section 4.02. (a) The Borrower shall furnish promptly to the Association all such information relating to Part B of the Project as the Association shall request.

(b) The Borrower shall maintain records adequate to disclose (i) the re-lending of any proceeds of the Credit to the Company in respect of Part A of the Project, and (ii) the application of the proceeds of the Credit to expenditures for Part B of the Project.

Section 4.03. (a) Except as the Association shall otherwise agree, the Borrower shall not amend, assign, abrogate or waive any provision of the Subsidiary Loan Agreement.

(b) The Borrower shall not take any action that would interfere with the performance of any obligation of the Company under the Project Agreement.

Section 4.04. (a) The Borrower and the Association shall cooperate fully to assure that the purposes of the Credit will be accomplished. To that end, each of them shall furnish to the other all such information as it shall reasonably request with regard to the general status of the Credit. On the part of the Borrower, such information shall include information with respect to financial and economic conditions in the territories of the Borrower and the international balance of payments position of the Borrower.

(b) The Borrower and the Association shall from time to time exchange views through their representatives with regard to matters relating to the purposes of the Credit and the maintenance of the service thereof. The Borrower shall promptly inform the Association of any condition which interferes with, or threatens to interfere with, the accomplishment of the purposes of the Credit or the maintenance of the service thereof.

(c) The Borrower shall afford all reasonable opportunity for accredited representatives of the Association to visit any part of the territories of the Borrower for purposes related to the Credit.

Section 4.05. The principal of, and service charges on, the Credit shall be paid without deduction for, and free from, any taxes, and free from all restrictions, imposed under the laws of the Borrower or laws in effect in its territories.

Section 4.06. This Agreement and the Project Agreement shall be free from any taxes that shall be imposed under the laws of the Borrower or laws in effect in its territories on, or in connection with, the execution, issue, delivery or registration thereof.

Section 4.07. The Borrower, as long as the Project Agreement shall not have terminated in accordance with its terms, shall grant or cause to be granted

to the Company such rates as will provide revenues sufficient: (a) to cover operating expenses, including taxes, adequate maintenance and depreciation, and interest; (b) to meet repayments on long-term indebtedness to the extent that such repayments shall exceed provision for depreciation; (c) to meet payments to the Borrower on account of exchange losses; and (d) to provide a reasonable profit.

Article V

REMEDIES OF THE ASSOCIATION

Section 5.01. (i) If any event specified in paragraph (a) or paragraph (c) of Section 5.02 of the Regulations shall occur and shall continue for a period of thirty days, or (ii) if any event specified in paragraph (b) of Section 5.02 of the Regulations or in paragraph (a), paragraph (b) or sub-paragraph (i) of paragraph (c) of Section 5.02 of this Agreement shall occur and shall continue for a period of sixty days after notice thereof shall have been given by the Association to the Borrower, then at any subsequent time the Association, at its option, may declare the principal of the Credit then outstanding to be due and payable immediately, and upon any such declaration such principal shall become due and payable immediately, anything in this Agreement to the contrary notwithstanding.

Section 5.02. For the purposes of Section 5.02 of the Regulations, the following additional events are specified:

(a) A default shall have occurred in the performance of any covenant or agreement on the part of the Borrower under the loan agreement between the Borrower and the Bank dated June 18, 1952,¹ other than a default in payment of principal or interest or any other payment required under such loan agreement or any bonds or other obligations issued thereunder.

(b) A default shall have occurred in the performance of any covenant or agreement on the part of the Company under the Project Agreement.

(c) Before the Project Agreement shall have terminated in accordance with its terms:

(i) The concession granted by the Borrower to the Company on August 26, 1953, or the protocol between the Borrower and the Company dated November 8, 1961, shall have been abrogated or terminated or any material provision of such concession or protocol shall have been modified or abrogated or waived by either party without the prior approval of the Association; or

¹ United Nations, *Treaty Series*, Vol. 159, p. 269.

- (ii) the Company shall have been unable to pay its debts as they mature or any action or proceeding shall have been taken by the Company or by others whereby any of the property of the Company shall or may be distributed among its creditors; or
- (iii) the Borrower or any other authority having jurisdiction shall have taken any action for the dissolution of the Company or for the suspension of its operations.

