

No. 7182

---

**INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT  
and  
MEXICO**

**Guarantee Agreement—*Second Road Project* (with annexed  
Loan Regulations No. 4 and Loan Agreement between  
the Bank and Nacional Financiera, S.A.) Signed at  
Washington, on 20 September 1963**

*Official text: English.*

*Registered by the International Bank for Reconstruction and Development on  
24 March 1964.*

---

**BANQUE INTERNATIONALE POUR  
LA RECONSTRUCTION ET LE DÉVELOPPEMENT  
et  
MEXIQUE**

**Contrat de garantie — *Deuxième projet relatif au réseau  
routier* (avec, en annexe, le Règlement n° 4 sur les  
emprunts et le Contrat d'emprunt entre la Banque et  
la Nacional Financiera, S.A.). Signé à Washington,  
le 20 septembre 1963**

*Texte officiel anglais.*

*Enregistré par la Banque internationale pour la reconstruction et le développement  
le 24 mars 1964.*

No. 7182. GUARANTEE AGREEMENT<sup>1</sup> (*SECOND ROAD PROJECT*) BETWEEN THE UNITED MEXICAN STATES AND THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT. SIGNED AT WASHINGTON, ON 20 SEPTEMBER 1963

---

AGREEMENT, dated September 20, 1963, between UNITED MEXICAN STATES (hereinafter called the Guarantor) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank).

WHEREAS by an agreement of even date herewith between the Bank and Nacional Financiera, S. A., (hereinafter called the Borrower), which agreement and the schedules therein referred to are hereinafter called the Loan Agreement,<sup>2</sup> the Bank has agreed to make to the Borrower a loan in various currencies equivalent to forty million dollars (\$40,000,000), on the terms and conditions set forth in the Loan Agreement, but only on condition that the Guarantor agree to enter into this Agreement; and

WHEREAS the Guarantor, in consideration of the Bank's entering into the Loan Agreement has agreed to enter into this Agreement;

NOW THEREFORE the parties hereto hereby agree as follows :

*Article I*

*Section 1.01.* The parties to this Guarantee Agreement accept all the provisions of Loan Regulations No. 4 of the Bank dated February 15, 1961,<sup>3</sup> subject, however, to the modifications thereof set forth in Section 1.01 of the Loan Agreement (said Loan Regulations No. 4 as so modified being herein after called the Loan Regulations), with the same force and effect as if they were fully set forth herein.

*Section 1.02.* Wherever used in this Guarantee Agreement, unless the context otherwise requires, the several terms defined in Section 1.02 of the Loan Agreement shall have the respective meanings therein set forth.

---

<sup>1</sup> Came into force on 8 January 1964, upon notification by the Bank to the Government of Mexico.

<sup>2</sup> See p. 330 of this volume.

<sup>3</sup> See p. 328 of this volume.

## Article II

*Section 2.01.* Without limitation or restriction upon any of the other covenants on its part in this Agreement contained, the Guarantor hereby unconditionally guarantees, as primary obligor and not as surety merely, the due and punctual payment of the principal of, and the interest and other charges on, the Loan, the principal of and interest on the Bonds, and the premium, if any, on the prepayment of the Loan or the redemption of the Bonds, all as set forth in the Loan Agreement and in the Bonds.

## Article III

*Section 3.01.* (a) The Guarantor shall cause the Project described in Schedule 1<sup>1</sup> to this Agreement to be carried out with due diligence and efficiency and in conformity with sound engineering and financial practices.

(b) The Guarantor shall cause priority to be given, in its road construction program, to the construction of the roads included in the Project, and, to that end, shall, if necessary to accomplish the prompt and diligent construction of such roads, cause such revisions in the construction schedules for other parts of that program to be made as may be required.

(c) The list of roads to be included in the Project shall be determined from time to time by agreement between the Guarantor (acting through its *Secretario de Obras Públicas*) and the Bank, subject to modification by further agreement between them.

