

No. 11988

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

**Loan Agreement—*Ibar Multipurpose Water Project* (with
schedules and General Conditions Applicable to Loan and
Guarantee Agreements). Signed at Washington on 30 June
1971**

Authentic text: English.

*Registered by the International Bank for Reconstruction and Development on
26 September 1972.*

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

**Contrat d'emprunt — *Projet polyvalent de mise en valeur des
eaux de l'Ibar* (avec annexes et Conditions générales
applicables aux contrats d'emprunt et de garantie). Signé à
Washington le 30 juin 1971**

Texte authentique: anglais.

*Enregistré par la Banque internationale pour la reconstruction et le développement
le 26 septembre 1972.*

LOAN AGREEMENT¹

AGREEMENT, dated June 30, 1971, between SOCIALIST FEDERAL REPUBLIC OF YUGOSLAVIA (hereinafter called the Borrower) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank).

WHEREAS (A) the Borrower has requested the Bank to assist in the financing of the Project described in Schedule 2 to this Agreement by making the Loan as hereinafter provided;

(B) The Project will be carried out by Preduzeće za Izgradnju i Iskorišćavanje Hidrosistema "Ibar-Lepenac" u Osnivanju (hereinafter called ILE) with the Borrower's assistance and, as part of such assistance, the Borrower will make available to ILE the proceeds of the Loan as hereinafter provided;

(C) ILE has been created by a law passed on February 28, 1967, by the Provincial Assembly of the Socialist Autonomous Province Kosovo (hereinafter called Kosovo);

(D) ILE and Hidroenergetski i Plovidbeni Sistem Djerdap u Osnivanju (hereinafter called Djerdap Enterprise) have entered into an agreement dated April 20, 1967 (hereinafter called the ILE/Djerdap Agreement), providing for Djerdap Enterprise to make to ILE a grant of 70,000,000 Dinars (hereinafter called the Djerdap Grant) for the purpose of assisting in the financing of Part B (1) of the Project;

(E) The Borrower has decided to allocate to Kosovo such amounts and in such calendar years as are hereinafter set forth, namely 25,000,000 Dinars in 1971, 103,000,000 Dinars in 1972, 212,000,000 Dinars in 1973, 227,000,000 Dinars in 1974, 123,000,000 Dinars in 1975 and 5,000,000 Dinars in 1976, and Kosovo has decided to make available the entire amount of such allocations to Banka Kosova, Priština (hereinafter called Banka Kosova) for the purpose of assisting in the financing of the Project;

(F) ILE and Banka Kosova propose to enter into an agreement (hereinafter called the Banka Kosova Loan Agreement) which will provide *inter alia* for Banka Kosova to assist ILE in financing the Project by (i) making to ILE a loan of 695,000,000 Dinars (hereinafter called the Banka Kosova Loan) and (ii) lending to ILE any additional funds required for carrying out the Project over and above the funds made available to ILE under the Djerdap Grant, the Banka Kosova Loan and the Loan provided hereunder;

¹ Came into force on 31 May 1972, upon notification by the Bank to the Government of Yugoslavia.

(G) ILE and Rudarsko-Energetsko-Hemijski Kombinat “Kosovo”, “Obilić” (hereinafter called Kombinat Kosovo) propose to enter into an agreement (hereinafter called the ILE/Kombinat Kosovo Power Agreement), which will provide *inter alia* for Kombinat Kosovo :

- (i) to finance and to construct not later than 1975 a 110 kilovolt power transmission line connecting the power plant included in Part A of the Project with the existing 110 kilovolt power transmission system at Valača,
- (ii) to operate and maintain for and on behalf of ILE the power plant included in Part A of the Project, and
- (iii) to purchase from ILE all power generated by the power plant included in Part A of the Project;

(H) ILE and Kombinat Kosovo propose to enter into an agreement (hereinafter called the ILE/Kombinat Kosovo Water Agreement) which will provide for ILE to deliver to Kombinat Kosovo, and for Kombinat Kosovo to purchase from ILE, certain minimum quantities of untreated water on a long-term basis;

(I) ILE and Rudarsko-Metalurški-Hemijski Kombinat “Trepča”, Kosovska Mitrovica (hereinafter called Kombinat Trepča) propose to enter into an agreement (hereinafter called the ILE/Kombinat Trepča Agreement) which will provide for ILE to supply to Kombinat Trepča, and for Kombinat Trepča to purchase from ILE, certain minimum quantities of untreated water on a long-term basis;

