

No. 9946

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

**Guarantee Agreement—*Second Power Distribution Project*
(with annexed General Conditions Applicable to Loan
and Guarantee Agreements and Loan Agreement
between the Bank and the Public Utilities Board of
Singapore). Signed at Washington on 25 April 1969**

Authentic text : English.

*Registered by the International Bank for Reconstruction and Development
on 13 October 1969.*

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

**Contrat de garantie — *Deuxième projet relatif à la
distribution d'énergie électrique* (avec, en annexe,
les Conditions générales applicables aux contrats
d'emprunt et de garantie et le Contrat d'emprunt
entre la Banque et le Public Utilities Board de
Singapour). Signé à Washington le 25 avril 1969**

Texte authentique : anglais.

*Enregistré par la Banque internationale pour la reconstruction et le développe-
ment le 13 octobre 1969.*

GUARANTEE AGREEMENT¹

AGREEMENT, dated April 25, 1969, between REPUBLIC OF SINGAPORE (hereinafter called the Guarantor) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank).

WHEREAS by the Loan Agreement² of even date herewith between the Bank and the Public Utilities Board, Singapore (hereinafter called the Borrower) the Bank has agreed to make to the Borrower a loan in various currencies equivalent to twenty million five hundred thousand dollars (\$20,500,000), on the terms and conditions set forth in the Loan Agreement, but only on condition that the Guarantor agree to guarantee the obligations of the Borrower in respect of such loan as hereinafter provided; and

WHEREAS the Guarantor, in consideration of the Bank's entering into the Loan Agreement with the Borrower, has agreed so to guarantee such obligations of the Borrower;

NOW THEREFORE the parties hereto hereby agree as follows :

Article I

Section 1.01. The parties to this Agreement accept all the provisions of the General Conditions Applicable to Loan and Guarantee Agreements of the Bank dated January 31, 1969,² with the same force and effect as if they were fully set forth herein (said General Conditions Applicable to Loan and Guarantee Agreements being hereinafter called the General Conditions).

Section 1.02. Wherever used in this Agreement, unless the context otherwise requires, the several terms defined in the General Conditions have the respective meanings therein set forth.

Article II

Section 2.01. Without limitation or restriction upon any of its other obligations under this Guarantee Agreement, the Guarantor hereby unconditionally guarantees, as primary obligor and not as surety merely, the due

¹ Came into force on 17 June 1969 upon notification by the Bank to the Government of Singapore.

² See p. 194 of this volume.

and punctual payment of the principal of, and interest and other charges on, the Loan and the Bonds, the premium, if any, on the prepayment of the Loan or the redemption of the Bonds prior to their maturity and the punctual performance of all the obligations of the Borrower, all as set forth in the Loan Agreement and in the Bonds.

Section 2.02. Without limitation or restriction upon the provisions of Section 2.01 of this Agreement, the Guarantor specifically undertakes, whenever there is reasonable cause to believe that the funds available to the Borrower will be inadequate to meet the estimated expenditures required for the carrying out of the Project, to make arrangements, satisfactory to the Bank, promptly to provide the Borrower or cause the Borrower to be provided with such funds as are needed to meet such expenditures.

Article III

Section 3.01. 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; and (ii) any lien arising in the ordinary course of banking transactions and securing a debt maturing not more than one year after its date.

The term "assets of the Guarantor" as used in this Section includes assets of the Guarantor or of the Board of Commissioners of Currency, Singapore, or of any statutory authority established by the Guarantor or of any agency of the foregoing, or of any central bank of the Guarantor which may be established and any right, interest or share which the Guarantor has or may have in the assets of the Board of Commissioners of Currency, Malaya and British Borneo.

Section 3.02. (a) The Guarantor and the Bank shall cooperate fully to assure that the purposes of the Loan 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 Loan. 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.

(b) The Guarantor and the Bank shall from time to time exchange views through their representatives with regard to matters relating to the purposes of the Loan and the maintenance of the service thereof. 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 or the maintenance of the service thereof.