(d) An extraordinary situation shall have arisen which shall make it improbable that the Company will be able to perform its obligations under the Project Agreement.

Article VI

EFFECTIVE DATE; TERMINATION

Section 6.01. The following events are specified as additional conditions to the effectiveness of this Agreement within the meaning of Section 8.01 (b) of the Regulations :

(a) the execution and delivery of the Project Agreement on behalf of the Company shall have been duly authorized or ratified by all necessary corporate action;

(b) The Borrower and the Company shall have entered into the Subsidiary Loan Agreement and the execution and delivery of such Subsidiary Loan Agreement on behalf of the Borrower and the Company shall have been duly authorized or ratified by all necessary governmental and corporate action.

Section 6.02. The following are specified as additional matters, within the meaning of Section 8.02 (b) of the Regulations, to be included in the opinion or opinions to be furnished to the Association :

(a) that the Project Agreement has been duly authorized or ratified by, and executed and delivered on behalf of, the Company and constitutes a valid and binding obligation of the Company in accordance with its terms;

(b) that the Subsidiary Loan Agreement has been duly authorized or ratified by, and executed and delivered on behalf of, the Borrower and the Company and constitutes a valid and binding obligation of the Borrower and the Company in accordance with its terms.

Section 6.03. A date ninety days after the date of this Agreement is hereby specified for the purposes of Section 8.04 of the Regulations.

Article VII

MISCELLANEOUS

Section 7.01. The Closing Date shall be December 31, 1965 or such other date as may from time to time be agreed between the Borrower and the Association.

Section 7.02. The following addresses are specified for the purposes of Section 7.01 of the Regulations :

For the Borrower :

Maliye Bakanligi
Hazine Genel Müdürlüğü
ve Milletleresai Iktisadi
Isbirligi Teskilati Genel Sekreterligi
Ankara, Turkey

Alternative address for cablegrams and radiograms :

Maliye
Hazine
Ankara

For the Association :

International Development Association
1818 H Street, N.W.
Washington 25, D.C.
United States of America

Alternative address for cablegrams and radiograms :

Indevas
Washington, D.C.

Section 7.03. (a) The Minister of Finance of the Borrower is designated for the purposes of Section 7.03 of the Regulations.

(b) The Borrower irrevocably designates the Company for the purposes of taking any action required or permitted to be taken under the provisions of Section 2.03 (a) of this Agreement and Article IV of the Regulations, but only in respect of amounts expended or to be expended for Part A of the Project in accordance with the Development Credit Agreement and the Project Agreement.

Section 7.04. If any notice is given by the Association to the Borrower under the provisions of Section 5.02 and 5.03 of the Regulations, copy of the same shall be simultaneously dispatched by the Association to the Company.

IN WITNESS WHEREOF, the parties hereto acting through their representatives thereunto duly authorized, have caused this Development Credit Agreement to be signed in their respective names and delivered in the District of Columbia, United States of America, as of the day and year first above written.

The Republic of Turkey :

By Memduh AYTUR
Authorized Representative

International Development Association :

By J. Burke KNAPP
Vice President

SCHEDULE

DESCRIPTION OF THE PROJECT

The Project consists of :

PART A

The installation of a hydroelectric generating unit in space available for it in the Company's powerhouse at Seyhan Dam near Adana, together with the erection of appurtenant substation equipment, to include :

- (i) An 18 MW Francis-type vertical unit of 50-cycle frequency and operating at 13,800 volts, and appurtenant equipment including controls, pumps, and spare parts.
- (ii) An extension of the step-up substation at the powerhouse consisting of a 13,800/66,000 volt transformer with appurtenant equipment and spare parts.
- (iii) Extensions to three step-down substations consisting of one 10 MVA, 66/15 kv transformer and two 10 MVA, 66/6.3 kv transformers with cables and other appurtenant equipment.