(J) ILE and Kombinat Trepča have agreed that the Prelez Weir together with the water supply system presently used by Kombinat Trepča at Kosovska Mitrovica will be transferred from Kombinat Trepča to ILE upon the completion of the construction of the water supply facilities included in the Project;

(K) By an agreement of even date herewith¹ between the Bank and Banka Kosova (hereinafter called the Lenders’ Agreement) the Bank and Banka Kosova have agreed on certain matters concerning the Project and the financing thereof; and

(L) The Bank is willing to make the Loan available upon the terms and conditions set forth hereinafter and in a project agreement of even date herewith¹ between the Bank, Kosovo and ILE;

NOW THEREFORE, the parties hereto hereby agree as follows :

¹ The said Agreement entered into force on 31 May 1972. As it does not constitute an international agreement or a part of the present Agreement, it is not reproduced herein. However, it was published by the Bank as document LN 777 YU, a certified true copy of which was transmitted to the Secretariat together with the documentation submitted for registration of the present Loan Agreement.

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 and to the amendment of Section 6.02 (i) thereof to read as follows: "Any event specified in paragraph (e) or (f) of Section 7.01 shall have occurred." (said General Conditions Applicable to Loan and Guarantee Agreements of the Bank, as so modified, being hereinafter called the General Conditions).

Section 1.02. (a) 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 terms have the following meanings:

(1) "Project Agreement" means the agreement between the Bank, Kosovo and ILE of even date herewith, and such term includes all schedules to the Project Agreement;

(2) "Subsidiary Loan Agreement" means the agreement to be entered into between the Borrower and ILE pursuant to Section 3.01 (b) of this Agreement, and such term includes all schedules to the Subsidiary Loan Agreement.

(b) Any reference to an agreement defined or referred to in this Agreement shall be deemed to include all lawful amendments or modifications thereto.

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 forty-five million dollars (\$45,000,000).

Section 2.02. The amount of the Loan may be withdrawn from the Loan Account in accordance with the provisions of Schedule I 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 and to be financed under the Loan Agreement and in respect of interest and other charges on the Loan; 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.

¹ See p. 112 of this volume.

Section 2.03. Except as the Bank shall otherwise agree, the goods and services required for the Project and to be financed out of the proceeds of the Loan shall be procured pursuant to the provisions set forth or referred to in Section 2.04 of the Project Agreement.

Section 2.04. The Closing Date shall be December 31, 1976, or such other date as shall be agreed between the Borrower and the Bank.

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 withdrawn from time to time.

Section 2.06. 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 2.07. Interest and other charges shall be payable semi-annually on May 1 and November 1 in each year.

Section 2.08. The Borrower shall repay the principal of the Loan in accordance with the amortization schedule set forth in Schedule 3 to this Agreement.

Section 2.09. 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 2.10. The Federal Secretary for Finance of the Borrower and such other person or persons as he 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. (a) The Borrower shall cause ILE to carry out the Project with due diligence and efficiency and in conformity with sound administrative, financial, engineering, public utility and agricultural practices, and shall provide, or cause to be provided, promptly as needed, the funds required for the purpose.

(b) The Borrower shall relend the proceeds of the Loan to ILE under a Subsidiary Loan Agreement to be entered into between the Borrower and ILE.

(c) The Borrower shall exercise its rights under the Subsidiary Loan Agreement in such manner as to protect the interests of the Borrower and the Bank and to accomplish the purposes of the Loan, and except as the Bank shall otherwise agree, the Borrower shall not assign, amend, abrogate or waive the Subsidiary Loan Agreement or any provision thereof.

(d) Within the limits of its constitutional powers, the Borrower shall take and shall cause all its agencies to take all reasonable action which shall be necessary on their part (i) to enable Kosovo and ILE to perform all of their respective obligations under the Project Agreement and (ii) to enable ILE to perform all of its obligations under the Subsidiary Loan Agreement, and shall not take or permit to be taken any action which might interfere with such performance.

Section 3.02. 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.

Article IV

OTHER COVENANTS

Section 4.01. (a) It is the mutual intention of the Borrower 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 Borrower (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 Borrower to the Bank, and (ii) undertakes that if any such lien shall be created, 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 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.

(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; 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.

(d) As used in this Section, the term “ governmental assets ” means assets of the Borrower, or of any agency of the Borrower, and assets of the National Bank of Yugoslavia or any institution performing the functions of a central bank for the Borrower.

(e) If any lien shall be created on any assets of any of the Borrower's political subdivisions or of any agency of any such political subdivisions as security for any external debt, the Borrower, except as the Bank shall otherwise agree, shall give to the Bank an equivalent lien to secure the payment of the principal of, and interest and other charges on, the Loan and the Bonds.

