May 14, 2019

Mr. Zhang Wencai
Director-General
International Economic and Financial Cooperation Department
Ministry of Finance
Beijing, China

Re: Loan No. 8927-CN and COFN No. C1570
Guizhou Aged Care System Development Program
Additional Instructions: Disbursement and Financial Information Letter

Dear Mr. Zhang:

I refer to the Loan Agreement between the People’s Republic of China (the “Borrower”) and the International Bank for Reconstruction and Development (the “Bank”) for the above-referenced Program. The General Conditions, as defined in the Loan Agreement, provide that the Borrower may from time to time request withdrawals of Loan Amounts from the Loan Account in accordance with the Disbursement and Financial Information Letter, and such additional instructions as the Bank may specify from time to time by notice to the Borrower. The General Conditions also provide that the Disbursement and Financial Information Letter may set out Program specific financial reporting requirements. This letter constitutes such Disbursement and Financial Information Letter (“DFIL”), and may be revised from time to time.

I. Disbursement Arrangements, Withdrawal of Loan Funds, and Reporting of Uses of Loan Funds

(i) Schedule 1. The table in Schedule 1 sets out the disbursement methods which may be used by the Borrower, conditions, information on registration of authorized signatures, processing of withdrawal applications (including processing of advances), instructions on documentation, and reporting of advances.

(ii) Withdrawal Applications. Applications for withdrawal from the Loan Account (“Withdrawal Applications”) of amounts of the Loan allocated to individual Disbursement Linked Results (“DLR”) may, pursuant to the provisions of Section IV.B.1 of Schedule 2 of the Loan Agreement, be sent to the Bank at any time after the Bank has notified the Borrower in writing that it has accepted evidence of achievement of the specific DLR.

(iii) Withdrawal Amount. The Withdrawal Application may be for an amount not to exceed the amount of the Loan confirmed by the Bank for the specific DLR in respect of which the withdrawal is requested, as specified in the Bank’s notice to the Borrower.

(iv) Advances and Recovery of Advances. The Borrower may, in accordance with provisions of the Loan Agreement, request advances of amounts of the Loan allocated to DLRs that have not yet been achieved using the Form attached (Attachment 2). The aggregated amount of all such advances made in respect of amounts allocated to DLRs may not exceed the equivalent of €76,425,000.
The Bank records an amount of the advance as disbursed for an achieved DLR ("recovered") after it has notified the Borrower of its acceptance of the evidence of achievement of the DLR for which the advance was provided. The amount so reclassified becomes available for further advances in accordance with the preceding paragraph.

(v) **Electronic Delivery.** Section 10.01 (c) of the General Conditions.

The Bank may permit the Borrower to electronically applications (with supporting documents) through the Bank’s web-based portal (https://clientconnection.worldbank.org) “Client Connection”. This option may be effected if the officials designated in writing by the Borrower who are authorized to sign and deliver Applications have registered as users of “Client Connection”. The designated officials may deliver Applications electronically by completing the Form 2380, which is accessible through “Client Connection”. By signing the Authorized Signatory Letter, the Borrower confirms that it is authorizing such persons to accept Secure Identification Credentials (SIDC) and to deliver the Applications and supporting documents to the Bank by electronic means. The Borrower may continue to exercise the option of preparing and delivering Applications in paper form.

The Bank reserves the right and may, in its sole discretion, temporarily or permanently disallow the electronic delivery of Applications by the Borrower. By designating officials to use SIDC and by choosing to deliver the Applications electronically, the Borrower confirms through the authorized signatory letter its agreement to: (a) abide by the Terms and Conditions of Use of Secure Identification Credentials in connection with Use of Electronic Means to Process Applications and Supporting Documentation, available in the Bank’s public website at https://worldbank.org and “Client Connection”; and (b) to cause such official to abide by those terms and conditions.

**II. Financial Reports and Audits.** Section 5.09 of the General Conditions.

*Audits.* Each audit of the Financial Statements must cover the period of one fiscal year of the Borrower. The audited Financial Statements for each such period must be furnished to the Bank not later than nine (9) months after the end of such period.

**III. Other Important Information**

For additional information on disbursement arrangements, please refer to the Loan Handbook available on the Bank’s website (http://www.worldbank.org/) and “Client Connection”. The Bank recommends that you register as a user of “Client Connection”. From this website you will be able to prepare and deliver Applications, monitor the near real-time status of the Loan, and retrieve related policy, financial, and procurement information. For more information about the website and registration arrangements, or if you have any queries in relation to the above, please contact the Bank by email at askloans@worldbank.org.