PART B

Engineering Studies :

- (a) for a proposed thermal generating plant at Mersin, to determine, *inter alia*, whether steam or gas turbines should be used and whether cooling water should be from wells or the sea, to select optimum steam conditions, to prepare a general plant layout, and to prepare a firm estimate of costs;
- (b) for a proposed hydroelectric plant on the Kadincik River, to review existing feasibility studies in order to determine whether the proposed plan is the optimum which can be developed, whether the project is economically feasible (including a comparison with alternative thermal plants) and whether the cost estimates are adequate and reasonable.

LETTER RELATING TO THE DEVELOPMENT CREDIT AGREEMENT

TURKISH EMBASSY

Board of Counselors for Economic Affairs

WASHINGTON 8, D.C.

February 1, 1963

International Development Association
1818 H Street, N.W.
Washington 25, D.C.

Gentlemen :

Re : *Currency of Payment*

We refer to the Development Credit Agreement (Cukurova Power Project) of even date¹ between us and to Section 3.02 of the Regulations referred to therein. Pursuant to such Section we hereby request your agreement as follows :

- (i) Except as hereinafter provided, the principal amount of, and service charges on, the Credit provided for in such Agreement shall be payable in the currency of the United States of America.
- (ii) If at any time we shall desire that, commencing with a given future payment date, such principal and service charges shall be payable in an eligible currency other than that specified in (i) (or other than one designated under this clause (ii)) we shall deliver to the Association, not less than 3 nor more than 4 months prior to such payment date, a notice in writing to that effect and designating such other eligible currency, whereupon the currency so designated shall, commencing with such payment date, be the currency in which such principal and service charges shall be payable.
- (iii) If at any time the Association shall determine that a currency payable pursuant to the provisions of this letter is not an eligible currency, the Association shall so notify us in writing and furnish us with a list of eligible currencies.
- (iv) Within thirty days from the date of such notice we shall notify the Association in writing of our selection of a currency from such list in which payment shall be made, failing which the Association shall select a currency for such purpose from such list, whereupon, in either case, such principal and service charges shall, commencing with the payment date next succeeding such thirty day period, be payable in the currency so selected.
- (v) Any designation or selection of a currency pursuant to the foregoing provisions shall be subject, in turn, to the provisions of this letter.

¹ See p. 224 of this volume.

- (vi) For purposes of this letter, “eligible currency” means any currency of a member of the Association which the Association at the relevant time determines to be freely convertible or freely exchangeable by it for currencies of other members of the Association for the purposes of its operations.

Please indicate your agreement with the foregoing by signing the form of confirmation on the enclosed copy of this letter and returning it to us.

Very truly yours,

Republic of Turkey :
By Memduh AYTUR
Authorized Representative

Confirmed:

International Development
Association :
By S. R. COPE

INTERNATIONAL DEVELOPMENT ASSOCIATION

DEVELOPMENT CREDIT REGULATIONS No. 1, DATED 1 JUNE 1961

REGULATIONS APPLICABLE TO DEVELOPMENT CREDIT AGREEMENTS WITH MEMBER
GOVERNMENTS

[*Not published herein. See United Nations, Treaty Series, Vol. 415, p. 68.*]

PROJECT AGREEMENT
(*CUKUROVA POWER PROJECT*)

AGREEMENT, dated February 1, 1963, between the INTERNATIONAL DEVELOPMENT ASSOCIATION (hereinafter called the Association) and CUKUROVA ELEKTRIK A.S., a company existing under the laws of the Republic of Turkey (hereinafter called the Company).

WHEREAS by a development credit agreement of even date¹ herewith (hereinafter called the Development Credit Agreement) between Republic of Turkey (hereinafter called the Borrower) and the Association, the Association has agreed to make available to the Borrower an amount in various currencies equivalent to one million seven hundred thousands dollars (\$1,700,000), on the terms and conditions set forth in the Development Credit Agreement, but only on condition that the Company agree to undertake certain obligations to the Association as hereinafter in this Project Agreement set forth; and

¹ See p. 224 of this volume.

WHEREAS the Company, in consideration of the Association's entering into the Development Credit Agreement with the Borrower, has agreed to undertake the obligations hereinafter set forth;

NOW THEREFORE the parties hereto hereby agree as follows :

Article I

DEFINITIONS

Section 1.01. Wherever used in this Project Agreement, unless the context shall otherwise require, the several terms defined in the Development Credit Agreement shall have the respective meanings therein set forth.