Article V

CONSULTATION, INFORMATION AND INSPECTION

Section 5.01. The Borrower and the Bank shall cooperate fully to assure that the purposes of the Loan will be accomplished. To that end, the Borrower and the Bank shall from time to time, at the request of either party :

- (a) exchange views through their representatives with regard to the performance of their respective obligations under the Loan Agreement, the performance by Kosovo and ILE of their obligations under the Project Agreement, the administration, operations and financial condition of ILE and other matters relating to the purposes of the Loan ; and
- (b) 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 Borrower, such information shall include information with respect to financial and economic conditions in the territories of the Borrower, including its balance of payments, and the external debt of the Borrower, of any of its political subdivisions and of any agency of the Borrower or of any such political subdivision.

Section 5.02. (a) The Borrower shall furnish or cause to be furnished to the Bank all such information as the Bank shall reasonably request concerning the operations and financial condition of ILE.

(b) The Borrower and the Bank 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, the performance by either of them of its obligations under the Loan Agreement, the performance by Kosovo and ILE of their obligations under the Project Agreement or the performance by ILE under the Subsidiary Loan Agreement.

Section 5.03. The Borrower shall afford all reasonable opportunity for accredited representatives of the Bank to inspect all plants, installations, sites, works, buildings, property and equipment of ILE and any relevant records and documents and to visit any part of the territories of the Borrower for purposes related to the Loan.

Article VI

TAXES AND RESTRICTIONS

Section 6.01. 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 Borrower 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 Borrower.

Section 6.02. The Loan Agreement, any instrument made pursuant to Section 4.01 of this Agreement, the Project Agreement and the Bonds shall be free from any taxes on or in connection with the execution, issue, delivery or registration thereof imposed under the laws of the Borrower or laws in effect in its territories and the Borrower shall pay all such taxes, if any, imposed under the laws of any other country or countries.

Section 6.03. The payment of the principal of, and interest and other charges on, the Loan and the Bonds shall be free from all restrictions of any nature imposed under the laws of the Borrower or laws in effect in its territories.

Article VII

REMEDIES OF THE BANK

Section 7.01. If any event specified in Section 7.01 of the General Conditions or in Section 7.02 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 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, interest and charges shall become due and payable immediately, anything to the contrary in the Loan Agreement or in the Bonds notwithstanding.

Section 7.02. For the purposes of Section 7.01 of the General Conditions, the following additional events are specified :

(a) A default materially and adversely affecting the carrying out of the Project, the operation of the facilities included in the Project or the servicing of the Loan shall occur in the performance by any party of any obligation, covenant or agreement under any of the following agreements, namely, the ILE/Djerdap Agreement, the Banka Kosova Loan Agreement, the ILE/Kombinat Kosovo Power Agreement, the ILE/Kombinat Kosovo Water Agreement, the ILE/Kombinat Trepča Agreement, the Project Agreement, the Lender's Agreement and the Subsidiary Loan Agreement, and such an event shall continue for a period of sixty days after notice thereof shall have been given by the Bank to the Borrower and to ILE.

(b) Any provision of the ILE/Djerdap Agreement, the Banka Kosova Loan Agreement, the ILE/Kombinat Kosovo Power Agreement, the ILE/Kombinat Kosovo Water Agreement, the ILE/Kombinat Trepča Agreement, the Project Agreement, the Lenders' Agreement, the Subsidiary Loan Agree-

ment or ILE's Statutes shall have been amended, suspended, abrogated, terminated, waived or assigned without the prior approval of the Bank and such event shall have continued for a period of sixty days after notice thereof shall have been given by the Bank to the Borrower and to ILE.

(c) Any other loan or credit to ILE including the Banka Kosova Loan shall have become due and payable prior to its agreed maturity pursuant to the terms thereof.

(d) The Djerdap Grant shall have become due and payable pursuant to its terms.

Article VIII

EFFECTIVE DATE; TERMINATION

Section 8.01. The following events are specified as additional conditions to the effectiveness of the Loan Agreements within the meaning of Section 11.01 (c) of the General Conditions :

- (a) The ILE/Djerdap Agreement, the Banka Kosova Loan Agreement, the ILE/Kombinat Kosovo Power Agreement, the ILE/Kombinat Kosovo Water Agreement, the ILE/Kombinat Trepča Agreement, the Project Agreement, the Lenders' Agreement and the Subsidiary Loan Agreement in form and substance satisfactory to the Bank shall have been duly executed and authorized or ratified by all necessary governmental and corporate action and shall be in full force and effect.
- (b) The engineering consultants shall have been employed as required by Section 2.02 (i) of the Project Agreement.

