

No. 12074

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

**Loan Agreement—*Fourth Cukurova Power 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  
17 October 1972.*

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

**Contrat d'emprunt — *Quatrième projet relatif à l'énergie  
électrique-Société Cukurova* (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 développe-  
ment le 17 octobre 1972.*

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## LOAN AGREEMENT<sup>1</sup>

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

WHEREAS (A) pursuant to (i) the Development Credit Agreement (*Cukurova Power Project*) dated February 1, 1963,<sup>2</sup> and the Development Credit Agreement (*Second Cukurova Power Project*) dated July 14, 1964,<sup>3</sup> both between the Borrower and the Association, and the Loan Agreement (*Third Cukurova Power Project*) dated June 27, 1969,<sup>4</sup> between the Borrower and the Bank, and (ii) the Project Agreement (*Cukurova Power Project*) dated February 1, 1963,<sup>2</sup> and the Project Agreement (*Second Cukurova Power Project*) dated July 14, 1964,<sup>3</sup> both between the Association and Cukurova Elektrik A.S., and the Project Agreement (*Third Cukurova Power Project*) dated June 27, 1969,<sup>4</sup> between the Bank and Cukurova Elektrik A.S., the Association and the Bank have respectively made two development credits and one loan in various currencies equivalent in the aggregate to \$37,200,000 for relending to Cukurova Elektrik A.S. to assist it in the financing of the continuing expansion of its facilities and operations;

WHEREAS (B) the Borrower has requested the Bank to make another loan for the same purpose; and

WHEREAS (C) the Bank has agreed to make such loan on the terms and conditions provided herein and in the Project Agreement between the Bank and Cukurova Elektrik A.S. of even date herewith;<sup>5</sup>

NOW THEREFORE the parties hereto hereby agree as follows:

### *Article I. GENERAL CONDITIONS; DEFINITIONS*

*Section 1.01.* The parties to this Loan Agreement accept all the provisions of the General Conditions Applicable to Loan and Guarantee Agreements of the Bank, dated January 31, 1969,<sup>6</sup> with the same force and effect as if they were fully set forth herein, subject, however, to the following modifications thereof (said General Conditions Applicable to Loan and Guarantee Agreements of the Bank, as so modified, being hereinafter called the General Conditions):

(a) Section 5.01 is deleted;

(b) Section 6.02 (i) is amended to read as follows: "Any event specified in paragraph (e) or (f) of Section 7.01 shall have occurred.";

<sup>1</sup> Came into force on 14 October 1971, upon notification by the Bank to the Government of Turkey.

<sup>2</sup> United Nations, *Treaty Series*, vol. 468, p. 223.

<sup>3</sup> *Ibid.*, vol. 534, p. 339.

<sup>4</sup> *Ibid.*, vol. 735, p. 183.

<sup>5</sup> The said Agreement entered into force on 14 October 1971. 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 775 TU, a certified true copy of which was transmitted to the Secretariat together with the documentation submitted for registration of the present Loan Agreement.

<sup>6</sup> See p. 117 of this volume.

(c) The words, "the Project Agreement" are inserted after the words "the Loan Agreement" wherever they occur in Sections 6.06 and 9.03; and

(d) The words "the Company" are substituted for the words "the Borrower" wherever they occur in Section 11.01 (b) and the words "(not being a member of the Bank)" are deleted in the same Section.

*Section 1.02.* Wherever used in this Loan 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:

(a) "Project Agreement" means the agreement between the Bank and Cukurova Elektrik A.S. of even date herewith, as the same may be amended from time to time, and such term includes all schedules and agreements supplemental to the Project Agreement;

(b) "Subsidiary Loan Agreement" means the agreement to be entered into between the Borrower and Cukurova Elektrik A.S. pursuant to Section 3.01 (a) of this Loan Agreement, as the same may be amended from time to time, and such term includes all schedules and agreements supplemental to the Subsidiary Loan Agreement;

(c) "The Company" means Cukurova Elektrik A.S.;

(d) "The Concession" means the concession granted by the Borrower to the Company on August 26, 1953; and

(e) "The Protocol" means the protocol between the Borrower and the Company dated November 8, 1961.