Article II

PARTICULAR COVENANTS

Section 2.01. The Company shall carry out Part A of the Project¹ with due diligence and efficiency and in conformity with sound engineering and financial practices.

Section 2.02. (a) The Company shall cause the proceeds of the Credit relented by the Borrower to the Company pursuant to the Subsidiary Loan Agreement to be applied exclusively to financing the cost of goods required to carry out Part A of the Project. The specific goods to be so financed out of the proceeds of the Credit and the methods and procedures for the procurement of such goods shall be determined by agreement between the Association and the Company, subject to modification by further agreement between them.

(b) Except as the Association and the Company shall otherwise agree, the Company (i) shall use or cause to be used all goods so financed out of the proceeds of the Credit exclusively in the carrying out and operation of Part A of the Project; (ii) shall obtain title to such goods free and clear of all incumbrances; and (iii) shall not sell or dispose of any goods purchased or paid for out of the proceeds of the Credit.

Section 2.03. The Company shall duly perform all its obligations under the Subsidiary Loan Agreement. Except as the Association shall otherwise agree, the Company shall not amend, assign, abrogate or waive any provision of the Subsidiary Loan Agreement.

Section 2.04. (a) The Company shall furnish to the Association, promptly upon their preparation, the plans, specifications and the construction schedule for Part A of the Project and any material modifications subsequently made therein, in such detail as the Association shall from time to time request.

(b) The Company shall maintain or cause to be maintained records adequate to identify the goods financed out of such proceeds of the Credit as shall be relented by the Borrower to the Company, to disclose the use of such goods in Part A of the Project, to

¹ See p. 238 of this volume.

record the progress of Part A of the Project (including the cost thereof) and to reflect in accordance with consistently maintained sound utility accounting practices the operations and financial condition of the Company; shall enable the Association's representatives to inspect Part A of the Project, the goods and any relevant records and documents and all other plants, sites, works, properties and equipment of the Company; and shall furnish to the Association all such information as the Association shall reasonably request concerning the expenditure of the proceeds of the Credit relented by the Borrower to the Company, Part A of the Project, the goods, and the operations and financial condition of the Company.

Section 2.05. (a) The Company and the Association shall cooperate fully to assure that the purposes of the Credit will be accomplished. To that end, each of them shall furnish to the other all such information as it shall reasonably request.

(b) The Company and the Association shall from time to time exchange views through their representatives with regard to matters relating to the purposes of the Credit. The Company shall promptly inform the Association of any condition which interferes with, or threatens to interfere with, the accomplishment of the purposes of the Credit or the performance by the Company of its obligations under this Project Agreement, or which shall increase or threaten to increase materially the estimated cost of Part A of the Project.

Section 2.06. The Company shall insure or cause to be insured with responsible insurers all imported goods financed out of the proceeds of the Credit. Such insurance shall cover such marine, transit and other hazards incident to purchase and importation of such goods into the territories of the Borrower and delivery thereof to the site of the Project, and shall be for such amounts, as shall be consistent with sound commercial practices. Such insurance shall be payable in the currency in which the cost of the goods insured thereunder shall be payable or in any convertible currency.

Section 2.07. (a) The Company shall at all times maintain its existence and right to carry on operations and shall, except as the Association shall otherwise agree, take all steps necessary to maintain and renew all rights, powers, privileges and franchises which are necessary or useful in the conduct of its business.

(b) The Company shall (i) operate and maintain all its plants, equipment and property and from time to time make all necessary renewals and repairs thereof, all in accordance with sound engineering and public utility practices; (ii) at all times manage its affairs, operate its plants and equipment and maintain its financial position in accordance with sound business and public utility practices and (iii) take out and maintain insurance against such risks and in such amounts as shall be consistent with sound business and public utility practices.

(c) Except as the Association shall otherwise agree, the Company shall not sell, lease, transfer or assign any of its property or assets, except in the normal course of its business.