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

Section 3.03. 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, and free from all restrictions, imposed under the laws of the Guarantor, provided, however, that the provisions of this Section shall not apply to taxation of 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 3.04. This Guarantee Agreement, the Loan Agreement and the Bonds shall be free from any taxes that shall be imposed under the laws of the Guarantor on or in connection with the execution, issue, delivery or registration thereof.

Article IV

Section 4.01. The Guarantor shall endorse, in accordance with the provisions of the General Conditions, its guarantee on the Bonds to be executed and delivered by the Borrower. The Minister of Finance of the Guarantor and such other person or persons as he shall appoint in writing are designated as authorized representatives of the Guarantor for the purposes of Section 8.10 of the General Conditions.

Article V

Section 5.01. The Minister of Finance of the Guarantor is designated as representative of the Guarantor for the purposes of Section 10.03 of the General Conditions.

Section 5.02. The following addresses are specified for the purposes of Section 10.01 of the General Conditions.

For the Guarantor :

Minister of Finance
Ministry of Finance
Singapore

Alternative address for cables :

Finance
Singapore

For the Bank :

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

Alternative address for cables :

Intbafrad
Washington, D.C.

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.

Republic of Singapore :

E. S. MONTEIRO

Authorized Representative

International Bank for Reconstruction and Development :

J. Burke KNAPP

Vice President

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

GENERAL CONDITIONS, DATED 31 JANUARY 1969

GENERAL CONDITIONS APPLICABLE TO LOAN AND GUARANTEE AGREEMENTS

[*Not published herein. See United Nations, Treaty Series, vol. 691, No. I-9892.*]

LOAN AGREEMENT

AGREEMENT, dated April 25, 1969, between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank) and PUBLIC UTILITIES BOARD, SINGAPORE, a statutory authority established pursuant to the Public Utilities Ordinance, 1963, of Singapore (hereinafter called the Borrower).

Article I

GENERAL CONDITIONS; DEFINITIONS

Section 1.01. The parties to this Agreement accept all the provisions of the General Conditions Applicable to Loan and Guarantee Agreements of the Bank dated January 31, 1969,¹ with the same force and effect as if they were fully set forth herein (said General Conditions Applicable to Loan and Guarantee Agreements being hereinafter called the General Conditions).

Section 1.02. Wherever used in this Agreement, unless the context otherwise requires, the several terms defined in the General Conditions have the respective meanings therein set forth.

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 twenty million five hundred thousand dollars (\$20,500,000).

Section 2.02. (a) 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.

(b) The amount of the Loan may be withdrawn from the Loan Account as provided in, and subject to the rights of cancellation and suspension set forth in, the Loan Agreement and in accordance with the allocation of the proceeds of the Loan set forth in Schedule I to this Agreement, as such allocation shall be modified from time to time pursuant to the provisions of such Schedule or by further agreement between the Bank and the Borrower.

Section 2.03. It is hereby agreed, pursuant to Section 5.01 of the General Conditions, that the Borrower shall be entitled to withdraw from the Loan Account in respect of the reasonable cost of goods or services required for the Project and to be financed under this Loan Agreement :

- (i) such amounts as shall have been paid (or, if the Bank shall so agree, shall be required to meet payments to be made) for expenditures for such goods or services not included in paragraph (ii) of this Section; and
- (ii) the equivalent of eighty-five per cent (85 %) of such amounts as shall have been paid (or, if the Bank shall so agree, shall be required to meet payments to be made) for such goods produced outside the territories of the Guarantor as shall be purchased from local suppliers in the territories of the Guarantor and invoiced and paid for in currency of the Guarantor.

¹ See p. 194 of this volume.

Section 2.04. 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 withdrawn from time to time.

Section 2.05. The Borrower shall pay interest at the rate of six and one-half per cent ($6\frac{1}{2}$ %) per annum on the principal amount of the Loan withdrawn and outstanding from time to time.

Section 2.06. Interest and other charges shall be payable semi-annually on June 15 and December 15 in each year.

