

No. 11167

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

Guarantee Agreement—*Second Power Project* (with annexed General Conditions Applicable to Loan and Guarantee Agreements and Loan Agreement between the Bank and the Electricity Supply Board). Signed at Washington on 3 March 1971

Authentic text: English.

Registered by the International Bank for Reconstruction and Development on 14 June 1971.

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

Contrat de garantie — *Deuxième projet relatif à l'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 l'Electricity Supply Board). Signé à Washington le 3 mars 1971

Texte authentique: anglais.

Enregistré par la Banque internationale pour la reconstruction et le développement le 14 juin 1971.

GUARANTEE AGREEMENT¹

AGREEMENT, dated March 3, 1971, between IRELAND acting through the Minister for Finance (hereinafter called the Guarantor) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank).

WHEREAS by the Loan Agreement of even date herewith² between the Bank and Electricity Supply Board (hereinafter called the Borrower) the Bank has agreed to make to the Borrower a loan in various currencies equivalent to twenty million dollars (\$20,000,000), 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

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, 1969,³ with the same force and effect as if they were fully set forth herein, subject, however, to the modification thereof set forth in Section 1.01 of the Loan Agreement (said General Conditions Applicable to Loan and Guarantee Agreements, as so modified, 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 and in Section 1.02 of the Loan Agreement have the respective meanings therein set forth.

Article II

GUARANTEE; BONDS; PROVISION OF FUNDS

Section 2.01. Without limitation or restriction upon any of its other obligations under the Guarantee Agreement, the Guarantor hereby uncon-

¹ Came into force on 27 April 1971, upon notification by the Bank to the Government of Ireland.

² See p. 134 of this volume.

³ See p. 132 of this volume.

ditionally guarantees, as primary obligor and not as surety merely, the due 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 other obligations of the Borrower, all as set forth in the Loan Agreement and in the Bonds.

Section 2.02. 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 for 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.

Section 2.03. 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

OTHER COVENANTS

Section 3.01. (a) It is the mutual intention of the Guarantor and the Bank that no other external debt shall enjoy any priority over the Loan or the Bonds by way of a lien on governmental assets.

(b) To that end the Guarantor (i) represents that at the date of this Agreement no lien exists on any governmental assets as security for any external debt except as otherwise disclosed in writing by the Guarantor to the Bank, and (ii) undertakes that if any lien shall be created on any assets of the Guarantor as security for any external debt, it 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. The Guarantor shall promptly inform the Bank of the creation of any such lien.

(c) The foregoing representation and undertaking shall not apply to: (i) any lien created on property, at the time of purchase thereof, solely as security for 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; or (iii) any lien on commercial goods to secure

a debt maturing not more than one year after the date on which it is originally incurred and to be paid out of the proceeds of sale of such commercial goods; or (iv) any lien upon real estate or other property in Ireland or revenues or receipts in currency of the Guarantor, if such lien is given by a political subdivision or by an agency of a political subdivision of the Guarantor under arrangements or circumstances which would not result in priority in the allocation or realization of foreign exchange.

If the Guarantor, because of constitutional or other legal provisions, shall be unable to make the foregoing effective with respect to any lien on any assets of a political subdivision or agency of a political subdivision, the Guarantor, except as the Bank shall otherwise agree, shall give to the Bank an equivalent lien or equivalent priority in the allocation or realization of foreign exchange, as the case may be, satisfactory to the Bank.

As used in this Section, the term “assets of the Guarantor” includes assets or revenues of the Guarantor, or of any of its political subdivisions, or of any agency of the Guarantor or of any such political subdivision; and the term “political subdivision” includes county councils and county borough councils and any other such political subdivisions as shall have power to raise revenues by taxation and to charge any such revenues or any of its assets as security for external debt.

Article IV

CONSULTATION AND INFORMATION

Section 4.01. The Guarantor and the Bank shall cooperate 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: (i) exchange views through their representatives with regard to the performance of their respective obligations under the Guarantee Agreement and other matters relating to the purposes of the Loan; and (ii) 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, including its balance of payments, and the external debt of the Guarantor, of any of its political subdivisions and of any agency of the Guarantor or of any such political subdivision.

Section 4.02. (a) 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.

(b) 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.

Article V

TAXES AND RESTRICTIONS

Section 5.01. 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 foregoing 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 5.02. The Guarantee 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 5.03. The payment of the principal of, and interest and other charges on, the Loan and the Bonds shall be free from all restrictions, regulations, controls or moratoria of any nature imposed under the laws of the Guarantor or laws in effect in its territories.