(d) Except as the Bank shall otherwise agree, the Guarantor shall cause the roads included in the Project to be constructed or reconstructed by contractors satisfactory to the Guarantor and the Bank under contracts providing for construction or reconstruction of such roads.

(e) The general design standards and the types of surfacing (including pavement) to be used for the roads included in the Project shall be as determined by agreement between the Guarantor (acting through its *Secretario de Obras Públicas*) and the Bank, subject to modification by further agreement between them.

(f) Upon request from time to time by the Bank, the Guarantor shall promptly furnish or cause to be furnished to the Bank the plans, specifications and work schedules for the Project and any material modifications subsequently made therein, in such detail as the Bank shall request.

(g) The Guarantor shall at all times make available promptly as needed all sums which shall be required for the carrying out of the Project.

---

<sup>1</sup> See p. 328 of this volume.

(h) Except as the Guarantor and the Bank shall otherwise agree, the Guarantor shall cause all goods financed out of the proceeds of the Loan to be used in the territories of the Guarantor exclusively in the carrying out of the Project.

*Section 3.03.* (a) The Guarantor and the Bank shall co-operate fully to assure that the purposes of the Loan will be accomplished. To that end, the Guarantor and the Bank shall from time to time, at the request of either party, exchange views through their representatives with regard to the performance by the Guarantor of its obligations under the Guarantee Agreement, the administration, operations and financial condition with respect to the Project of the agency or agencies of the Guarantor responsible for the carrying out of the Project or any part thereof, and other matters relating to the purposes of the Loan.

(b) The Guarantor shall furnish or cause to be furnished to the Bank all such information as the Bank shall reasonably request concerning the expenditure of the proceeds of the Loan, the goods financed out of such proceeds, the Project, and the administration, operations and financial condition with respect to the Project of the agency or agencies of the Guarantor responsible for the carrying out of the Project or any part thereof.

(c) The Guarantor shall promptly inform the Bank of any condition which interferes with, or threatens to interfere with, the accomplishment of the purposes of the Loan, the maintenance of the service thereof or the performance by the Guarantor of its obligations under the Guarantee Agreement. On the part of the Guarantor, such information shall include information with respect to financial and economic conditions in the territories of the Guarantor and the international balance of payments position of the Guarantor.

(d) The Guarantor shall afford all reasonable opportunity for accredited representatives of the Bank to visit any part of the territories of the Borrower for purposes related to the Loan.

*Section 3.04.* The Guarantor shall maintain or cause to be maintained records adequate to identify the goods financed out of the proceeds of the Loan, to disclose the use thereof in the Project, to record the progress of the Project (including the cost thereof) and to reflect in accordance with consistently maintained sound accounting practices the operations and financial condition with respect to the Project of the agency or agencies of the Guarantor responsible for the carrying out of the Project or any part thereof, and shall enable the Bank's representatives to inspect the Project, the goods financed out of the proceeds of the Loan, all other road construction and maintenance works, equipment, properties and facilities of the Guarantor and any relevant records and documents.

*Section 3.05.* It is the mutual intention of the Guarantor and the Bank that no other external debt shall enjoy any priority over the Loan by way of a lien on governmental assets. To that end, the Guarantor undertakes that, except as the Bank shall otherwise agree, if any lien shall be created on any assets of the Guarantor as security for any external debt, such lien will *ipso facto* equally and ratably secure the payment of the principal of, and interest and other charges on, the Loan and the Bonds, and that in the creation of any such lien express provision will be made to that effect; provided, however, that the foregoing provisions of this Section shall not apply to: (i) any lien created on property, at the time of purchase thereof, solely as security for the payment of the purchase price of such property or (ii) any lien arising in the ordinary course of banking transactions and securing a debt maturing not more than one year after its date.

