Loan Agreement

(Piauí Green Growth and Inclusion Development Policy Loan-
Programa de Desenvolvimento Sustentável do Piauí)

between

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT

and

STATE OF PIAUI
LOAN AGREEMENT

Agreement, as of the Signature Date (as defined in the Appendix to the Loan Agreement),
entered into between the INTERNATIONAL BANK FOR RECONSTRUCTION AND
DEVELOPMENT ("Bank") and the STATE OF PIÚI ("Borrower") for the purpose of
providing financing in support of the Program (as defined in the Appendix to this
Agreement).

WHEREAS (A) The Bank has decided to provide this financing on the basis, inter alia,
of: (a) the actions which the Borrower has already taken under the Program and which
are described in Section I.A of Schedule I to this Agreement; (b) the Guarantor’s
maintenance of an adequate macroeconomic policy framework; and (c) the Borrower’s
maintenance of: (i) an appropriate expenditure program; (ii) sustainable debt; and (iii)
appropriate fiscal arrangements with the Guarantor.

Whereas (B) the Borrower has informed the Bank that, upon deposit by the Bank of the
proceeds of the Loan (on the terms set forth in the Section II of Schedule I to this
Agreement and for purposes of supporting the Program) into an account to be designated
by the Borrower, the Borrower’s financial capacity will be strengthened by expanding its
fiscal space to finance further public investments in accordance with the Borrower’s
budgetary laws.

The Bank and the Borrower therefore hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to this Agreement)
constitute an integral part of this Agreement.

1.02. Unless the context requires otherwise, the capitalized terms used in this
Agreement have the meanings ascribed to them in the General Conditions or in
the Appendix to this Agreement.

ARTICLE II — LOAN

2.01. The Bank agrees to lend to the Borrower, on the terms and conditions set forth or
referred to in this Agreement, the amount of three hundred and fifty million
Dollars ($350,000,000), as such amount may be converted from time to time
through a Currency Conversion in accordance with the provisions of Section 2.07
of this Agreement ("Loan").
2.02. The Borrower may withdraw the proceeds of the Loan in support of the Program in accordance with Section II of Schedule 1 to this Agreement. The Borrower's Representative for purposes of taking any action required or permitted to be taken pursuant to this Section is the Borrower's Secretary of Finance.

2.03. The Front-end Fee payable by the Borrower shall be equal to one quarter of one percent (0.25%), of the Loan amount.

2.04. The interest payable by the Borrower for each Interest Period shall be at a rate equal to the Reference Rate for the Loan Currency plus the Fixed Spread; provided, that upon a Conversion of all or any portion of the principal amount of the Loan, the interest payable by the Borrower during the Conversion Period on such amount shall be determined in accordance with the relevant provisions of Article IV of the General Conditions. Notwithstanding the foregoing, if any amount of the Withdrawn Loan Balance remains unpaid when due and such non-payment continues for a period of thirty days, then the interest payable by the Borrower shall instead be calculated as provided in Section 3.02 (e) of the General Conditions.

2.05. The Payment Dates are February 15 and August 15 in each year.

2.06. The principal amount of the Loan shall be repaid in accordance with the amortization schedule set forth in Schedule 2 to this Agreement.

2.07. (a) The Borrower may at any time, in each case with prior non-objection of the Guarantor, through the Secretariat of the National Treasury of the Guarantor's Ministry of Finance, request any of the following Conversions of the terms of the Loan in order to facilitate prudent debt management: (i) a change of the Loan Currency of all or any portion of the principal amount of the Loan, withdrawn or unwithdrawn, to an Approved Currency; (ii) a change of the interest rate basis applicable to all or any portion of the principal amount of the Loan withdrawn and outstanding from a Variable Rate to a Fixed Rate, or vice versa, or from a Variable Rate based on a Variable Spread to a Variable Rate based on a Fixed Spread; and (iii) the setting of limits on the Variable Rate applicable to all or any portion of the principal amount of the Loan withdrawn and outstanding by the establishment of an Interest Rate Cap or Interest Rate Collar on the Variable Rate.