Section 2.08. Except as the Association shall otherwise agree, the Company shall not incur any indebtedness if after the incurrence of any such indebtedness the net income of the Company for the fiscal year next preceding such incurrence or for a later consecutive twelve-month period, whichever net income is the greater, shall be less than one and three-quarters times the estimated maximum interest payments and other charges (including additional interest owed on account of exchange losses, if any) for any succeeding fiscal year on all indebtedness, including the indebtedness proposed to be incurred. For the purposes of this Section :

(a) the term " indebtedness " shall include the assumption and guarantee of indebtedness and shall mean all indebtedness of the Company maturing by its terms more than one year after the date of its incurrence;

(b) indebtedness shall be deemed to be incurred on the day such indebtedness becomes outstanding and repayable in accordance with the loan contract or agreement providing therefor;

(c) the term " net income " shall mean gross income from all sources, adjusted to take account of electricity rates in effect at the time of the incurrence of indebtedness even though such rates were not in effect during the fiscal year or twelve-month period to which such income relates, less all operating and administrative expenses, including provision for all taxes other than income taxes and for depreciation of assets but before provision for interest and other charges on indebtedness and income taxes;

(d) whenever for the purposes of this Section it shall be necessary to value, in terms of the currency of the Borrower, indebtedness payable in another currency, such valuation shall be made on the basis of the prevailing rate of exchange at which such other currency is, at the time of such valuation, lawfully obtainable for the purposes of servicing such indebtedness.

Section 2.09. The Company shall take all steps necessary or desirable to obtain and maintain such rates as will provide revenues sufficient : (a) to cover operating expenses, including taxes, adequate maintenance and depreciation, and interest; (b) to meet repayments on long-term indebtedness to the extent that such repayments shall exceed provision for depreciation; (c) to meet payments to the Borrower on account of exchange losses; and (d) to provide a reasonable profit.

Article III

EFFECTIVE DATE; TERMINATION

Section 3.01. This Project Agreement shall come into force and effect on the Effective Date. If, pursuant to Section 8.04 of the Regulations, the Association shall terminate the Development Credit Agreement, the Association shall promptly notify the Company thereof and, upon the giving of such notice, this Project Agreement and all obligations of the parties hereunder shall forthwith cease and determine.

Section 3.02. This Project Agreement shall terminate and all obligations of the Association and the Company hereunder shall cease and determine on the date on which the Subsidiary Loan Agreement shall terminate in accordance with its terms.

Article IV

MISCELLANEOUS PROVISIONS

Section 4.01. Any notice, demand or request required or permitted to be given or made under this Project Agreement and any agreement between the parties contemplated by this Project Agreement shall be in writing. Such notice or request shall be deemed to have been duly given or made when it shall be delivered by hand or by mail, telegram, cable or radiogram to the party to which it is required or permitted to be given or made at its address hereinafter specified, or at such other address as such party shall have designated by notice to the party giving such notice or making such request.

The addresses so specified are :

(a) For the Association :

International Development Association
1818 H Street, N.W.
Washington 25, D.C.
United States of America

Alternative address for cablegrams and radiograms :

Indevas
Washington, D.C.

(b) For the Company :

Cukurova Elektrik A.S.
P.K. 239
Adana
Turkey

Alternative address for cablegrams and radiograms :

Hidroelektrik
Adana

Section 4.02. Any action required or permitted to be taken, and any documents required or permitted to be executed, under this Project Agreement or the Development Credit Agreement on behalf of the Company may be taken or executed by the Chairman of the Board of Directors of the Company or such other person or persons as he shall designate in writing.

Section 4.03. The Company shall furnish to the Association sufficient evidence of the authority of the person or persons who will, on behalf of the Company, take any action or execute any documents required or permitted to be taken or executed by the Company pursuant to any of the provisions of the Development Credit Agreement or this Project Agreement and the authenticated specimen signature of each such person.

Section 4.04. This Project Agreement may be executed in several counterparts, each of which shall be an original and all collectively but one instrument.

IN WITNESS WHEREOF the parties hereto have caused this Project Agreement to be signed in their respective names by their representatives thereunto duly authorized and delivered in the District of Columbia, United States of America, as of the day and year first above written.

International Development Association :

By J. Burke KNAPP
Vice President

Cukurova Elektrik A.S. :

By Memduh AYTUR
Authorized Representative