As used in this Section (a) the term "assets of the Guarantor" includes assets of the Guarantor or of any of its political subdivisions or of any Agency and (b) the term "Agency" means any agency or instrumentality of the Guarantor or of any political subdivision of the Guarantor and shall include any institution or organization which is owned or controlled directly or indirectly by the Guarantor or by any political subdivision of the Guarantor or the operations of which are conducted primarily in the interest of or for account of the Guarantor or any political subdivision of the Guarantor.

*Section 3.06.* The principal of, and interest and other charges on, the Loan and the Bonds shall be paid without deduction for, and free from, any taxes imposed under the laws of the Guarantor or laws in effect in its territories; provided, however, that the provisions of this Section shall not apply to taxation of, or fees upon, payments under any Bond to a holder thereof other than the Bank when such Bond is beneficially owned by an individual or corporate resident of the Guarantor.

*Section 3.07.* This Agreement, the Loan Agreement and the Bonds shall be free from any taxes that shall be imposed under the laws of the Guarantor or laws in effect in its territories on or in connection with the execution, issue, delivery or registration thereof.

*Section 3.08.* The principal of, and interest and other charges on, the Loan and the Bonds shall be paid free from all restrictions imposed under the laws of the Guarantor or laws in effect in its territories.

*Section 3.09.* The Guarantor shall satisfy the Bank that adequate arrangements have been made to insure the goods financed out of the proceeds of the Loan against risks incident to their purchase and importation into the territories of, and delivery to, the Guarantor.

*Section 3.10.* (a) The Guarantor shall cause all the roads and bridges of the Federal highway system of the Guarantor to be adequately maintained and shall cause all necessary repairs thereof promptly to be made, all in accordance with sound engineering practices, and shall take all reasonable steps necessary to ensure the proper use of such roads and bridges.

(b) The Guarantor shall cause all its road maintenance equipment to be adequately maintained and all necessary repairs and renewals thereof to be made and suitable workshops to be provided and maintained for that purpose.

#### *Article IV*

*Section 4.01.* The Guarantor shall endorse, in accordance with the provisions of the Loan Regulations, its guarantee on the Bonds to be executed and delivered by the Borrower. Nacional Financiera, S. A. and such person or persons as it shall designate in writing are designated as the authorized representatives of the Guarantor for the purposes of Section 6.12 (b) of the Loan Regulations.

#### *Article V*

*Section 5.01.* The following addresses are specified for the purposes of Section 8.01 of the Loan Regulations :

For the Guarantor :

Secretario de Obras Públicas  
Xola y Ave. Universidad  
México 13, D.F., México

Alternative address for cablegrams and radiograms :

Secretaría Obras Públicas  
México, D.F.

For the Bank :

International Bank for Reconstruction and Development  
1818 H Street, N.W.  
Washington 25, D.C.  
United States of America

Alternative address for cablegrams and radiograms :

Intbafrad  
Washington, D.C.

*Section 5.02.* The *Secretario de Obras Públicas* of the Guarantor is designated for the purposes of Section 8.03 of the Loan Regulations.

IN WITNESS WHEREOF, the parties hereto, acting through their representatives thereunto duly authorized, have caused this Guarantee 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.

United Mexican States  
by Nacional Financiera, S. A. :  
by Raul MARTINEZ OSTOS  
Authorized Representative

International Bank for Reconstruction and Development :  
by J. Burke KNAPP  
Vice President

## SCHEDULE 1

### DESCRIPTION OF THE PROJECT

1. The Project consists of :
  - (a) construction and completion of construction of new roads, and reconstruction of existing roads, all such roads being part of the Federal highway system of the Guarantor. The roads to be constructed, completed and reconstructed total about 6,650 kilometers. This part of the Project includes the necessary drainage works and bridge structures; and
  - (b) acquisition and utilization of : (i) maintenance equipment for the maintenance of roads of the Federal highway system of the Guarantor; and (ii) laboratory equipment for design and scientific control of road construction and maintenance.
2. The Project will be carried out under the supervision of the Secretaría de Obras Públicas of the Guarantor and is expected to be completed by the middle of 1966.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