(b) Any conversion requested pursuant to paragraph (a) of this Section that is accepted by the Bank shall be considered a "Conversion", as defined in the General Conditions, and shall be effected in accordance with the provisions of Article IV of the General Conditions and of the Conversion Guidelines.
Promptly following the Execution Date for an Interest Rate Cap or Interest Rate Collar for which the Borrower has requested that the premium be paid out of the proceeds of the Loan, the Bank shall, on behalf of the Borrower, withdraw from the Loan Account and pay to itself the amounts required to pay any premium payable in accordance with Section 4.05 (c) of the General Conditions up to the amount allocated from time to time for the purpose in the table in Section II of Schedule I to this Agreement.

2.08. Without limitation upon the provisions of Section 5.08 of the General Conditions (renumbered as such pursuant to paragraph 3 of Section II of the Appendix to this Agreement and relating to Cooperation and Consultation), the Borrower shall promptly furnish to the Bank such information relating to the provisions of this Article II as the Bank may, from time to time, reasonably request.

ARTICLE III — PROGRAM

3.01. The Borrower declares its commitment to the Program and its implementation. To this end, and further to Section 5.08 of the General Conditions:

(a) the Borrower and the Bank shall from time to time, at the request of either party, exchange views on: (i) the Borrower's maintenance of, an appropriate expenditure program; sustainable debt; and appropriate fiscal arrangements with the Guarantor, as referred to in the introductory paragraph of this Agreement; and (ii) the progress achieved in carrying out the Program and the actions specified in Section I.A of Schedule I to this Agreement;

(b) prior to each such exchange of views, the Borrower shall furnish to the Bank for its review and comment a report on the progress achieved in carrying out the Program, in such detail as the Bank shall reasonably request; and

(c) without limitation upon the provisions of paragraphs (a) and (b) of this Section, the Borrower shall promptly inform the Bank of any situation that would have the effect of materially: (i) impairing the Borrower's ability to maintain an appropriate expenditure program, sustainable debt and/or fiscal arrangements with the Guarantor; or (ii) reversing the objectives of the Program or any action taken under the Program including any action specified in Section I.A of Schedule I to this Agreement.
ARTICLE IV — REMEDIES OF THE BANK

4.01. The Additional Events of Suspension consist of the following:

(a) A situation has arisen which shall make it improbable that the Program, or a significant part of it, will be carried out.

(b) An action has been taken or a policy has been adopted by the Borrower to reverse any action or policy under the Program, including any action listed in Section I.A of Schedule 1 to this Agreement, in a manner that would, in the opinion of the Bank, adversely affect the achievement of the objectives of the Program.

ARTICLE V — EFFECTIVENESS; TERMINATION

5.01. The Additional Condition of Effectiveness consists of the following:

(a) That the Bank is satisfied with the progress achieved by the Borrower in the carrying out of the Program and with the adequacy of the Guarantor’s macroeconomic policy framework.

(b) That the Bank is satisfied with the Borrower’s maintenance of an appropriate expenditure program, sustainable debt and appropriate fiscal arrangements with the Guarantor.

5.02. The Additional Legal Matter consists of the following, namely, that the Loan has been registered with the Guarantor’s Central Bank.

5.03. The Effectiveness Deadline is the date ninety (90) days after the Signature Date, but in no case later than the eighteen (18) months after the Bank’s approval of the Loan which expire on September 6, 2013.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Borrower’s Representative is the State Governor.

6.02. The Borrower’s Address is:
Palácio de Karnak
Av. Antonio Freire, 1450 – Centro
CEP: 64001-040
Teresina – PI
Facsimile: (55-86) 3321-1696
6.03. The Bank’s Address is:

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

Cable address: INTBAFRAD
Telex: 248423(MCI) or 64145(MCI)
Facsimile: 1-202-477-6391

AGREED at the District of Columbia, United States of America on behalf of the Bank on May 10, 2012, and at Brasilia, Brazil on behalf of the Borrower on May 15, 2012.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By
Authorized Representative

STATE OF PIAUI

By
Authorized Representative
SCHEDULE I

Program Actions; Availability of Loan Proceeds

Section I. Actions under the Program

A. Actions Taken Under the Program. The actions taken by the Borrower under the Program, aimed at: (i) promoting Green Growth; (ii) promoting access to and quality of basic education; and (iii) increasing the efficiency in public management, include the following:

1. Promotion of Green Growth in rural areas.

   (a) The Borrower has improved land tenure security for small family farmers, larger producers, as well as for Quilombolas Communities located in rural areas, with particular focus on the Cerrado Reserve, as evidenced by:

      (i) the enactment of the Borrower’s Law No. 6,127 of November 21, 2011, authorizing (A) the donation of public rural land to family farmers occupying and/or working said land; and (B) the sale of public rural land to larger scale producers occupying and working the land for at least 5 consecutive years; and

      (ii) the issuance of the Borrower’s Decree No. 14,625 of October 31, 2011, creating the Borrower’s program for regularization of lands occupied by Quilombola Communities.

   (b) The Borrower has promoted sustainable agriculture in rural areas, and therefore increasing employment and income in family farming, as evidenced by:

      (i) the enactment of the Borrower’s Complementary Law No. 162 of December 30, 2010, creating the directorate of rural poverty alleviation (Diretoria de Combate à Pobreza Rural) under the Borrower’s secretariat of rural development; and

      (ii) the issuance of the Borrower’s Decree No. 14,626 of October 31, 2011, creating the Borrower’s program for the elimination of rural poverty (Programa Estadual de Geração de Emprego e Renda no Meio Rural - PROGERE), and the program unit to manage said program (Diretoria de Combate à Pobreza Rural - SDR/DCPR).
The Borrower has promoted the sustainable use of rural landscapes, and therefore ensuring environmental sustainability, as evidenced by the enactment of the Borrower’s Law No. 6,132 of November 28, 2011, creating the rural environmental cadastre, a mechanism for rural environmental registration and licensing.

2. Improve Access to and Quality of Basic Education.

(a) The Borrower has promoted equal access to basic education programs, as evidenced by the issuance of the Borrower’s Decree No. 14,628 of October 31, 2011, introducing a distance-learning program and educational multimedia tools to improve school enrollment in elementary and middle schools located in rural and urban areas of the Borrower’s territory.

(b) The Borrower has taken the following steps to improve management and learning outcomes in public elementary and middle schools, as evidenced by:

(i) the issuance of the Borrower’s Decree No. 14,627 of October 31, 2011, authorizing SEDUC to implement an accelerated learning program (Programa de Correção do Fluxo Escolar), to: (A) decrease age-grade distortion, repetition and dropout rates; and (B) improve the flow and quality of said schools;

(ii) the issuance of the Borrower’s Decree No. 14,385 of January 13, 2011, establishing a formal process for the merit-based selection of the school system regional manager (Gestor de Gerência Regional de Educação); and

(iii) the issuance of the Borrower’s Decree No. 14,607 of October 14, 2011, establishing a formal process for the competitive selection of school principals.

(c) The Borrower has promoted the participation of vulnerable youth in public policy and educational programs, as evidenced by the enactment of the Borrower’s Complementary Law No. 162 of December 30, 2010, creating the coordination agency for youth, responsible for the implementation of the Borrower’s Plan for Youth Empowerment.

3. Increase the Efficiency of Public Management

The Borrower has strengthen the institutional framework governing public management for an efficient public service delivery, as evidenced by the issuance of the Borrower’s Decree No. 14,637 of November 22, 2011, creating the result-based and
financial management steering committee (Comissão de Gestão Financeira e Gestão por Resultados), for the purposes of defining and enforcing the consolidation of a result-based management system in the Borrower’s public agencies, including the task of adjusting payments due to each of the Borrower’s public agencies in accordance with said agency’s performance and the monitoring of a portfolio of priority projects linked to the Strategic Multi-year Plan 2012-2015.

Section II. Availability of Loan Proceeds

A. General. The Borrower may withdraw the proceeds of the Loan in accordance with the provisions of this Section and such additional instructions as the Bank may specify by notice to the Borrower.