Section 8.02. The following are specified as additional matters, 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, namely, that the ILE/Djerdap Agreement, the Banka Kosova Loan Agreement, the ILE/Kombinat Kosovo Power Agreement, the ILE/Kombinat Kosovo Water Agreement, the ILE/Kombinat Trepča Agreement, the Project Agreement, the Lenders' Agreement and the Subsidiary Loan Agreement in form and substance satisfactory to the Bank (i) have been duly executed and authorized or ratified by all necessary governmental and corporate action, (ii) constitute valid and binding obligations of the parties thereto in accordance with their terms, and (iii) are in full force and effect.

Section 8.03. The date of September 30, 1971, is hereby specified for the purposes of Section 11.04 of the General Conditions.

Article IX

REPRESENTATIVE OF THE BORROWER; ADDRESSES

Section 9.01. The Federal Secretary for Finance of the Borrower is designated as representative of the Borrower for the purposes of Section 10.03 of the General Conditions.

Section 9.02. The following addresses are specified for the purposes of Section 10.01 of the General Conditions :

For the Borrower :

Savezni Sekretarijat za Finansije
Prvi Bulevar 104
11000 Belgrade, Yugoslavia

Cable address :

Savezni Sekretarijat za Finansije
Belgrade

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 to be delivered in the District of Columbia, United States of America, as of the day and year first above written.

Socialist Federal Republic of Yugoslavia :

By BOGDAN CRNOBRNJA
Authorized Representative

International Bank for Reconstruction and Development :

By J. BURKE KNAPP
Vice President

SCHEDULE 1

WITHDRAWAL OF THE PROCEEDS OF THE LOAN

1. The table below sets forth the categories of items to be financed out of the proceeds of the Loan, the allocation of the amounts of the Loan to each category and the percentage of eligible expenditures so to be financed in each category :

<i>Category</i>	<i>Amount of the Loan Allocated (Expressed in Dollar Equivalent)</i>	<i>% of Expenditures to be Financed</i>
I. Civil works	24,300,000	44% of total expenditures
II. Equipment for Parts A, B, C and F of the Project		
(a) Imported items	200,000	100% of foreign expenditures
(b) Locally procured items	2,200,000	44% of local expenditures
III. Consultants' services and staff training	100,000	100% of foreign expenditures
IV. Interest and other charges on the Loan accrued on and before October 31, 1976	6,200,000	100% of total expenditures
V. Unallocated	12,000,000	
TOTAL	<u>45,000,000</u>	

2. For the purpose of this Schedule :

(a) The term " foreign expenditures " means expenditures for goods produced in, or services supplied from, the territories, and in the currency, of any country other than the Borrower;

(b) The term " local expenditures " means expenditures in the currency of the Borrower, or for goods produced in, or services supplied from, the territories of the Borrower; and

(c) The term " total expenditures " means the aggregate of foreign and local expenditures.

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

(a) expenditures prior to the date of this Agreement; and

(b) payments for taxes imposed under the laws of the Borrower or laws in effect in its territories on goods or services, or on the importation, manufacture, procurement or supply thereof. To the extent that the amount represented by the percentage set forth in the third column of the table in paragraph 1 above in respect of any Category would exceed the amount payable net of all such taxes, such percentage shall be reduced to ensure that no proceeds of the Loan will be withdrawn on account of payments for such taxes.

4. 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 any Category 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 any Category shall increase, the percentage set forth in the third column of the table in paragraph 1 above in respect of such expenditures shall be applied to the amount of such increase, and a correspon-

ding 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.

5. Notwithstanding the percentages set forth in the third column of the table in paragraph 1 above, if the estimate of total expenditures under Category I or of local expenditures under Category II (b) shall increase and no proceeds of the Loan are available for reallocation to such Category, the Bank may, by notice to the Borrower, adjust the percentage then applicable to such expenditures in order that further withdrawals under such Category may continue until all expenditures thereunder shall have been made.

SCHEDULE 2

DESCRIPTION OF THE PROJECT

The Project is the first phase of Kosovo's Ibar-Lepenac multipurpose water scheme for the purpose of developing the water resources of the Ibar river and of the Lepenac river. The Project is designed to permit the utilization of the water of the Ibar river for (i) industrial and domestic consumption, (ii) intensification of agriculture through irrigation and drainage, and (iii) the generation of hydroelectric power. The Project consists of the following Parts :

Part A. Power Plant

The construction and equipping of a 34 megawatt hydroelectric plant at Gazivode.