LOAN REGULATIONS No. 4, DATED 15 FEBRUARY 1961

REGULATIONS APPLICABLE TO LOANS MADE BY THE BANK TO BORROWERS OTHER THAN  
MEMBER GOVERNMENTS

[*Not published herein. See United Nations, Treaty Series, Vol. 400, p. 212.*]

LOAN AGREEMENT  
(SECOND ROAD PROJECT)

AGREEMENT, dated September 20, 1963, between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank) and NACIONAL FINANCIERA, S.A. (hereinafter called the Borrower).

*Article I*

LOAN REGULATIONS; DEFINITIONS

*Section 1.01.* The parties to this Loan Agreement accept all the provisions of Loan Regulations No. 4 of the Bank dated February 15, 1961,<sup>1</sup> with the same force and effect as if they were fully set forth herein, subject, however, to the following modifications thereof (said Loan Regulations No. 4 as so modified being hereinafter called the Loan Regulations):

(a) The second sentence of Section 3.02 of the Loan Regulations shall apply only to withdrawals pursuant to subsection (b) of Section 2.03 of this Agreement.

(b) Section 4.01 of the Loan Regulations is deleted.

(c) Paragraph 11 of Section 10.01 shall read as follows:

“The term ‘Project’ means the project or projects or program or programs for which the Loan is granted, as described in Schedule I<sup>1</sup> to the Guarantee Agreement and as the description thereof shall be amended from time to time by agreement between the Guarantor and the Bank.”

*Section 1.02.* Wherever used in the Loan Agreement, unless the context otherwise requires, the following terms shall have the following meanings:

(a) The term “First Loan Agreement” means the Loan Agreement dated October 18, 1960,<sup>2</sup> between the Bank and the Borrower.

(b) The term “First Guarantee Agreement” means the Guarantee Agreement dated October 18, 1960,<sup>2</sup> between the Guarantor and the Bank.

*Article II*

THE LOAN

*Section 2.01.* The Bank agrees to lend to the Borrower, on the terms and conditions in this Agreement set forth or referred to, an amount in various currencies equivalent to forty million dollars (\$40,000,000).

*Section 2.02.* The Bank shall open a Loan Account on its books in the name of the Borrower and shall credit to such Account the amount of the Loan. The amount of the Loan may be withdrawn from the Loan Account as provided in, and subject

<sup>1</sup> See p. 328 of this volume.

<sup>2</sup> United Nations, *Treaty Series*, Vol. 422, p. 177.



to the rights of cancellation and suspension set forth in, this Agreement and the Loan Regulations.

*Section 2.03.* Except as the Bank shall otherwise agree, the Borrower shall be entitled, subject to the provisions of this Agreement and the Loan Regulations, to withdraw from the Loan Account :

- (a) the equivalent of a percentage or percentages to be established from time to time by agreement between the Guarantor (acting through its *Secretario de Obras Públicas*), the Bank and the Borrower of such amounts as shall have been paid for the reasonable cost of goods required for carrying out part (a) of the Project, such percentage or percentages to represent the foreign exchange component of such cost; and
- (b) such amounts as shall have been expended (other than for local currency expenditures) for the reasonable cost of equipment to be financed under this Agreement and, if the Bank shall so agree, such amounts as shall be required by the Borrower to meet payments for such equipment;

provided, however, that no withdrawals shall be made on account of : (i) expenditures prior to January 1, 1963; or (ii) expenditures made in the territories of any country (except Switzerland) which is not a member of the Bank or for goods produced in (including services supplied from) such territories.

As used in this Section, the term " local currency expenditures " means expenditures in the currency of the Guarantor or for goods produced in (including services supplied from) the territories of the Guarantor.

*Section 2.04.* Withdrawals from the Loan Account pursuant to subsection (a) of Section 2.03 of this Agreement shall be in dollars or such other currency or currencies as the Bank shall from time to time reasonably select.