B. Allocation of Loan Amounts. The Loan is allocated in a single withdrawal tranche, from which the Borrower may make withdrawals of the Loan proceeds. The allocation of the amounts of the Loan to this end is set out in the table below:

<table>
<thead>
<tr>
<th>Allocations</th>
<th>Amount of the Loan Allocated (expressed in Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Single Withdrawal Tranche</td>
<td>349,125,000</td>
</tr>
<tr>
<td>(2) Front-end Fee</td>
<td>875,000</td>
</tr>
<tr>
<td>(3) Amount due pursuant to Section 2.07(c) of this Agreement</td>
<td>0</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>350,000,000</td>
</tr>
</tbody>
</table>

C. Withdrawal Tranche Release Conditions.

I. No withdrawal shall be made of the Single Withdrawal Tranche unless the Bank is satisfied:

(a) with the adequacy of the Guarantor’s macroeconomic policy framework and the progress achieved by the Borrower in the carrying out of the Program; and

(b) that the Borrower is maintaining an appropriate expenditure program, sustainable debt and appropriate fiscal arrangements with the Guarantor.
D. Deposits of Loan Amounts. Except as the Bank may otherwise agree:

1. all withdrawals from the Loan Account shall be deposited by the Bank into an account designated by the Borrower and acceptable to the Bank; and

2. the Borrower shall ensure that upon each deposit of an amount of the Loan into this account, an equivalent amount is accounted for in the Borrower's budget management system, in a manner acceptable to the Bank.

E. Excluded Expenditures. The Borrower undertakes that the proceeds of the Loan shall not be used to finance Excluded Expenditures. If the Bank determines at any time that an amount of the Loan was used to make a payment for an Excluded Expenditure, the Borrower shall, promptly upon notice from the Bank, refund an amount equal to the amount of such payment to the Bank. Amounts refunded to the Bank upon such request shall be cancelled.

F. Closing Date. The Closing Date is March 30, 2013. The Bank will grant an extension of the Closing Date after the Guarantor's Ministry of Finance has informed the Bank that it agrees with such an extension.
SCHEDULE 2

Amortization Schedule

1. The following table sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date ("Installment Share"). If the proceeds of the Loan have been fully withdrawn as of the first Principal Payment Date, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined by the Bank by multiplying: (a) Withdrawn Loan Balance as of the first Principal Payment Date; by (b) the Installment Share for each Principal Payment Date, such repayable amount to be adjusted, as necessary, to deduct any amounts referred to in paragraph 4 of this Schedule, to which a Currency Conversion applies.

<table>
<thead>
<tr>
<th>Principal Payment Date</th>
<th>Installment Share (Expressed as a Percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each February 15 and August 15</td>
<td></td>
</tr>
<tr>
<td>Beginning August 15, 2017</td>
<td></td>
</tr>
<tr>
<td>through February 15, 2030</td>
<td>3.7%</td>
</tr>
<tr>
<td>On August 15, 2030</td>
<td>3.8%</td>
</tr>
</tbody>
</table>

2. If the proceeds of the Loan have not been fully withdrawn as of the first Principal Payment Date, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined as follows:

(a) To the extent that any proceeds of the Loan have been withdrawn as of the first Principal Payment Date, the Borrower shall repay the Withdrawn Loan Balance as of such date in accordance with paragraph 1 of this Schedule.

(b) Any amount withdrawn after the first Principal Payment Date shall be repaid on each Principal Payment Date falling after the date of such withdrawal in amounts determined by the Bank by multiplying the amount of each such withdrawal by a fraction, the numerator of which is the original Installment Share specified in the table in paragraph 1 of this Schedule for said Principal Payment Date ("Original Installment Share") and the denominator of which is the sum of all remaining Original Installment Shares for Principal Payment Dates falling on or after such date, such amounts repayable to be adjusted, as necessary, to deduct any amounts referred to in paragraph 4 of this Schedule, to which a Currency Conversion applies.
3. (a) Amounts of the Loan withdrawn within two calendar months prior to any Principal Payment Date shall, for the purposes solely of calculating the principal amounts payable on any Principal Payment Date, be treated as withdrawn and outstanding on the second Principal Payment Date following the date of withdrawal and shall be repayable on each Principal Payment Date commencing with the second Principal Payment Date following the date of withdrawal.