Part B. Dams, Reservoirs and Water Conveyance System

The construction of (1) a rockfill dam and a storage reservoir with a capacity of about 350 million cubic meters at Gazivode, (2) a regulating dam with intake structure and compensation basin at Pridvorica, (3) one main pumping station each at Besinje and at Hemidja and (4) about 147 kilometers of main conduits (tunnels, canals, syphons and aqueducts) for conveying untreated water to industries, communities and irrigated areas.

Part C. Irrigation and Drainage System

The construction of an irrigation and drainage system serving an area of about 30,000 hectares of farmland (including on-farm development in the form of land-levelling and tile drainage).

Part D. Roads

The construction of about 49 kilometers of feeder roads, the reconstruction of about 42 kilometers of feeder roads and the construction of about 633 kilometers of maintenance roads along the main conduits included in Part B (4) of the Project and along irrigation canals and drains included in Part C of the Project.

Part E. Erosion Control

The construction of erosion control structures on tributaries to the Ibar river within the Project area.

Part F. Equipment for Project Operation and Maintenance

The installation of a telecommunication system and the procurement of equipment required for the operation and the maintenance of the Project facilities.

Part G. Training

The training of ILE's staff for the purpose of enabling it to operate and maintain the Project facilities.

Part H. Studies

The carrying out of the following studies :

- (1) A study for the purpose of preparing such operating rules for the storage reservoir included in Part B (1) of the Project as will ensure the optimum allocation of the water stored in such reservoir to the various users, such study to be completed not later than December 31, 1974;
- (2) a land classification study of the farmland area referred to under Part C of the Project, such study to be based on a land classification standard acceptable to the Bank and to be completed not later than June 30, 1972;
- (3) a study to determine the economic viability of draining about 3500 hectares of low-lying lands along the Sitnica river included in the farmland area referred to under Part C of the Project, such study to be completed by December 31, 1973;
- (4) a study of charges for irrigation water supplied to the farmland area referred to in Part C of the Project, taking into account the farmers' capacity to pay, such study to be completed by June 30, 1973; and
- (5) a study of the methods of treating liquid wastes produced by Kombinat Kosovo and Kombinat Trepča in accordance with river water quality standards acceptable to Kosovo, such study to be completed by December 31, 1973.

Except as otherwise provided above, the Project is expected to be completed by December 31, 1975.

SCHEDULE 3
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>
May 1, 1977	360,000	November 1, 1979	430,000
November 1, 1977	375,000	May 1, 1980	445,000
May 1, 1978	385,000	November 1, 1980	465,000
November 1, 1978	400,000	May 1, 1981	480,000
May 1, 1979	415,000	November 1, 1981	495,000

SCHEDULE 3 (continued)

<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>
May 1, 1982	515,000	November 1, 1991	1,015,000
November 1, 1982	535,000	May 1, 1992	1,050,000
May 1, 1983	555,000	November 1, 1992	1,085,000
November 1, 1983	575,000	May 1, 1993	1,125,000
May 1, 1984	595,000	November 1, 1993	1,170,000
November 1, 1984	615,000	May 1, 1994	1,210,000
May 1, 1985	635,000	November 1, 1994	1,255,000
November 1, 1985	660,000	May 1, 1995	1,300,000
May 1, 1986	685,000	November 1, 1995	1,345,000
November 1, 1986	710,000	May 1, 1996	1,395,000
May 1, 1987	735,000	November 1, 1996	1,445,000
November 1, 1987	760,000	May 1, 1997	1,500,000
May 1, 1988	790,000	November 1, 1997	1,550,000
November 1, 1988	820,000	May 1, 1998	1,610,000
May 1, 1989	845,000	November 1, 1998	1,665,000
November 1, 1989	880,000	May 1, 1999	1,725,000
May 1, 1990	910,000	November 1, 1999	1,790,000
November 1, 1990	945,000	May 1, 2000	1,855,000
May 1, 1991	975,000	November 1, 2000	1,920,000

* 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.

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>Premiums</i>
Not more than four years before maturity	$\frac{3}{4}\%$
More than four years but not more than eight years before maturity	$2\frac{1}{4}\%$
More than eight years but not more than fourteen years before maturity	3%
More than fourteen years but not more than twenty years before maturity	$4\frac{1}{2}\%$
More than twenty years but not more than twenty-six years before maturity	$5\frac{3}{4}\%$
More than twenty-six years but not more than twenty-eight years before maturity	$6\frac{3}{4}\%$
More than twenty-eight years before maturity	$7\frac{3}{4}\%$

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.]