Financing Agreement

(Additional Financing for the Livestock Competitiveness and Food Safety Project and Amendment to the Original Financing Agreement)

between

SOCIALIST REPUBLIC OF VIETNAM

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated July 9, 2015
FINANCING AGREEMENT

AGREEMENT dated 25 July 2015, entered into between SOCIALIST REPUBLIC OF VIETNAM (“Recipient”) and INTERNATIONAL DEVELOPMENT ASSOCIATION (“Association”). This Agreement: (i) sets out the terms and conditions related to the Additional Financing for the Livestock Competitiveness and Food Safety Project; and (ii) amends specific provisions of the Original Financing Agreement (as such term is defined in the Appendix to this Agreement).

WHEREAS for purposes of the Original Project, the Association had agreed to extend to the Recipient a Credit in an amount equivalent to forty two million one hundred thousand Special Drawing Rights (SDR 42,100,000) on the terms and conditions set forth or referred to in the Original Financing Agreement (Credit Number 4649-VN) dated December 10, 2009 between the Recipient and the Association, as amended; and

WHEREAS the Recipient has requested the Association to provide further additional financial assistance in support of the Original Project; and the Association has agreed on the basis, inter alia, of the foregoing, to provide such additional financial assistance to the Recipient upon the terms and conditions set forth in this Agreement;

NOW THEREFORE the Recipient and the Association 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, the Original Financing Agreement, or in the Appendix to this Agreement.

ARTICLE II — FINANCING

2.01. The Association agrees to extend to the Recipient, on the terms and conditions set forth or referred to in this Agreement, a credit in an amount of thirty two million two hundred thousand Special Drawing Rights (SDR 32,200,000) (variously, “Credit” and “Financing”), to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
2.02. The Recipient may withdraw the proceeds of the Financing in accordance with Section IV of Schedule 2 to this Agreement.

2.03. The Maximum Commitment Charge Rate payable by the Recipient on the Unwithdrawn Financing Balance shall be one-half of one percent (1/2 of 1%) per annum.

2.04. The Service Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to three-fourths of one percent (3/4 of 1%) per annum.

2.05. The Interest Charge payable by the Recipient on the Withdrawn Credit Balance shall be equal to one and a quarter percent (1.25%) per annum.

2.06. The Payment Dates are June 15 and December 15 in each year.

2.07. The principal amount of the Credit shall be repaid in accordance with the repayment schedule set forth in Schedule 3 to this Agreement.

2.08. The Payment Currency is Dollar.

ARTICLE III — PROJECT

3.01. The Recipient declares its commitment to the objective of the Project. To this end, the Recipient shall carry out the Project through its Ministry of Agriculture and Rural Development and the Project Provinces in accordance with the provisions of Article IV of the General Conditions.

3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Recipient and the Association shall otherwise agree, the Recipient shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

ARTICLE IV — EFFECTIVENESS; TERMINATION

4.01. The Additional Legal Matter consists of the following, namely the updated Resettlement Policy Framework has been duly approved by the Recipient and is legally binding upon the Recipient in accordance with its respective terms.

4.02. The Effectiveness Deadline is the date ninety (90) days after the date of this Agreement.
4.03. For purposes of Section 8.05 (b) of the General Conditions, the date on which the obligations of the Recipient under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the date of this Agreement.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. Except as provided in Section 2.02 of this Agreement, the Recipient’s Representative is the Governor, or a Deputy Governor, of State Bank of Vietnam.

5.02. The Recipient’s Address is:

State Bank of Vietnam
49 Ly Thai To
Hanoi, Vietnam

Cable address: Telex: Facsimile:
VIETBANK 412248 (84-4) 3825 0612

5.03. The Association’s Address is:

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Cable: Telex: Facsimile:
INDEVAS 248423 (MCI) 1-202-477-6391
Washington, D.C.
AGREED at Washington D.C., United States of America as of the day and year first above written.

SOCIALIST REPUBLIC OF VIETNAM

By

Authorized Representative:

Name: Nguyễn Văn Bình
Title: Governor

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Authorized Representative:

Name: Van Trotskyg
Title: Vice President
SCHEDULE 1

Project Description

The objectives of the Project are to increase production efficiency of household-based livestock producers, reduce environmental impact of livestock production, processing and marketing, and improve food safety in livestock product supply chains (mainly meat) in the Project Provinces.

The Project consists of the Original Project but reflects modifications to Parts A, B, and C. The amended Project description is below.