*Section 2.05.* The Borrower shall pay to the Bank a commitment charge at the rate of three-fourths of one per cent ( $\frac{3}{4}$  of 1%) per annum on the principal amount of the Loan not so withdrawn from time to time.

*Section 2.06.* The Borrower shall pay interest at the rate of five and one-half per cent ( $5\frac{1}{2}\%$ ) per annum on the principal amount of the Loan so withdrawn and outstanding from time to time.

*Section 2.07.* Except as the Borrower and the Bank shall otherwise agree, the charge payable for special commitments entered into by the Bank at the request of the Borrower pursuant to Section 4.02 of the Loan Regulations shall be at the rate of one-half of one per cent ( $\frac{1}{2}$  of 1%) per annum on the principal amount of any such special commitments outstanding from time to time.

*Section 2.08.* Interest and other charges shall be payable semi-annually on April 1 and October 1 in each year.

*Section 2.09.* The Borrower shall repay the principal of the Loan in accordance with the amortization schedule set forth in Schedule 1<sup>1</sup> to this Agreement.

<sup>1</sup> See p. 328 of this volume.

*Article III*

## USE OF PROCEEDS OF THE LOAN

*Section 3.01.* Subject to the provisions of this Agreement, the Borrower shall cause the proceeds of the Loan to be applied exclusively to financing the cost of goods required to carry out the Project. The specific goods to be financed out of the proceeds of the Loan and the methods and procedures for procurement of such goods shall be determined by agreement between the Guarantor (acting through its *Secretario de Obras Públicas*), the Bank and the Borrower, subject to modification by further agreement between them.

*Article IV*

## BONDS

*Section 4.01* The Borrower shall execute and deliver Bonds representing the principal amount of the Loan as provided in the Loan Regulations.

*Section 4.02.* The *Director General* of the Borrower and such person or persons as he shall appoint in writing are designated as authorized representatives of the Borrower for the purposes of Section 6.12 of the Loan Regulations.

*Article V*

## PARTICULAR COVENANTS

*Section 5.01.* The Borrower shall make with the Guarantor arrangements satisfactory to the Bank providing for the transfer of the proceeds of the Loan from the Borrower to the Guarantor.

*Section 5.02.* (a) The Bank and the Borrower shall co-operate fully to assure that the purposes of the Loan will be accomplished. To that end, the Bank and the Borrower shall from time to time, at the request of either party, exchange views through their representatives with regard to the performance by the Borrower of its obligations under the Loan Agreement and other matters relating to the purposes of the Loan.

(b) The Borrower shall promptly inform the Bank of any condition which interferes with, or threatens to interfere with, the accomplishment of the purposes of the Loan, the maintenance of the service thereof or the performance by the Borrower of its obligations under the Loan Agreement.

(c) The Borrower shall : (i) maintain or cause to be maintained records adequate to reflect in accordance with consistently maintained sound accounting practices the operations and financial condition of the Borrower; (ii) enable the Bank's representatives to inspect any relevant records and documents; and (iii) furnish or cause to be furnished to the Bank all such information as the Bank shall reasonably request concerning the expenditure of the proceeds of the Loan and the operations and financial condition of the Borrower.

*Section 5.03.* The Borrower undertakes that, except as the Bank shall otherwise agree, if any lien shall be created on any assets of the Borrower as security for any external debt, such lien will *ipso facto* equally and ratably secure the payment of the principal of, and interest and other charges on, the Loan and the Bonds, and that in the creation of any such lien express provision will be made to that effect; provided, however, that the foregoing provisions of this Section shall not apply to : (i) any lien created on property, at the time of purchase thereof, solely as security for the payment of the purchase price of such property or (ii) any lien arising in the ordinary course of banking transactions and securing a debt maturing not more than one year after its date.