Article VI

REPRESENTATIVE OF THE GUARANTOR; ADDRESSES

Section 6.01. The Secretary, Department of Finance, of the Guarantor is designated as representative of the Guarantor for the purposes of Section 10.03 of the General Conditions.

Section 6.02. The following addresses are specified for the purposes of Section 10.01 of the General Conditions:

For the Guarantor:

The Secretary
Department of Finance
Upper Merrion Street
Dublin 2, Ireland

Cable address:

Finance
Dublin

For the Bank:

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

Cable address:

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.

Ireland:

By W. WARNOCK
Authorized Representative

International Bank for Reconstruction and Development:

By S. ALDEWERELD
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, p. 300.*]

LOAN AGREEMENT

AGREEMENT, dated March 3, 1971, between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank) and ELECTRICITY SUPPLY BOARD (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, subject, however, to the deletion of Section 5.01 thereof (said General Conditions Applicable to Loan and Guarantee Agreements of the Bank, as so modified, 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 and the following additional term has the following meaning:

“Act” means the Electricity (Supply) Act, 1927 of the Guarantor and any other act or acts amending or extending the Electricity (Supply) Act, 1927, enacted up to the date of this Agreement.

Article II

THE LOAN

Section 2.01. The Bank agrees to lend to the Borrower, on the terms and conditions in the Loan Agreement set forth or referred to, an amount in various currencies equivalent to twenty million dollars (\$20,000,000).

Section 2.02. The amount of the Loan may be withdrawn from the Loan Account in accordance with the provisions of Schedule 1 to this Agreement, as such Schedule shall be amended from time to time, for expenditures made (or, if the Bank shall so agree, to be made) in respect of the reasonable cost of goods and services required for the Project described in Schedule 3 to this Agreement and to be financed under the Loan Agreement; provided, however, that, except as the Bank shall otherwise agree, no withdrawal shall be made on account of expenditures in the territories of any country which is not a member of the Bank (other than Switzerland) or for goods produced in, or services supplied from, such territories.

Section 2.03. The Closing Date shall be March 31, 1976 or such other date as shall be agreed between the Bank and the Borrower.

¹ See p. 132 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 seven and one-quarter per cent ($7\frac{1}{4}\%$) 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.

Section 2.08. 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 2.09. The Secretary or the Deputy Secretary and the Director (Finance) or the Finance Manager of the Borrower and such other person or persons as the Borrower shall appoint in writing are designated as authorized representatives of the Borrower for the purposes of Section 8.10 of the General Conditions.

Article III

EXECUTION OF THE PROJECT

Section 3.01. The Borrower shall carry out the Project with due diligence and efficiency and in conformity with sound engineering practices, and shall provide, or cause to be provided, promptly as needed, the funds, facilities, services and other resources required for the purpose.

Section 3.02. In carrying out the Project, the Borrower shall employ competent and experienced contractors and, insofar as the goods and services are to be financed out of the proceeds of the Loan, shall employ contractors acceptable to the Bank upon terms and conditions satisfactory to the Bank.

Section 3.03. (a) Except as the Bank shall otherwise agree, the goods and services to be financed out of the proceeds of the Loan shall be procured on the basis of international competition under procedures consistent with the *Guidelines for Procurement under World Bank Loans and IDA Credits*, published by the Bank in August 1969, and in accordance with, and subject to, the provisions set forth in Schedule 4 to this Agreement.

(b) The Borrower undertakes to insure, or make adequate provision for the insurance of, the imported goods to be financed out of the proceeds of the Loan against marine, transit and other hazards incident to the 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.

(c) 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 for the Project.

Section 3.04. (a) The Borrower shall furnish to the Bank, promptly upon their preparation, the plans, specifications and work schedules for the Project, and any material modifications or amplifications thereof, in such detail as the Bank shall reasonably request.

(b) The Borrower: (i) shall maintain records adequate to record the progress of the Project (including the cost thereof) and to identify the goods and services financed out of the proceeds of the Loan, and to disclose the use thereof in the Project; (ii) shall enable the Bank's representatives to inspect the Project, the goods financed out of the proceeds of the Loan and any relevant records and documents; and (iii) shall furnish to the Bank all such information as the Bank shall reasonably request concerning the Project, the expenditure of the proceeds of the Loan and the goods and services financed out of such proceeds.