Part A. Upgrading Household-based Livestock Production and Market Integration

1. Carrying out a program to promote and certify Good Animal Husbandry Practices (GAHPs) in existing livestock production areas, including, *inter alia*:

   (a) providing training to farmers, extension officers, animal production and veterinary staff in the application of GAHPs, including, *inter alia*, feed conversion technology and proactive disease control measurements;

   (b) supporting the establishment of livestock producer groups, including promoting collective actions through provision of Sub-grants to Sub-grant Beneficiaries to improve production, inputs or service procurement, and outputs or service marketing;

   (c) supporting the establishment of collaboration between producer groups and cooperatives, including promoting collective actions through provision of Sub-grants to Sub-grant Beneficiaries to enhance productive alliances and partnerships with other value chain stakeholders;

   (d) strengthening provincial/district level livestock services delivery, including animal disease control and surveillance;

   (e) supporting waste management and bio-security measures at the farm level, including provision of Sub-grants to Sub-grant Beneficiaries for constructing biogas digesters or composting facilities (including slurry treatment) and implementing bio-security measures;

   (f) strengthening the capacity of DARD and DONRE for monitoring feed quality and environmental compliance; and

   (g) designing and implementing a pilot livestock identification system.
2. Carrying out a program to pilot at least one Livestock Planning Zone (LPZ), including, *inter alia*:

(a) establishing pilot LPZs, including associated consultants’ services and small civil works;

(b) providing training and operating support to DARD livestock production and veterinary staff in data recording and disease control and monitoring;

(c) supporting the implementation of the livestock identification system developed under Part A.1(g) of the Project in LPZ; and

(d) evaluating the LPZ model supported under the Project.

3. Carrying out a program to improve hygiene in slaughterhouses and meat markets in the Project Provinces, including, *inter alia*:

(a) constructing and/or upgrading meat markets and slaughterhouses, including provision of Sub-grants to Sub-grant Beneficiaries for financing the construction or upgrading of slaughterhouses; improving the management of meat markets and slaughterhouses through provision of technical assistance; and improving the facilities of meat markets and slaughterhouses through provision of equipment for safe and hygienic slaughtering and meat handling;

(b) supporting the rehabilitation and improved management of the buffalo and beef cattle markets in Nghe An and Cao Bang provinces;

(c) providing training to veterinary staff and relevant stakeholders involved in meat-handling and marketing in bio-security, disease control, meat hygiene and food safety;

(d) introducing solutions to handle dead animal and slaughter waste; and

(e) improving provincial meat inspection services, including reviewing and improving relevant operating guidelines and regulations; providing training, essential equipment, and operating support to veterinary meat inspectors; and upgrading the meat inspection reporting systems.

**Part B. Strengthening Central-level Livestock Production and Veterinary Services**

Strengthening the capacity of Department of Livestock Production (DLP) and Department of Animal Health (DAH) of MARD in providing technical leadership and implementation support to the Project Provinces, including, *inter alia*:
1. Developing and/or improving policies and procedures addressing issues relating to: (a) producer groups and cooperatives; and (b) the livestock product supply chain, including livestock production, food safety, bio-security, livestock disease control, veterinary services and animal health, illegal slaughtering, and livestock waste management, including reviewing and updating GAHPs’ standards and guidelines set out in the relevant administrative decisions of MARD, national environmental standards for livestock producing areas, and national standards for animal breeding and feeding;

2. Providing technical assistance to facilitate public-private partnership in implementing the sanitary mandate;

3. Providing training to staff of DLP and DAH in the application of GAHPs;

4. Piloting innovative approaches to livestock development planning, including the development of a GAHP certification system for the household-based livestock producer groups;

5. Strengthening DLP’s capacity in monitoring livestock breed, feed quality, livestock waste management, and environmental compliance; and

6. Strengthening DAH’s capacity in disease surveillance and prevention, meat inspection, including upgrading DAH’s monitoring and data collection system.

Part C: Project Management and Monitoring and Evaluation

Strengthening the capacity of PCU and PPMUs in: (1) Project management, including supporting collaboration with international agencies, developing a communication strategy, and carrying out livestock related climate change risk studies; and (2) Project monitoring and evaluation.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The implementation arrangements described in Schedule 2 to the Original Financing Agreement are hereby incorporated by reference in this Part A with the following modifications, unless the context otherwise requires, and shall apply, \textit{mutatis mutandis}, to the Financing, and the Recipient hereby undertakes to comply with the provisions thereof to the same extent as if such provisions had been set out in full in this Agreement.

2. For the purposes of the Sub-grants, all references to Parts A.1(d) and A.2(d) of the Project are hereby amended to read as references to Parts A.1(b), A.1(c), and A.1(e) of the Project.

3. For greater clarity and the avoidance of doubt, in view of the incorporation of Schedule 2 to the Original Financing Agreement in this Agreement pursuant to the preceding paragraph, if the Original Financing Agreement terminates prior to the termination of this Agreement, such termination shall have no effect for purposes of this Agreement, and the provisions of the Original Financing Agreement incorporated in this Agreement pursuant to the preceding paragraph shall continue in full force and effect between the Recipient and the Association for purposes of this Agreement following and notwithstanding such termination of the Original Financing Agreement.