Yours sincerely,

[Signature]

Martin Raiser
Country Director, China

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Attachments
1. Form of Authorized Signatory Letter
2. Sample Form for Advances
3. Drawdown Request set forth in Schedule 5A of the Credit Facility Agreement between Agence Française de Développement (AFD) and the Borrower
# Schedule 1: Disbursement Provisions

## Basic Information

<table>
<thead>
<tr>
<th>Loan Number</th>
<th>Country</th>
<th>Closing Date</th>
<th>Section IV of Schedule 2 to the Loan Agreement.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>P.R. China</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Borrower</td>
<td>P.R. China</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Name of the Program</td>
<td>Guizhou Aged Care System Development Program</td>
<td>Disbursement</td>
<td>Six months after the closing date.</td>
</tr>
</tbody>
</table>

## Disbursement Methods and Supporting Documentation

<table>
<thead>
<tr>
<th>Disbursement Methods</th>
<th>Methods</th>
<th>Supporting Documentation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reimbursement (financing of achieved results)</td>
<td>Yes</td>
<td>Confirmation issued by the Bank</td>
</tr>
<tr>
<td>Advance</td>
<td>Yes</td>
<td>Request in the format provided in Attachment 2 of the DFIL</td>
</tr>
</tbody>
</table>

### Advances

<table>
<thead>
<tr>
<th>Financial Institution - Name</th>
<th>Methods</th>
<th>Ceiling</th>
<th>Currency</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>To be communicated by the Borrower by Program effectiveness</td>
<td>Fixed</td>
<td>EURO</td>
<td>€76,425,000</td>
</tr>
</tbody>
</table>

## Additional Instructions

1. **Co-financing.** The Program will be co-financed by Agence Francaise de Developpement (AFD). The Bank Loan and the AFD financing will be disbursed jointly as either an advance or on account of the verified achievement of the DLRs, in accordance with the provisions of the Loan Agreement and the Credit Facility Agreement between AFD and the Borrower.

2. **Disbursement.** Based on the Co-financing Framework Agreement signed between AFD and IBRD/IDA, dated July 13, 2018, and the co-financing agreement between AFD and IBRD for this Program, the Bank will provide disbursement services for AFD in respect of AFD’s financing of the Program, including review and approval of Application for withdrawal. The Bank will provide such services using its own policies and procedures, including the instructions contained or referenced to in this Disbursement and Financial Information Letter.

3. **Withdrawal applications will be prepared by the Borrower and submitted for the Bank’s review and processing as follows:**
   - Separate Applications for Withdrawal will be prepared and submitted, one for the IBRD portion of the financing and one for the AFD portion of financing. These Applications for withdrawal would, however, be supported with the same supporting documentation, as defined in Schedule I of this DFIL.

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*The World Bank Office Beijing
Level 16, China World Tower 2
No. 1 Jianguomenwai Avenue
Beijing, China
Attention: Disbursement Team*
Alternatively, the Bank may allow one application for withdrawal covering both the IBRD and AFD portions of financing to be prepared and submitted to the Bank, which means the same Application for Withdrawal will be used for processing for both the Bank and AFD parts and separate applications for withdrawal would not be required of the Borrower.

(4) Withdrawal applications will be accompanied by a signed copy of the Drawdown Request set forth in Schedule 5A of the Credit Facility Agreement between AFD and the Borrower (and set forth in Attachment 3 to this letter).
Form of Authorized Signatory Letter

[Letterhead]
Ministry of Finance
[Street address]

[DATE]
The World Bank
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Attention: [Country Director]

Re: IBRD Loan ____-____ [name of Program] [Operation]

I refer to the Loan Agreement between the International Bank for Reconstruction and Development (the “Bank”) and [name of borrower] (the “Borrower”), dated ______, providing the above Loan. For the purposes of Section 2.02 of the General Conditions as defined in the Agreement, any [one] of the persons whose authenticated specimen signatures appear below is authorized on behalf of the Borrower to sign applications for withdrawal under this Loan.

For the purpose of delivering Applications to the Bank, [each] of the persons whose authenticated specimen signatures appears below is authorized on behalf of the Borrower, acting [individually] [jointly], to deliver Applications, and evidence in support thereof on the terms and conditions specified by the Bank.

1) This confirms that the Borrower is authorizing such persons to accept Secure Identification Credentials (SIDC) and to deliver the Applications and supporting documents to the Bank by electronic means. In full recognition that the Bank shall rely upon such representations and warranties, including without limitation, the representations and warranties contained in the Terms and Conditions of Use of Secure Identification Credentials in connection with Use of Electronic Means to Process Applications and Supporting Documentation (“Terms and Conditions of Use of SIDC”), the Borrower represents and warrants to the Bank that it will cause such persons to abide by those terms and conditions.

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1 Instruction to the Borrower: Stipulate if more than one person needs to sign Applications, and how many or which positions, and if any thresholds apply. Please delete this footnote in final letter that is sent to the Bank.