Article IV

MANAGEMENT AND OPERATIONS OF THE BORROWER

Section 4.01. (a) The Borrower shall at all times maintain its corporate existence and right to carry on operations and shall, except as the Bank may otherwise agree, acquire, maintain and renew all rights, powers, privileges, licenses and franchises owned or held by it and necessary or useful in the conduct of its business.

(b) The Borrower shall operate its business and conduct its affairs under the supervision of qualified and experienced management and in accordance with sound business, public utility and financial practices and shall operate, maintain, renew and repair its plants, machinery, equipment and property as required in accordance with sound engineering practices.

(c) The Borrower shall at all times take all requisite steps for the acquisition, retention and renewal by it of all such lands, interests in land and properties and all such rights, powers and privileges as may be necessary or proper for the construction of the Project, the operation of the properties included therein and of its other properties and the carrying on of its business.

Section 4.02. 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 amounts as shall be consistent with sound practice.

Article V

FINANCIAL COVENANTS

Section 5.01. The Borrower shall maintain records adequate to reflect in accordance with consistently maintained sound accounting practices its operations and financial condition.

Section 5.02. The Borrower shall: (i) have its accounts and financial statements (balance sheets, statements of income and expenses and related statements) for each fiscal year audited, in accordance with sound auditing principles consistently applied, by independent auditors acceptable to the Bank; (ii) furnish to the Bank as soon as available, but in any case not later than four months after the end of each such year, (A) certified copies of its financial statements for such year as so audited and (B) the report of such audit by said auditors, of such scope and in such detail as the Bank shall have reasonably requested; and (iii) furnish to the Bank such other information concerning the accounts and financial statements of the Borrower and the audit thereof as the Bank shall from time to time reasonably request.

Section 5.03. (a) 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. The Borrower shall promptly inform the Bank of the creation of any such lien.

(b) 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 the date on which it is originally incurred.

Section 5.04. The Borrower shall from time to time take all steps which shall be necessary or desirable, as permitted under the Act, to charge rates for the sale of electricity or to make adjustments in such rates as may be necessary to provide revenues sufficient to enable the Borrower to meet its obligations under the Act and the Loan Agreement.

Section 5.05. The Borrower shall, as permitted under Section 21 of the Act, charge to revenue account each year such sums (in addition to such other sums as the Borrower shall set aside in each year pursuant to the provisions of such Section) as shall be sufficient (together with such other sums) fully to repay, by their latest redemption dates, all of the issues of stock of the Borrower created after 1958 which shall then be outstanding and unpaid, except that in the case of any future issue of fifteen years or less the latest redemption date shall be deemed for this purpose to be a date not more than fifteen years from the date of issue. If the Borrower proposes to make a stock issue of fifteen years or less which together with other stock issues of fifteen years or less then outstanding will exceed twenty per cent (20%) of the total amount borrowed by the Borrower and then outstanding, the Borrower shall consult with the Bank prior to making such further issue of stock.

Article VI

CONSULTATION; INFORMATION AND INSPECTION

Section 6.01. The Bank and the Borrower shall cooperate 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 of their respective obligations under the Loan Agreement, the administration, operations and financial condition of the Borrower and other matters relating to the purpose of the Loan.

Section 6.02. The Bank and the Borrower shall promptly inform each other 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 either of them of its obligations under the Loan Agreement.

Section 6.03. The Borrower shall enable the Bank's representatives to inspect all plants, sites, works, properties and equipment of the Borrower and any relevant records and documents.

Article VII

TAXES

Section 7.01. 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 7.02. 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 Agreement or the Bonds.

Article VIII

REMEDIES OF THE BANK; AMENDMENT OF PRIOR LOAN AGREEMENT

Section 8.01. If any event specified in Section 7.01 of the General Conditions or in Section 8.02 of this Agreement shall occur and shall continue for the period, if any, therein set forth, then at any subsequent time during the continuance thereof, the Bank, at its option, may by notice to the Borrower and the Guarantor declare the principal of the Loan and of all the Bonds then outstanding to be due and payable

¹ See p. 124 of this volume.

immediately together with the interest and other charges thereon and upon any such declaration such principal, interest and charges shall become due and payable immediately, anything to the contrary in the Loan Agreement or in the Bonds notwithstanding.

Section 8.02. For the purposes of Section 7.01 of the General Conditions, the following additional event is specified:

A change shall have been made in the Act without the Bank's consent which, in the Bank's judgment, shall adversely affect the carrying out of the Project or the financial condition of the Borrower.