B. Anti-Corruption

The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

C. Safeguards

1. The Recipient shall ensure that updated Safeguards Instruments, acceptable to the Association, are duly endorsed by the competent authorities and thereafter carried out in a manner acceptable to the Association.

2. Without limitation to the provisions of paragraphs 8, 9, and 10 under Section I of Schedule 2 of the Original Financing Agreement, the Recipient shall ensure that all land acquisition required for the purposes of carrying out works under the Project and financed with the proceeds of the Financing are financed exclusively out of its own resources, and shall provide, promptly as needed, the resources needed for this purpose.
Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

1. The Recipient shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 4.08 of the General Conditions and on the basis of the indicators acceptable to the Association and set forth in the revised Project Implementation Manual. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the Association not later than forty-five (45) days after the end of the period covered by such report.

2. For purposes of Section 4.08(c) of the General Conditions, the report on the execution of the Project and related plan required pursuant to that Section shall be furnished to the Association not later than six (6) months after the closing date.

B. Financial Management, Financial Reports and Audits

1. The Recipient shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 4.09 of the General Conditions.

2. Without limitation of the provisions of Part A of this Section, the Recipient shall prepare and furnish to the Association not later than forty-five (45) days after the end of each calendar semester, interim unaudited financial reports for the Project covering the semester, in form and substance satisfactory to the Association.

3. The Recipient shall have its Financial Statements audited in accordance with the provisions of Section 4.09 (b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Recipient, or any other periods acceptable to the Association. The audited Financial Statements for each such period shall be furnished to the Association not later than six (6) months after the end of such period.

Section III. Procurement

A. General

1. Goods, Works and Non-consulting Services. All goods, works and non-consulting services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.

2. Consultants’ Services. All consultants’ services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance
with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines, and with the provisions of this Section.

3. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Association of particular contracts, refer to the corresponding method described in Sections II and III of the Procurement Guidelines, or Sections II, III, IV and V of the Consultant Guidelines, as the case may be.

**B. Particular Methods of Procurement of Goods, Works and Non-consulting Services**

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods, works and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.

2. **Other Methods of Procurement of Goods, Works and Non-consulting Services.** The following table specifies the methods of procurement, other than International Competitive Bidding, which may be used for goods, works, and non-consulting services. The Procurement Plan shall specify the circumstances under which such methods may be used:

<table>
<thead>
<tr>
<th>Procurement Methods</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) National Competitive Bidding, subject to the additional provisions set forth in the Annex to this Schedule 2</td>
</tr>
<tr>
<td>(b) Shopping</td>
</tr>
<tr>
<td>(c) Direct Contracting</td>
</tr>
<tr>
<td>(d) Community Participation</td>
</tr>
<tr>
<td>(e) Force Account</td>
</tr>
</tbody>
</table>

**C. Particular Methods of Procurement of Consultants’ Services**

1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants’ services shall be procured under contracts awarded on the basis of Quality and Cost-based Selection.

2. **Other Methods of Procurement of Consultants’ Services.** The following table specifies methods of procurement, other than Quality and Cost-based Selection,
which may be used for consultants' services. The Procurement Plan shall specify the circumstances under which such methods may be used:

<table>
<thead>
<tr>
<th>Procurement Methods</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Least-Cost Selection</td>
</tr>
<tr>
<td>(b) Selection Based on Consultants’ Qualifications</td>
</tr>
<tr>
<td>(c) Single Source Selection of Consulting Firms</td>
</tr>
<tr>
<td>(d) Selection of Individual Consultants</td>
</tr>
<tr>
<td>(e) Single Source Selection of Individual Consultants</td>
</tr>
</tbody>
</table>

D. **Review by the Association of Procurement Decisions**

The Procurement Plan shall set forth those contracts which shall be subject to the Association’s Prior Review. All other contracts shall be subject to Post Review by the Association.

**Section IV. Withdrawal of the Proceeds of the Financing**

A. **General**

1. The Recipient may withdraw the proceeds of the Financing in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Association shall specify by notice to the Recipient (including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the Association and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Financing ("Category"), the allocations of the amounts of the Financing to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category:
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Financing Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, works, training and workshops, Incremental Operating Costs,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>and consulting services (except for consultants services for the</td>
<td></td>
<td></td>
</tr>
<tr>
<td>engineering design and construction supervision)</td>
<td>25,240,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Sub-grants for Part A of the Project</td>
<td>6,960,000</td>
<td>100% of amounts disbursed</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>32,200,000</td>
<td></td>
</tr>
</tbody>
</table>

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the date of this Agreement for Eligible Expenditures.