Section 2.07. The Borrower shall repay the principal of the Loan in accordance with the amortization schedule set forth in Schedule 2 to this Agreement.

Article III

USE OF PROCEEDS OF THE LOAN

Section 3.01. The Borrower shall apply the proceeds of the Loan in accordance with the provisions of the Loan Agreement to expenditures on the Project, described in Schedule 3 to this Agreement.

Section 3.02. Except as the Bank shall otherwise agree, (i) the goods and services (other than consulting services) to be financed out of the proceeds of the Loan shall be procured on the basis of international competitive bidding in accordance with the *Guidelines for Procurement under World Bank Loans and IDA Credits*, published by the Bank in February 1968, and in accordance with such other procedures supplementary thereto as are set forth in Schedule 4 to this Agreement or as shall be agreed between the Bank and the Borrower, and (ii) contracts for the procurement of such goods and services shall be subject to the prior approval of the Bank.

Section 3.03. Except as the Bank shall otherwise agree, the Borrower shall cause all goods and services financed out of the proceeds of the Loan to be used exclusively in carrying out the Project.

Article IV

BONDS

Section 4.01. If and as the Bank shall from time to time request, the Borrower shall execute and deliver Bonds representing the principal amount of the Loan as provided in Article VIII of the General Conditions.

Section 4.02. The Chairman of the Borrower, signing jointly with such person as the Borrower shall authorize, by resolution, is designated as authorized representative of the Borrower for the purposes of Section 8.10 of the General Conditions. The Borrower may designate by resolution notified in writing to the Bank additional or other representatives for such purposes.

Article V

PARTICULAR COVENANTS

Section 5.01. (a) The Borrower shall carry out the Project with due diligence and efficiency and in conformity with sound engineering, financial and public utility practices.

(b) The Borrower shall at all times conduct its business and operations and maintain its financial position in accordance with sound business and public utility practices under the supervision of experienced and competent management.

Section 5.02. (a) In the carrying out of the Project, the Borrower shall, to the extent agreed from time to time between the Borrower and the Bank, employ competent and experienced consultants acceptable to the Bank, upon terms and conditions satisfactory to the Borrower and the Bank.

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

Section 5.03. (a) The Borrower shall consult the Bank about any proposed appointments to the posts of the Borrower's General Manager, Chief Financial Officer, Chief Electrical Engineer and Chief Water Engineer sufficiently in advance of such appointments for the Bank to have adequate opportunity to comment on them.

(b) The Borrower shall submit to the Bank any recommendations made by the Montreal Engineering Company Limited in its final report on the development of the Borrower's electricity distribution system pursuant to a contract, dated February 24, 1969, between the Borrower and Montreal Engineering Company Limited, and shall consult the Bank about any proposed action with respect to such recommendations.

Section 5.04. The Borrower shall maintain records adequate to identify the goods and services 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 of the Borrower; and shall enable the Bank's representatives to inspect the Project, the goods financed out of the proceeds of the Loan, all other plants, sites, works, properties and equipment of the Borrower and any relevant records and documents.

Section 5.05. (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, the administration, operations and financial condition of the Borrower and other matters relating to the purposes of the Loan.

(b) The Borrower shall furnish to the Bank all such information as the Bank shall reasonably request concerning the expenditure of the proceeds of the Loan, the goods and services financed out of such proceeds, the Project, and the administration, operations and financial condition of the Borrower.

(c) 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.

Section 5.06. 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 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 5.07. 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 the Loan Agreement, the Guarantee Agreement¹ 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 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 5.08. 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 the Loan Agreement, the Guarantee Agreements or the Bonds.

Section 5.09. (a) The Borrower shall take out and maintain with responsible insurers or make other provision satisfactory to the Bank for insurance against such risks and in such amount as shall be consistent with sound practice.

(b) Without limiting the generality of the foregoing, the Borrower undertakes to insure the imported goods to be financed out of the proceeds of the Loan against marine, transit and other hazards incident to acquisition, transportation and delivery thereof to the place of use or installation and for such insurance any indemnity shall be payable in a currency freely usable by the Borrower to replace or repair such goods.