Section 8.03. Section 5.12 of the Loan Agreement between the Bank and the Borrower dated March 24, 1969¹ shall be amended to read as in Section 5.05 of this Agreement provided.

Article IX

EFFECTIVE DATE; TERMINATION

Section 9.01. The following event is specified as an additional condition to the effectiveness of the Loan Agreement within the meaning of Section 11.01 (c) of the General Conditions:

Except as the Bank shall otherwise agree, all necessary acts, consents and approvals to be performed or given by the Guarantor, its political subdivisions or agencies or by any agency of any political subdivision or otherwise to be performed or given in order to authorize the carrying out of the Project and to enable the Borrower to perform all of the covenants, agreements and obligations of the Borrower in the Loan Agreement contained, together with all necessary powers and rights in connection therewith, have been performed or given.

Section 9.02. The following is specified as an additional matter, within the meaning of Section 11.02 (c) of the General Conditions, to be included in the opinion or opinions to be furnished to the Bank:

That all acts, consents and approvals referred to in Section 9.01 of this Agreement, together with all necessary powers and rights in connection therewith, have been duly and validly performed or given and that no other such acts, consents or approvals are required in order to authorize the carrying out of the Project and to enable the Borrower to perform all of the covenants, agreements and obligations of the Borrower in the Loan Agreement contained.

Section 9.03. The date May 21, 1971 is hereby specified for the purposes of Section 11.04 of the General Conditions.

Article X

ADDRESSES

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

¹ United Nations, *Treaty Series*, vol. 711, p. 343.

For the Bank:

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

Cable address:

Intbafrad
 Washington, D.C.

For the Borrower:

Electricity Supply Board
 Lower Fitzwilliam Street
 Dublin 2, Ireland

Cable address:

Elecsupply
 Dublin

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 to be 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 S. ALDEWERELD
 Vice President

Electricity Supply Board:

By THOMAS MURRAY
 Authorized Representative

SCHEDULE 1

WITHDRAWAL OF THE PROCEEDS OF THE LOAN

1. The table below sets forth the categories of imported items to be financed out of the proceeds of the Loan and the allocation of amounts of the Loan to each category:

<i>Category</i>	<i>Amount of the Loan Allocated (Expressed in Dollar Equivalent)</i>
I. Boiler plant and auxiliary equipment	6,750,000
II. Turbo-generator and auxiliary equipment	11,000,000
III. Auxiliary electrical plant	750,000
IV. Unallocated	1,500,000
	TOTAL <u>20,000,000</u>

2. Notwithstanding the provisions of paragraph 1 above, no withdrawals shall be made in respect of:

- (a) expenditures in the currency of the Guarantor, or for goods produced in, or services supplied from, the territories of the Guarantor, except that in the event that a local supplier is awarded a contract in accordance with Schedule 4 to the Loan Agreement, withdrawals may be made in respect of seventy per cent (70%) of the expenditures in the currency of the Guarantor representing the foreign exchange expenditures under such contracts.
- (b) expenses prior to the date of this Agreement; and
- (c) payments for taxes imposed under the laws of the Guarantor or laws in effect in its territories on goods or services, or on the importation, manufacture, procurement or supply thereof.

3. Notwithstanding the allocation of an amount of the Loan set forth in the second column of the table in paragraph 1 above:

- (a) if the estimate of the expenditures under Category I, II or III shall decrease, the amount of the Loan then allocated to such Category and no longer required therefor will be reallocated by the Bank by increasing correspondingly the unallocated amount of the Loan;
- (b) if the estimate of the expenditures under Category I, II or III shall increase, a corresponding amount will be allocated by the Bank, at the request of the Borrower, to such Category from the unallocated amount of the Loan, subject, however, to the requirements for contingencies, as determined by the Bank, in respect of any other expenditures.

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>
June 15, 1976	535,000	June 15, 1982	825,000
December 15, 1976	555,000	December 15, 1982	855,000
June 15, 1977	575,000	June 15, 1983	885,000
December 15, 1977	595,000	December 15, 1983	915,000
June 15, 1978	620,000	June 15, 1984	950,000
December 15, 1978	640,000	December 15, 1984	985,000
June 15, 1979	665,000	June 15, 1985	1,020,000
December 15, 1979	690,000	December 15, 1985	1,055,000
June 15, 1980	715,000	June 15, 1986	1,095,000
December 15, 1980	740,000	December 15, 1986	1,135,000
June 15, 1981	765,000	June 15, 1987	1,175,000
December 15, 1981	795,000	December 15, 1987	1,215,000

* To the extent that any portion 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 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 portion 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	1½%
More than three years but not more than six years before maturity	2½%
More than six years but not more than eleven years before maturity	4%
More than eleven years but not more than fifteen years before maturity	6%
More than fifteen years before maturity	7½%

SCHEDULE 3

DESCRIPTION OF THE PROJECT

The Project consists of the supply and installation of a single 250 MW oil-fired generation unit and associated equipment at Tarbert, County Kerry.