(b) Notwithstanding the provisions of sub-paragraph (a) of this paragraph, if at any time the Bank adopts a due date billing system under which invoices are issued on or after the respective Principal Payment Date, the provisions of such sub-paragraph shall no longer apply to any withdrawals made after the adoption of such billing system.

4. Notwithstanding the provisions of paragraphs 1 and 2 of this Schedule, upon a Currency Conversion of all or any portion of the Withdrawn Loan Balance to an Approved Currency, the amount so converted in the Approved Currency that is repayable on any Principal Payment Date occurring during the Conversion Period, shall be determined by the Bank by multiplying such amount in its currency of denomination immediately prior to the Conversion by either: (i) the exchange rate that reflects the amounts of principal in the Approved Currency payable by the Bank under the Currency Hedge Transaction relating to the Conversion; or (ii) if the Bank so determines in accordance with the Conversion Guidelines, the exchange rate component of the Screen Rate.

5. If the Withdrawn Loan Balance is denominated in more than one Loan Currency, the provisions of this Schedule shall apply separately to the amount denominated in each Loan Currency, so as to produce a separate amortization schedule for each such amount.
APPENDIX

Section I. Definitions

1. "Cerrado Reserve" means a savannah and dry forest biome in the central highlands of the Guarantor's territory which covers an area equivalent to 200 million hectares in the States of Mato Grosso, Mato Grosso do Sul, Goiás and Tocantins, and parts of the States of Bahia, Maranhão, Minas Gerais, Piauí and São Paulo.

2. “Excluded Expenditure” means any expenditure:

   (a) for goods or services supplied under a contract which any national or international financing institution or agency other than the Bank or the Association has financed or agreed to finance, or which the Bank or the Association has financed or agreed to finance under another loan, credit, or grant;

   (b) for goods included in the following groups or sub-groups of the Standard International Trade Classification, Revision 3 (SITC, Rev.3), published by the United Nations in Statistical Papers, Series M, No. 34/Rev.3 (1986) (the SITC), or any successor groups or subgroups under future revisions to the SITC, as designated by the Bank by notice to the Borrower:

<table>
<thead>
<tr>
<th>Group</th>
<th>Sub-group</th>
<th>Description of Item</th>
</tr>
</thead>
<tbody>
<tr>
<td>112</td>
<td></td>
<td>Alcoholic beverages</td>
</tr>
<tr>
<td>121</td>
<td></td>
<td>Tobacco, un-manufactured, tobacco refuse</td>
</tr>
<tr>
<td>122</td>
<td></td>
<td>Tobacco, manufactured (whether or not containing tobacco substitutes)</td>
</tr>
<tr>
<td>525</td>
<td></td>
<td>Radioactive and associated materials</td>
</tr>
<tr>
<td>667</td>
<td></td>
<td>Pearls, precious and semiprecious stones, unworked or worked</td>
</tr>
<tr>
<td>718</td>
<td>718.7</td>
<td>Nuclear reactors, and parts thereof; fuel elements (cartridges), non-irradiated, for nuclear reactors</td>
</tr>
<tr>
<td>728</td>
<td>728.43</td>
<td>Tobacco processing machinery</td>
</tr>
<tr>
<td>897</td>
<td>897.3</td>
<td>Jewelry of gold, silver or platinum group metals (except watches and watch cases) and goldsmiths' or silversmiths' wares (including set gems)</td>
</tr>
<tr>
<td>971</td>
<td></td>
<td>Gold, non-monetary (excluding gold ores and concentrates)</td>
</tr>
</tbody>
</table>
(c) for goods intended for a military or paramilitary purpose or for luxury consumption;

(d) for environmentally hazardous goods, the manufacture, use or import of which is prohibited under the laws of the Borrower or international agreements to which the Borrower is a party;

(e) on account of any payment prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations; and

(f) with respect to which the Bank determines that corrupt, fraudulent, collusive or coercive practices were engaged in by representatives of the Borrower or other recipient of the Loan proceeds, without the Borrower (or other such recipient) having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur.

3. “General Conditions” means the “International Bank for Reconstruction and Development General Conditions for Loans”, dated July 31, 2010, with the modifications set forth in Section II of this Appendix.