¹ See p. 188 of this volume.

Section 5.10. The Borrower shall operate and maintain its plants, equipment and property, and from time to time make all necessary renewals and repairs thereof, all in accordance with sound engineering standards; and shall, except as the Bank shall otherwise agree, take all practical steps which may be reasonably necessary to maintain and renew all rights, powers, privileges and franchises which are necessary or useful in the conduct of its business.

Section 5.11. The Borrower shall have its accounts regularly audited, at least once a year, by independent auditors acceptable to the Bank and shall furnish to the Bank, not later than five months after the end of the fiscal year of the Borrower, the auditors' report on such accounts and certified copies of the Borrower's financial statements (balance sheet and income statements).

Section 5.12. In furtherance of the action initiated by the Borrower for the purpose of establishing a sound electricity tariff structure, the Borrower shall institute, within three years after the date of the Loan Agreement, a revised system of tariffs for the supply of electricity substantially in accordance with the recommendations contained in the reports on the Borrower's electricity tariffs prepared by Electrowatt Engineering Services Limited in May 1968.

Section 5.13. (a) Except as the Bank and the Borrower shall otherwise agree, the Borrower shall maintain the tariffs prescribed for the sale of electricity, water and gas and hire of apparatus at such levels as will provide revenues sufficient to yield an annual return of not less than 8 % on the value of the Borrower's total net fixed assets in operation.

(b) For the purposes of this Section :

- (i) the annual return shall be calculated in respect of each fiscal year by relating the net income for that year to the average of the value of the said total net fixed assets in operation at the beginning and at the end of such year;
- (ii) the term "net income" means the difference between
 - (A) the total revenues of the Borrower from sales of electricity, water and gas and hire of apparatus, and
 - (B) all operating expenses of the Borrower, including maintenance, depreciation and taxes or payments in lieu of taxes but not interest and other charges on debt;
- (iii) the term "value of total net fixed assets" means the gross value of such assets valued in accordance with sound and consistently maintained method of valuation and revaluation satisfactory to the Bank, less accumulated depreciation;
- (iv) depreciation shall be computed in accordance with the straightline method and based on the useful lives of the said fixed assets which will not exceed the number of years specified for each category of said assets in Schedule 5 to this Agreement.

Section 5.14. Without limiting the generality of the provisions of Section 5.13 of this Agreement, the Borrower shall take appropriate steps to ensure that the revenues accruing from the services provided by each department of the Borrower are

sufficient to (i) cover the cost of providing such services, and (ii) permit a reasonable contribution by such department to the financial resources of the Borrower.

Section 5.15. (a) Except as the Borrower and the Bank shall otherwise agree, the Borrower shall not incur any long-term debt unless the Borrower's net revenues for any twelve consecutive months out of the fifteen-month period last preceding the date of such incurrence shall be not less than 1.5 times the maximum debt service requirements on all the Borrower's long-term debt (including the debt to be incurred) in any succeeding fiscal year.

(b) For the purposes of this Section :

- (i) the term "long-term debt" shall mean any debt maturing by its terms more than one year after the date on which it is originally incurred;
- (ii) debt shall be deemed to be incurred on the date it is drawn down pursuant to the contract or loan agreement providing for such debt;
- (iii) the term "net revenues" shall mean gross revenues from all sources (excluding interest in sinking fund investments), adjusted to take account of tariffs in effect at the time of incurrence of debt even though they were not in effect during the twelve consecutive months to which such revenues related, less operating and administrative expenses, including provision for taxes, if any, but before provision for depreciation and debt service requirements;
- (iv) the term "debt service requirements" shall mean the aggregate amount of amortization (including sinking fund contributions), interest and other charges on debt;
- (v) whenever it shall be necessary to value in the currency of the Guarantor debt payable in another currency, such valuation shall be made on the basis of the rate of exchange at which such other currency is obtainable by the Borrower, at the time such valuation is made, for the purposes of servicing such debt or, if such other currency is not so obtainable, at the rate of exchange that will be reasonably determined by the Bank.