*Section 5.04.* The Borrower shall pay or cause to be paid all taxes, if any, imposed under the laws of the Guarantor or laws in effect in the territories of the Guarantor on or in connection with the execution, issue, delivery or registration of this Agreement, the Guarantee Agreement or the Bonds, or the payment of principal, interest or other charges thereunder; provided, however, that the provisions of this Section shall not apply to taxation of, or fees upon, payments under any Bond to a holder thereof other than the Bank when such Bond is beneficially owned by an individual or corporate resident of the Guarantor.

*Section 5.05.* The Borrower shall pay or cause to be paid all taxes, if any, imposed under the laws of the country or countries in whose currency the Loan and the Bonds are payable or laws in effect in the territories of such country or countries on or in connection with the execution, issue, delivery or registration of this Agreement, the Guarantee Agreement or the Bonds.

## Article VI

### REMEDIES OF THE BANK

*Section 6.01.* (i) If any event specified in paragraph (a), paragraph (b), paragraph (e) or paragraph (f) of Section 5.02 of the Loan Regulations shall occur and shall continue for a period of thirty days, or (ii) if any event specified in paragraph (c) of Section 5.02 of the Loan Regulations or in Section 6.02 of this Agreement for the purposes of paragraph (j) of Section 5.02 of the Loan Regulations shall occur and shall continue for a period of sixty days after notice thereof shall have been given by the Bank to the Borrower, then at any subsequent time during the continuance thereof, the Bank, at its option, may declare the principal of the Loan and of all the Bonds 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 or in the Bonds to the contrary notwithstanding.

*Section 6.02.* (a) The following event is specified for the purposes of paragraph (j) of Section 5.02 of the Loan Regulations : a default shall have occurred in the performance of any other covenant or agreement on the part of the Borrower or the Guarantor under the First Loan Agreement, the First Guarantee Agreement, or the bonds provided for therein.

(b) For the purposes of the First Loan Agreement, paragraph (c) of Section 5.02 of the Loan Regulations of the Bank dated June 15, 1956,<sup>1</sup> is hereby amended to read as follows :

“(c) A default shall have occurred in the performance of any other covenant or agreement on the part of the Borrower or the Guarantor under the Loan Agreement, the Guarantee Agreement, or the Bonds, or under the loan agreement dated September 20, 1963, the guarantee agreement of even date therewith, or the bonds therein provided for.”;

and the term “ Loan Regulations ” as used for the purposes of the First Loan Agreement shall mean Loan Regulations No. 4 of the Bank, dated June 15, 1956, as modified by the First Loan Agreement and as further amended hereby.

### Article VII

#### EFFECTIVE DATE; TERMINATION

*Section 7.01.* The following event is specified as an additional condition to the effectiveness of this Agreement within the meaning of Section 9.01 (c) of the Loan Regulations : the arrangements referred to in Section 5.01 of this Agreement, in terms satisfactory to the Bank, have been made.

*Section 7.02.* The following is specified as an additional matter, within the meaning of Section 9.02 (c) of the Loan Regulations, to be included in the opinion or opinions to be furnished to the Bank : that the arrangements referred to in Section 5.01 of this Agreement are valid and are binding on the Guarantor and the Borrower.

*Section 7.03.* A date 60 days after the date of this Agreement is hereby specified for the purposes of Section 9.04 of the Loan Regulations.

### Article VIII

#### MISCELLANEOUS

*Section 8.01.* The Closing Date in respect of amounts of the Loan for part (a) of the Project shall be June 30, 1967, and the Closing Date in respect of amounts of the Loan for part (b) of the Project shall be April 1, 1965, or such other date or dates as shall be agreed by the Bank and the Borrower as the Closing Date.

*Section 8.02.* The following addresses are specified for the purposes of Section 8.01 of the Loan Regulations :

For the Borrower :

Nacional Financiera, S.A.  
Avenida Venustiano Carranza 25  
Mexico 1, S.D., Mexico

Alternative address for cablegrams and radiograms :

Nafin  
Mexico City

<sup>1</sup> United Nations, *Treaty Series*, Vol. 260, p. 376.