5. “Guarantor” means the Federative Republic of Brazil.

6. “Plan for Youth Empowerment” means the plan (Plano Estadual de Juventude) approved pursuant Law No. 5,903 of October 14, 2009, setting forth a set of targets and programs aimed at the empowerment of youth (from 15 to 29 years old) in the Borrower’s territory.

7. “Program” means the program of actions, objectives and policies designed to: (i) promote Green Growth; (ii) promote access to and quality of basic education; and (iii) increase the efficiency in public management, as well as to achieve sustainable reductions in poverty and set forth or referred to in the letter dated November 22, 2011, from the Borrower to the Bank declaring the Borrower’s commitment to the execution of the Program, and requesting assistance from the Bank in support of the Program during its execution.

8. “Quilombola Communities” means historical Afro-Brazilian communities living mainly in rural areas within the Borrower’s territory.

9. “SEDUC” means Secretaria de Educação e Cultura, the Borrower’s Secretariat of Education and Culture.
10. “Signature Date” means the latest of the two dates on which: (i) the Bank and the Borrower signed the Loan Agreement; and (ii) the Guarantor and the Bank signed the Guarantee Agreement, and such definition applied to all references to “the date of the Loan Agreement” and/or “the date of the Guarantee Agreement” in the General Conditions.

11. “Single Withdrawal Tranche” means the amount of the Loan allocated to the category entitled “Single Withdrawal Tranche” in the table set forth in Part B of Section II of Schedule I to this Agreement.

12. “Strategic Multi-year Plan 2012-2015” means the multi-year plan prepared by the Borrower as mandated by Law No. 05 of July 15, 1991, setting forth the priority programs to be developed, the units within the Borrower’s public administration responsible for its implementation, as well as the sources of funding during the period 2012-2015, as approved by Law 6,154 of January 5, 2012.

Section II. Modifications to the General Conditions

The modifications to the General Conditions are as follows:

1. The last sentence of paragraph (a) of Section 2.03 (relating to Applications for Withdrawal) is deleted in its entirety.

2. Sections 2.04 (Designated Accounts) and 2.05 (Eligible Expenditures) are deleted in their entirety, and the remaining Sections in Article II are renumbered accordingly.

3. Sections 5.01 (Project Execution Generally), and 5.09 (Financial Management: Financial Statements; Audits) are deleted in their entirety, and the remaining Sections in Article V are renumbered accordingly.

4. Paragraph (a) of Section 5.05 (renumbered as such pursuant to paragraph 3 above and relating to Use of Goods, Works and Services) is deleted in its entirety.

5. Paragraph (c) of Section 5.06 (renumbered as such pursuant to paragraph 3 above) is modified to read as follows:

   “Section 5.06. Plans: Documents: Records

   … (c) The Borrower shall retain all records (contracts, orders, invoices, bills, receipts and other documents) evidencing expenditures under the Loan until two years after the Closing Date. The Borrower shall enable the Bank’s representatives to examine such records.”
6. Paragraph (c) of Section 5.07 (renumbered as such pursuant to paragraph 3 above) is modified to read as follows:

Section 5.07 Program Monitoring and Evaluation

... (c) The Borrower shall prepare, or cause to be prepared, and furnish to the Bank not later than six months after the Closing Date, a report of such scope and in such detail as the Bank shall reasonably request, on the execution of the Program, the performance by the Loan Parties and the Bank of their respective obligations under the Legal Agreements and the accomplishment of the purposes of the Loan.

7. The following terms and definitions set forth in the Appendix are modified or deleted as follows, and the following new terms and definitions are added in alphabetical order to the Appendix as follows, with the terms being renumbered accordingly:

(a) The definition of the term “Eligible Expenditure” is modified to read as follows:

“‘Eligible Expenditure’ means any use to which the Loan is put in support of the Program, other than to finance expenditures excluded pursuant to the Loan Agreement.”

(b) The term “Financial Statements” and its definition are deleted in their entirety.

(c) The term “Project” is modified to read “Program” and its definition is modified to read as follows (and all references to “Project” throughout these General Conditions are deemed to be references to “Program”).

“Program’ means the program referred to in the Loan Agreement in support of which the Loan is made.”