Section 5.16. (a) Except as the Bank and the Borrower shall otherwise agree, the Borrower's total short-term debt at any time outstanding shall not exceed 15 % of the Borrower's total operating expenses, excluding depreciation, for the last preceding fiscal year.

(b) For the purposes of this section, the term "short-term debt" means debt for money borrowed, including bank overdrafts, maturing on demand or by its terms within twelve months after the date on which it was originally incurred.

Section 5.17. The Borrower undertakes that it will (a) manage its Sinking Fund established to provide for the repayment of loans transferred to the Borrower by the Singapore City Council on a sound basis and in such manner as to ensure that the funds available will be sufficient to meet the liabilities in respect of the said

loans as they fall due; and (b) submit to the Bank annually an auditor's report on the operation of the said Sinking Fund.

Article VI

REMEDIES OF THE BANK

Section 6.01. If any event specified in Section 7.01 of the General Conditions shall occur and shall continue for the period, if any, therein set forth, or if the event specified in Section 6.02 of this Agreement shall occur and shall continue for a period of sixty days after notice thereof shall have been given by the Bank and the Borrower, then at any subsequent time during the continuance thereof, the Bank at its option, may by notice to the Borrower declare the principal of the Loan and of all the Bonds then outstanding to be due and payable immediately, together with the interest and other charges thereon and upon any such declaration such principal, together with the interest and other charges thereon, shall become due and payable immediately, anything to the contrary in the Loan Agreement or in the Bonds notwithstanding.

Section 6.02. For the purposes of Section 7.01 of the General Conditions, the following additional event is specified :

any amendment or repeal of any of the provisions of Parts I, II, III, IV or VI or Sections 72 or 88 of the Public Utilities Ordinance, 1963, of Singapore as amended at the date of this Agreement, which materially affects the powers, duties, functions or responsibilities of the Borrower shall have been brought into operation without the agreement of the Bank.

Article VII

MISCELLANEOUS

Section 7.01. The Closing Date shall be September 30, 1972 or such other date as shall be agreed between the Bank and the Borrower.

Section 7.02. The date of July 15, 1969, is hereby specified for the purposes of Section 11.04 of the General Conditions.

Section 7.03. The following addresses are specified for the purposes of Section 10.01 of the General Conditions :

For the Borrower :

General Manager
Public Utilities Board
City Hall
Singapore 6

Alternative address for cables :

Piyubi
Singapore

For the Bank :

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

Alternative address for cables :

Intbafrad
Washington, D.C.

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

Public Utilities Board, Singapore :

By E. S. MONTEIRO
Authorized Representative

SCHEDULE 1

ALLOCATION OF PROCEEDS OF THE LOAN

<i>Category</i>	<i>U.S. Dollar Equivalent</i>
1. Transformers	2,570,000
2. Switchgear 66 kv, 22 kv and 6.6 kv and related equipment	1,780,000
3. Cables 66 kv, 22 kv and 6.6 kv	13,550,000
4. Low voltage underground cables	1,500,000
5. Engineering services.	100,000
6. Unallocated	1,000,000
	<u>TOTAL</u> <u>20,500,000</u>

REALLOCATION UPON CHANGE IN COST ESTIMATES

1. If the estimate of the cost of goods and services included in Categories 1, 2, 3, 4 or 5 shall decrease, the amount of the Loan then allocated to, and no longer required, for, such goods and services will be reallocated by the Bank to Category 6.

2. If the estimate of the cost of goods and services included in Categories 1, 2, 3, 4 or 5 shall increase, an amount equal to the portion, of any, of such increase to be financed out of the proceeds of the Loan will be allocated by the Bank, at the request of the Borrower, to any such Category from Category 6, subject, however, to the requirements for contingencies, as determined by the Bank, in respect of the cost of the goods and services in the other Categories.