## Article II. THE LOAN

*Section 2.01.* The Bank agrees to lend to the Borrower, on the terms and conditions in this Loan Agreement set forth or referred to, an amount in various currencies equivalent to seven million dollars (\$7,000,000).

*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 Loan 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 2 to this Loan Agreement and to be financed under this 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.

*Section 2.03.* The Closing Date shall be March 31, 1975, or such other date as shall be agreed between the Borrower, the Bank and the Company.

*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 April 1 and October 1 in each year.

*Section 2.07. (a)* The Borrower shall repay the principal of the Loan in accordance with the amortization schedule set forth in Schedule 3 to this Loan Agreement.

*(b)* In the event the Company repays to the Borrower any portion of the proceeds of the Loan relented under the Subsidiary Loan Agreement in advance of maturity, the Borrower shall promptly notify the Bank and shall repay to the Bank on the next following interest payment date an amount of the principal of the Loan equal to the portion of the proceeds so repaid, together with the premiums thereon specified in Schedule 3 to this Loan Agreement. The policy stated in Section 3.05 *(c)* of the General Conditions with respect to such premiums shall apply to any such repayment.

*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 Minister of 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.

*Section 2.10.* The Company is designated as representative of the Borrower for the purposes of taking any action required or permitted to be taken under the provisions of Section 2.02 of this Loan Agreement and Article V of the General Conditions.

### *Article III. EXECUTION OF THE PROJECT*

*Section 3.01. (a)* The Borrower shall relend the proceeds of the Loan to the Company under a subsidiary loan agreement to be entered into between the Borrower and the Company, in form and substance satisfactory to the Bank.

*(b)* 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, nor amend, abrogate or waive the Subsidiary Loan Agreement or any provision thereof.

*(c)* The Borrower shall take and shall cause all its agencies to take all action which shall be necessary on their part to enable the Company to perform all of its obligations under the Project Agreement and 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 goods and services required for the Project shall be procured pursuant to the provisions set forth or referred to in Section 2.04 of the Project Agreement.

### *Article IV. OTHER COVENANTS*

*Section 4.01.* Except as the Bank shall otherwise agree, the Borrower shall not abrogate, terminate, amend or waive the Concession or the Protocol, or any provision of either of them.

*Section 4.02.* (a) The Borrower shall take all steps necessary on its part to enable the Company to maintain such rates for the sale of electric power as shall be required for the Company to comply with the provisions of Section 4.06 (a) of the Project Agreement.

(b) Without limiting the generality of the foregoing, and except as the Bank shall otherwise agree, the Borrower shall not, before December 31, 1974, cause the Company to reduce such rates for the sale of electric power as were in effect on March 31, 1971.

(c) The provisions of this Section shall supersede all prior agreements between the Borrower and the Bank or the Association concerning the Company's rates for the sale of electric power.

*Section 4.03.* (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 Loan 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, except as the Bank shall otherwise agree, if any such lien shall be created on any governmental assets, 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 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; 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.

(d) As used in this Section, the term "governmental assets" means assets of the Borrower or of any of its political subdivisions or of any agency of the Borrower or of any such political subdivision, including the Türkiye Cumhuriyet Merkez Bankasi or any other institution performing the functions of a central bank for the Borrower.

#### *Article V.* CONSULTATION AND INFORMATION

*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 the Company of its obligations under the Project Agreement, the administration, operations and financial condition of the Company and, in respect of the Project, of the departments or agencies of the Borrower other than the Company responsible for the carrying out of the Project or any part thereof, 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 the Company and, in respect of the Project, of the departments or agencies of the Borrower other than the Company responsible for carrying out the Project or any part thereof.

(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 or the performance by either of them of their respective obligations under the Loan Agreement, or the performance by the Company of its obligations under the Project Agreement.

