Amendment to the Memorandum of Understanding
Between The Government of the Kingdom of Great Britain and Northern Ireland
And The International Development Association
For the Nepal Financial Sector Technical Assistance Project (TF050593)

1. We refer to the Memorandum of Understanding between the Government of the Kingdom of Great Britain and Northern Ireland (the “Government”) and the International Development Association (the “Association”) for the Nepal Financial Sector Technical Assistance Project signed on 10 March 2003 (the “Memorandum of Understanding”) with subsequent amendments. Following recent discussions and correspondence with the Association and the Government of Nepal regarding early closure of assistance from the Government, it is proposed to revise the committed amount and the duration of the grant.

2. It is also proposed that the “£7,000,000 (pounds sterling seven million)” in the opening paragraph of the Memorandum of Understanding is deleted and replaced by the figures £6,674,000 and words (pounds sterling six million six hundred and seventy four thousand”).

3. It is also proposed that the closing date of “30 June 2012” in paragraph 2 of the Amendment No. 4, 2008 to the Memorandum of Understanding dated 19 December 2008 is deleted and replaced by “31 March 2011”.

4. It is also proposed that the closing date of “30 June 2012” in paragraph 2 of the Amendment No 4, 2008 to the memorandum of Understanding dated 19 December 2008 is deleted and replaced by “31 March 2011”. The Association shall return any remaining balance of the Contribution after this date to the Government.

5. This letter will place on record our common understanding of the above changes and will come into operation on the date you sign your confirmation below. This letter will be known as Amendment No.5, 2010.

6. The Association will disclose this letter and related information in accordance with the World Bank Policy on Access to Information. By signing the confirmation, the Government consents to disclosure of the letter and related information.

7. Please confirm your acceptance to the foregoing, by signing and dating the two originals, retaining one original for your records and returning the other original to the Bank.

For Government of the Kingdom of Great Britain and Northern Ireland acting through the Department for International Development,

Name: /s/ Sarah Sanyahumbi
Head of the Department for International Development Nepal
Date: 11 January 2011

For International Development Association

Name: /s/ Christine E. Kimes
Acting Country Director
World Bank, Nepal
Date: 23 December 2010