SCHEDULE 2

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>
December, 15 1972	340,000	June 15, 1981	585,000
June 15, 1973	350,000	December 15, 1981	600,000
December 15, 1973	360,000	June 15, 1982	620,000
June 15, 1974	375,000	December 15, 1982	640,000
December 15, 1974	385,000	June 15, 1983	665,000
June 15, 1975	400,000	December 15, 1983	685,000
December 15, 1975	410,000	June 15, 1984	705,000
June 15, 1976	425,000	December 15, 1984	730,000
December 15, 1976	440,000	June 15, 1985	755,000
June 15, 1977	450,000	December 15, 1985	780,000
December 15, 1977	465,000	June 15, 1986	805,000
June 15, 1978	480,000	December 15, 1986	830,000
December 15, 1978	495,000	June 15, 1987	855,000
June 15, 1979	515,000	December 15, 1987	885,000
December 15, 1979	530,000	June 15, 1988	915,000
June 15, 1980	545,000	December 15, 1988	945,000
December 15, 1980	565,000	June 15, 1989	970,000

* To the extent that any part of the Loan is repayable in a currency other than dollars (see General Conditions, Section 4.02), the figures in this column represent dollar equivalents determined as for the 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 3.05 (b) of the General Conditions or on the redemption of any Bond prior to its maturity pursuant to Section 8.15 of the General Conditions :

<i>Time of Prepayment or Redemption</i>	<i>Premium</i>
Not more than three years before maturity	¾ %
More than three years but not more than six years before maturity	1½ %
More than six years but not more than eleven years before maturity	2½ %
More than eleven years but not more than sixteen years before maturity	4½ %
More than sixteen years but not more than eighteen years before maturity	5½ %
More than eighteen years before maturity	6½ %

SCHEDULE 3

DESCRIPTION OF THE PROJECT

The Project constitutes the expansion of the electric power distribution system of the Borrower in Singapore for the years 1969 through 1971 and includes :

- (a) the expansion of the 66 kv system and the installation of associated substation equipment;
- (b) the expansion of the 22 kv primary distribution system and the installation of associated primary distribution substation equipment;
- (c) the expansion of the 6.6 kv primary distribution system and the installation of primary distribution substation equipment; and
- (d) the expansion of the low voltage secondary distribution system and the installation of associated ancillary equipment.

The Project is scheduled to be completed by December 31, 1971.

SCHEDULE 4

SUPPLEMENTARY PROCEDURES FOR PROCUREMENT

I. With respect to any contract involving an amount of \$50,000 equivalent or more, the following procedures shall apply :

- (a) Before bids are invited, the Borrower shall submit to the Bank for approval the invitations to bid, specifications and all other tender documents, together with a description of advertising procedures.
- (b) After bids have been received and analyzed, the bid analysis and recommendation for contract award, together with the reasons for such recommendation, will be submitted by the Borrower to the Bank for approval prior to the contract award or the issuance of a letter of intent.
- (c) If the proposed final contract differs substantially from the terms and conditions contained in the documents previously approved by the Bank, the text of the proposed changes will be submitted to the Bank for its review and approval.
- (d) As soon as a contract is signed, the Borrower shall furnish to the Bank a certified copy of such contract.

II. With respect to any contract involving an amount below \$50,000 equivalent, the Borrower shall furnish to the Bank a description of advertising and bidding procedures used, the specifications and bid evaluation report as well as one conformed copy of each such contract, promptly after the execution of such contract and prior to the submission to the Bank of the first application for withdrawal of funds from the Loan Account in respect thereof.

SCHEDULE 5

USEFUL LIVES OF BORROWER'S ASSETS

<i>Type of Assets</i>	<i>Number of years of useful life of assets in</i>		
	<i>Electricity Department</i>	<i>Water Dept.</i>	<i>Gas Dept.</i>
Building and Civil Works	30	30	30
Plant and Machinery	25	25	20
Mains and Service Lines	25	40	50
Pipelines	—	40	—
Gas Holders	—	—	30
Public Lighting Equipment	8	—	—
Reservoirs	—	100	—
Filters	—	50	—
Hydrants/Standpipes	—	20	—