*Section 5.03.* The Borrower shall afford all reasonable opportunity for accredited representatives of the Bank to visit all plants, installations, sites, works, buildings, property and equipment of the Company and to examine 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.* This Loan Agreement, any instrument made pursuant to Section 4.03 of this Loan Agreement, the Project Agreement, the Subsidiary Loan 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, regulations, controls and moratoria 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 7.03 of this Loan 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 6.02 of the General Conditions, the following additional events are specified:

- (a) a default shall have occurred in the payment of principal or interest or any other payment required to be made by the Company on account of any or all of the proceeds of the Loan which shall have been relented to the Company;
- (b) a default shall have occurred in the performance of any other obligation (i) on the part of the Company, under the Project Agreement or under any project agreement between the Association or the Bank and the Company, or (ii) on the part of the Borrower, under any loan agreement or any development credit agreement between the Borrower and, respectively, the Bank or the Association pursuant to which any or all of the proceeds thereof have been relented to the Company;
- (c) the Company shall have become unable to pay its debts as they mature or any action or proceeding shall have been taken by the Company or by others whereby any of its property or assets shall or may be distributed among, or administered for the benefit of, its creditors;
- (d) any creditor of the Company shall have demanded payment of monies lent to the Company, prior to the agreed maturity of any loan having an original maturity of one year or longer, in accordance with the terms of such loan;
- (e) the Borrower or any other authority having jurisdiction shall have taken any action for the dissolution or disestablishment of the Company or for the suspension of its operations; or
- (f) an extraordinary situation shall have arisen which shall make it improbable that the Company will be able to perform its obligations under the Project Agreement or under any project agreement between the Bank or the Association and the Company.

*Section 7.03.* For the purposes of Section 7.01 of the General Conditions, the following additional events are specified:

- (a) The events specified in paragraph (a) of Section 7.02 of this Loan Agreement shall occur and shall continue for a period of thirty days after notice thereof shall have been given by the Bank to the Borrower and the Company.
- (b) The events specified in paragraph (b) of Section 7.02 of this Loan Agreement shall occur and shall continue for a period of sixty days after notice thereof shall have been given by the Bank to the Borrower and the Company.
- (c) Any event specified in paragraph (c), or paragraph (d), or paragraph (e) of Section 7.02 of this Loan Agreement shall occur.

#### *Article VIII.* EFFECTIVE DATE; TERMINATION

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

- (a) the execution and delivery of the Project Agreement on behalf of the Company have been duly authorized or ratified by all necessary corporate and governmental action.
- (b) the execution and delivery of the Subsidiary Loan Agreement on behalf of the Borrower and the Company, respectively, have been duly authorized or ratified by all necessary corporate and governmental action.

*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 :

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

*Section 8.03.* The date September 28, 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.* Subject to the provisions of Section 2.10 of this Loan Agreement, the Minister of 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 :

Maliye Bakanligi  
Hazine Genel Mudurlugu ve Milletlerarasi Iktisadi  
Isbirliigi Teskilati Genel Sekreterligi  
Ankara, Turkey

Cable address :

Maliye  
Hazine  
Ankara

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 Loan 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.

Republic of Turkey :  
 By AHMET TUFAN GÜL  
 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. Equipment, materials, special vehicles and associated services for Part I of the Project :	3,510,000	
(a) produced within the territories of the Borrower		100% of local expenditures
(b) produced outside the territories of the Borrower		100% of foreign expenditures
II. Part II of the Project	2,440,000	100% of foreign expenditures
III. Training (Part III of the Project)	100,000	100% of foreign expenditures
IV. Interest and other charges on the Loan accrued on or before September 30, 1974 . . . . .	600,000	100% of total expenditures
V. Unallocated . . . . .	350,000	
TOTAL	<u>7,000,000</u>	

2. For the purposes 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 Loan Agreement;

(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;

- (c) expenditures incurred for the transportation within the territories of the Borrower of goods included in Category I; or
- (d) expenditures incurred for the acquisition of goods or the provision of services described under Category II until the proceeds of the Loan allocated for such expenditures under the Loan Agreement (*Third Cukurova Power Project*) between the Borrower and the Bank dated June 27, 1969, shall have been fully disbursed.