For the Bank :

International Bank for Reconstruction and Development  
1818 H Street, N.W.  
Washington 25, D.C.  
United States of America

Alternative address for cablegrams and radiograms :

Intbafrad  
Washington, D.C.

IN WITNESS WHEREOF, the parties hereto, acting through their representatives thereunto duly authorized, have caused this Loan 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.

International Bank for Reconstruction and Development :

By J. Burke KNAPP  
Vice President

Nacional Financiera, S.A. :

By Raul MARTINEZ OSTOS  
Authorized Representative

## SCHEDULE 1

### AMORTIZATION SCHEDULE

<i>Date Payment Due</i>	<i>Payment of Principal (expressed in dollars) *</i>	<i>Date Payment Due</i>	<i>Payment of Principal (expressed in dollars) *</i>
April 1, 1965 . . . . .	\$ 750,000	April 1, 1975 . . . . .	\$860,000
October 1, 1965 . . . . .	770,000	October 1, 1975 . . . . .	880,000
April 1, 1966 . . . . .	790,000	April 1, 1976 . . . . .	905,000
October 1, 1966 . . . . .	815,000	October 1, 1976 . . . . .	930,000
April 1, 1967 . . . . .	835,000	April 1, 1977 . . . . .	955,000
October 1, 1967 . . . . .	1,430,000	October 1, 1977 . . . . .	985,000
April 1, 1968 . . . . .	1,475,000	April 1, 1978 . . . . .	1,010,000
October 1, 1968 . . . . .	1,510,000	October 1, 1978 . . . . .	1,040,000
April 1, 1969 . . . . .	1,550,000	April 1, 1979 . . . . .	1,065,000
October 1, 1969 . . . . .	1,600,000	October 1, 1979 . . . . .	1,095,000
April 1, 1970 . . . . .	655,000	April 1, 1980 . . . . .	1,125,000
October 1, 1970 . . . . .	675,000	October 1, 1980 . . . . .	1,160,000
April 1, 1971 . . . . .	690,000	April 1, 1981 . . . . .	1,190,000
October 1, 1971 . . . . .	710,000	October 1, 1981 . . . . .	1,220,000
April 1, 1972 . . . . .	730,000	April 1, 1982 . . . . .	1,255,000
October 1, 1972 . . . . .	750,000	October 1, 1982 . . . . .	1,290,000
April 1, 1973 . . . . .	770,000	April 1, 1983 . . . . .	1,325,000
October 1, 1973 . . . . .	790,000	October 1, 1983 . . . . .	1,365,000
April 1, 1974 . . . . .	815,000	April 1, 1984 . . . . .	1,400,000
October 1, 1974 . . . . .	835,000		

\* To the extent that any part of the Loan is repayable in a currency other than dollars (see Loan Regulations, Section 3.03), the figures in this column represent dollar equivalents determined as for purposes of withdrawal.

## PREMIUMS ON PREPAYMENT AND REDEMPTION

The following percentages are specified as the premiums payable on repayment in advance of maturity of any part of the principal amount of the Loan pursuant to Section 2.05 (b) of the Loan Regulations or on the redemption of any Bond prior to its maturity pursuant to Section 6.16 of the Loan Regulations :

<i>Time of Prepayment or Redemption</i>	<i>Premium</i>
Not more than three years before maturity . . . . .	$\frac{1}{2}$ of 1%
More than three years but not more than six years before maturity . . . . .	1 $\frac{1}{2}$ %
More than six years but not more than eleven years before maturity . . . . .	2 $\frac{1}{2}$ %
More than eleven years but not more than sixteen years before maturity . . . . .	3 $\frac{1}{2}$ %
More than sixteen years but not more than eighteen years before maturity . . . . .	4 $\frac{1}{2}$ %
More than eighteen years before maturity . . . . .	5 $\frac{1}{2}$ %

---