2 Instruction to the Borrower: Stipulate if more than one person needs to jointly sign Applications, if so, please indicate the actual number. Please delete this footnote in final letter that is sent to the Bank.

3 Instruction to the Borrower: Use this bracket if any one of the authorized persons may sign, if this is not applicable, please delete. Please delete this footnote in final letter that is sent to the Bank.

4 Instruction to the Borrower: Use this bracket only if several individuals must jointly sign each Application; if this is not applicable, please delete. Please delete this footnote in final letter that is sent to the Bank.

5 Instruction to the Borrower: Add this paragraph if the Borrower wishes to authorize the listed persons to accept Secure Identification Credentials and to deliver Applications by electronic means; if this is not applicable, please delete the paragraph. Please delete this footnote in final letter that is sent to the Bank.
This Authorization replaces and supersedes any Authorization currently in the Bank records with respect to this Agreement.

[Name], [position]  Specimen Signature: ____________________
[Name], [position]  Specimen Signature: ____________________
[Name], [position]  Specimen Signature: ____________________

Yours truly,

/ signed /

[Position]
Loan Department – [name of Regional Center]
The World Bank
[address of regional center]
Attention: [name of regional center team lead]

Subject: Re: IBRD Loan _____-____ [name of Program/Operation] -Request for Advance

Dear Sir/Madam,

We refer to the Loan Agreement between the International Bank for Reconstruction and Development (the “Bank”) and [insert the name of the Borrower] (the “Borrower”) dated [insert date] providing for the above Loan.

In accordance with the provisions of the Disbursement Letter and Schedule ____, Section __________ of the Loan Agreement, to support the implementation of the above Program and to facilitate the achievement of the planned results, we request an Advance in the amount of [insert amount] 1.

[We request that the Advance be disbursed in [currency requested for disbursement] equivalent to the Total Advance Requested above.] 2 We acknowledge that the amount disbursed will be charged to the Loan Account in the currency of the Financing at the rate of exchange in effect at the time of disbursement.

Sincerely,

[insert Name, and Position] 3

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1 The Proposed Advance should be in the currency of the DLI/DLR as set out in the disbursement table in the Loan Agreement, and in accordance with provisions in the Disbursement and Financial Information Letter. Normally, this is the currency of commitment of the loan.

2 Use this text to designate the currency of the Advance if it should be different from the currency set out in the disbursement table in the Loan Agreement.

3 To be signed by a representative of the implementing/coordinating agency of the Borrower, OR by the person(s) authorized on behalf of the Borrower to sign applications for withdrawal under the loan as set out in the applicable Authorized Signatory Letter.
Drawdown Request set forth in Schedule 5A of the Credit Facility Agreement between Agence Française de Développement (AFD) and the Borrower

[on the Borrower’s letterhead]

To: AGENCE FRANÇAISE DE DÉVELOPPEMENT

On: [date]

Borrower’s Name – Credit Facility Agreement n° [●] dated [●]

Drawdown Request n°[●]

Dear Sirs,

1. We refer to the Credit Facility Agreement n° [●] entered into between the Borrower and the Lender dated [●] (the “Agreement”). Capitalised words and expressions used but not defined herein have the meanings given to them in the Agreement.

2. We irrevocably request that the Lender makes a Drawdown available on the following terms:

   Amount: EUR [●] or, if less, the Available Credit.

   Interest Rate: [fixed / floating]

3. The Interest Rate will be determined in accordance with Clause Error! Reference source not found. (Error! Reference source not found.) of the Agreement. The Interest Rate applicable to the requested Drawdown will be provided to us in writing and we accept this Interest Rate (subject to the paragraph below, if applicable).

   [For fixed Interest Rate only:] If the Interest Rate applicable to the requested Drawdown is greater than [●] per cent ([●]%), we request that you cancel this Drawdown Request.

4. We confirm that each condition specified in Clause Error! Reference source not found. (Error! Reference source not found.) is satisfied on the date of this Drawdown Request and that no Event of Default is continuing or is likely to occur. We agree to notify the Lender immediately if any of the conditions referred to above is not satisfied on or before the Drawdown Date.

5. The proceeds of this Drawdown should be credited to the following bank account:

   (a) Name [of the Borrower]: [●]

   (b) Address [of the Borrower]: [●]

   (c) IBAN Account Number: [●]

   (d) SWIFT Number: [●]

   (e) Bank and bank’s address [of the Borrower]: [●]
(f) Correspondent bank and account [●]
   number of the Borrower's bank:

6. This Drawdown Request is irrevocable.

7. We have attached to this Drawdown Request all relevant supporting documents specified in Clause Error! Reference source not found. (Error! Reference source not found.) of the Agreement:
   [List of supporting documents]

Yours sincerely,

Authorised signatory of Borrower