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; and
- (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 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

### DESCRIPTION OF THE PROJECT

The Project consists of:

*Part I.* Construction and installation of the following power system works:

- (a) a 154-kV transmission line from Seyhan to Osmaniye and Payas.
- (b) a 154-kV transmission line from Iskenderun to Antakya.
- (c) substations at Tarsus, Payas and Antakya with an aggregate capacity of about 180 MVA.
- (d) a sub-transmission line from Tarsus to Mersin and Silifke.
- (e) centralized control, telemetering and communications equipment.

*Part II.* Construction of the Second Kadincik Hydroelectric Power Plant (Kadincik II)

Kadincik II will comprise: a concrete diversion dam about 15 meters high containing two radial gates and situated on the Kadincik River about 200 meters downstream from the existing Kadincik plant (Kadincik I); and intake, immediately upstream from the dam, leading to a concrete-lined tunnel about 6,100 meters long; a steel pipe extending about 1,400 meters to a surge tank and valve chamber; a steel penstock sloping to a powerhouse containing a 50 MW turbo-generator unit to be located on the banks of the Tarsus River just below the mouth of the Kadincik River; a travelling crane, switchyard, and other powerhouse equipment.

*Part III.* Training

A training program for the personnel of the Company, consisting of training visits outside Turkey and the employment of experts to assist and train personnel in modern techniques of electric systems engineering and operations and public utility financial planning, including accounting.

The Project is expected to be completed by September 30, 1974.

## 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>
April 1, 1975 . . . . .	80,000	April 1, 1985 . . . . .	165,000
October 1, 1975 . . . . .	85,000	October 1, 1985 . . . . .	170,000
April 1, 1976 . . . . .	85,000	April 1, 1986 . . . . .	175,000
October 1, 1976 . . . . .	90,000	October 1, 1986 . . . . .	180,000
April 1, 1977 . . . . .	95,000	April 1, 1987 . . . . .	190,000
October 1, 1977 . . . . .	95,000	October 1, 1987 . . . . .	195,000
April 1, 1978 . . . . .	100,000	April 1, 1988 . . . . .	205,000
October 1, 1978 . . . . .	105,000	October 1, 1988 . . . . .	210,000
April 1, 1979 . . . . .	105,000	April 1, 1989 . . . . .	220,000
October 1, 1979 . . . . .	110,000	October 1, 1989 . . . . .	225,000
April 1, 1980 . . . . .	115,000	April 1, 1990 . . . . .	235,000
October 1, 1980 . . . . .	120,000	October 1, 1990 . . . . .	245,000
April 1, 1981 . . . . .	125,000	April 1, 1991 . . . . .	250,000
October 1, 1981 . . . . .	130,000	October 1, 1991 . . . . .	260,000
April 1, 1982 . . . . .	130,000	April 1, 1992 . . . . .	270,000
October 1, 1982 . . . . .	135,000	October 1, 1992 . . . . .	280,000
April 1, 1983 . . . . .	140,000	April 1, 1993 . . . . .	290,000
October 1, 1983 . . . . .	145,000	October 1, 1993 . . . . .	300,000
April 1, 1984 . . . . .	155,000	April 1, 1994 . . . . .	310,000
October 1, 1984 . . . . .	160,000	October 1, 1994 . . . . .	320,000

\* 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 . . . . .	3/8%
More than three years but not more than six years before maturity . . . . .	2 1/8%
More than six years but not more than eleven years before maturity . . . . .	3%
More than eleven years but not more than sixteen years before maturity . . . . .	4 1/2%
More than sixteen years but not more than twenty years before maturity . . . . .	5 3/4%
More than twenty years but not more than twenty-two years before maturity . . . . .	6 3/4%
More than twenty-two years before maturity . . . . .	7 1/4%

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.]