The Project is expected to be completed by October 31, 1975.

SCHEDULE 4

PROCUREMENT

1. With respect to any contract for machinery, equipment or materials (hereinafter referred to as goods) estimated to cost \$50,000 equivalent or more:

(a) If bidders are required to pre-qualify, the Borrower shall, before qualification is invited, inform the Bank in detail of the procedure to be followed and shall introduce such modifications in said procedure as the Bank shall reasonably request. The list of pre-qualified bidders, together with a statement of their qualifications and of the reasons for the exclusion of any applicant for pre-qualification, shall be furnished by the Borrower to the Bank for its comments before the applicants are notified and the Borrower shall make such additions or deletions from the said list as the Bank shall reasonably request.

(b) Before bids are invited, the Borrower shall furnish to the Bank, for its comments, the text of the invitations to bid and the specifications and other bidding documents, together with a description of the advertising procedure to be followed for the bidding, and shall make such modifications in the said documents or procedure as the Bank shall reasonably request. Any further modification or addition to the bidding documents shall require the Bank's concurrence before it is issued to the prospective bidders.

(c) After bids have been received and evaluated, the Borrower shall, before a final decision on the award is made, inform the Bank of the name of the bidder to whom it intends to award the contract and shall furnish to the Bank, in sufficient time for its review, a detailed report on the evaluation and comparison of the bids received, together with the reasons for the intended award. The Bank shall promptly inform the

Borrower whether it has any objection to the intended award and shall state the reasons for any objection it may have.

(d) If the contract shall be awarded over the Bank's objection or if its terms and conditions shall, without the Bank's concurrence, materially differ from those on which bids were asked, no expenditures thereunder shall be financed out of the proceeds of the Loan.

(e) Copy of the contract shall be furnished to the Bank promptly after its execution.

2. With respect to any other contract for goods, the Borrower shall, promptly after the contract is awarded, furnish to the Bank copy of the contract as well as copy of the record of public opening of the bids and the bid evaluation report. The Bank shall promptly inform the Borrower if it finds that the award of the contract is not consistent with the *Guidelines for Procurement under World Bank Loans and IDA Credits* and, in such event, no expenditures under such contract shall be financed out of the proceeds of the Loan.

3. In evaluating competing bids received for imported goods, and for goods largely imported but containing a component which represents goods manufactured or processed to a substantial extent (as reasonably determined by the Bank) in the territories of the Guarantor, for purposes of comparison, the following method shall be used:

(a) The comparison bid price for the imported goods (including local installation and other similar services provided within the territories of the Guarantor) shall be the sum of the following amounts:

- (i) the c.i.f. price of such goods net of any taxes (including customs duties) on their importation, and the cost of services provided within the territories of the Guarantor;
- (ii) any such taxes (including customs duties) as generally apply to such goods if imported into the territories of the Guarantor by non-exempt importers, as calculated on (a) (i) above, or 15% of the amount specified in (a) (i) above, whichever shall be lower; and
- (iii) inland freight, insurance and other costs of delivery of such goods to the place of their use or installation.

(b) The comparison bid price for largely imported goods incorporating goods manufactured or processed to a substantial extent in the territories of the Guarantor shall be the sum of the following amounts:

- (i) the c.i.f. price of the imported goods net of any taxes (including customs duties) on their importation, and the cost of services provided within the territories of the Guarantor;

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- (ii) any such taxes (including customs duties) as generally apply to such goods if imported into the territories of the Guarantor by non-exempt importers, as calculated on (b) (i) above, or 15% of the amount specified in (b) (i) above, whichever shall be lower;
 - (iii) inland freight, insurance and other costs of delivery of such goods to the place of their use or installation; and
 - (iv) the price of any goods manufactured and processed to a substantial extent in the territories of the Guarantor and the cost of inland freight, insurance and other costs of delivery of such goods to the place of their use or installation.
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