2. The Closing Date is December 31, 2018.
ANNEX to SCHEDULE 2

National Competitive Bidding Procedures

The procedures to be followed for the procurement of goods, non-consulting services, and works under contracts awarded on the basis of National Competitive Bidding shall be those set forth in: (a) Article 20 on Open Bidding of the Recipient’s/Borrower’s Law on Procurement No. 43/2013/QH13 dated November 26, 2013 and related provisions necessary to effect the same; and (b) the Recipient’s/Borrower’s Decree No. 63/2014/ND-CP Guiding Implementation of the Law on the Procurement dated June 26, 2014 (collectively, “National Procurement Laws”), subject to the provisions of Section I and Paragraphs 3.3 and 3.4 of the “Guidelines for Procurement of Goods, Works, and Non-Consulting Services under IBRD Loans and IDA Credits & Grants by World Bank Borrowers” dated January 2011 and revised July 2014 (“the Procurement Guidelines”) and the following provisions:

Conflict of Interest

1. A bidder shall not have a conflict of interest. Any bidder found to have a conflict of interest shall be ineligible for award of a contract. The provisions on conflict of interest as stated under Section I of the Procurement Guidelines shall apply.

Eligibility

2. The eligibility of bidders shall be as defined under Section I of the Procurement Guidelines; accordingly, no bidder or potential bidder shall be declared ineligible for contracts financed by the Association/Bank for reasons other than those provided in Section I of the Guidelines. Foreign bidders shall be eligible to participate in bidding under the same conditions as national bidders. In particular, no domestic preference over foreign bidders shall be granted to national bidders in bid evaluation, nor shall foreign bidders be asked or required to form joint ventures with or be subcontractors to national bidders in order to submit a bid.

3. Government-owned enterprises or institutions of the Borrower’s country are eligible to bid in the Recipient’s/Borrower’s country only if they can establish that they: (i) are legally and financially autonomous, (ii) operate under commercial law, and (iii) are not dependent agencies of the Borrower or Sub-Borrower.

Time for Bid Preparation

4. The time allowed for the preparation and submission of bids for large and/or complex packages shall not be less than thirty (30) days from the date of the invitation to bid or the date of availability of the bidding documents, whichever is later.
Standard Bidding Document:

5. The standard bidding documents acceptable to the Association/Bank shall be used.

Bid Opening and Bid Evaluation

6. Bids shall be opened in public, immediately after the deadline for submission of bids, regardless of the number of bids received.

7. Evaluation of bids shall be made in strict adherence to the criteria that shall be clearly specified in the bidding documents and quantified in monetary terms for evaluation criteria other than price; merit points shall not be used in bid evaluation. No bid shall be eliminated from detailed evaluation on the basis of minor, non-substantive deviations. The evaluation of bidder’s qualifications shall be conducted separately subsequent to the technical and commercial evaluation of the bid.

8. A contract shall be awarded, within the period of the validity of bids, to the bidder who meets the appropriate standards of capability and resources and whose bid has been determined (i) to be substantially responsive to the bidding documents and (ii) to offer the lowest evaluated cost. A bidder shall neither be required nor permitted, as a condition for award, to undertake obligations not specified in the bidding documents or otherwise to modify the bid as originally submitted.

9. No bid shall be rejected on the basis of a comparison with the employer’s estimate and budget ceiling without the Association’s/Bank’s prior written agreement.

Rejection of All Bids and Re-bidding

10. Rejection of all bids is justified when there is lack of effective competition, or all bids are not substantially responsive, or no bidder meets the specified qualification criteria, or the bid price of the lowest evaluated winning bid is substantially higher than the Recipient’s updated estimated cost or available budget. All bids shall not be rejected or new bids solicited without the Association’s prior written agreement.

Complaints by Bidders and Handling of Complaints

11. The Recipient shall implement an effective and independent protest mechanism, acceptable to the Association/Bank, allowing bidders to protest and have their protests handled in a timely manner.
SCHEDULE 3

Repayment Schedule

<table>
<thead>
<tr>
<th>Date Payment Due</th>
<th>Principal Amount of the Credit repayable (expressed as a percentage)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each June 15 and December 15:</td>
<td></td>
</tr>
<tr>
<td>commencing December 15, 2020 to and including June 15, 2030</td>
<td>1.65%</td>
</tr>
<tr>
<td>commencing December 15, 2030 to and including June 15, 2040</td>
<td>3.35%</td>
</tr>
</tbody>
</table>

* The percentages represent the percentage of the principal amount of the Credit to be repaid, except as the Association may otherwise specify pursuant to Section 3.03 (b) of the General Conditions.
APPENDIX

Section I. Definitions


2. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.


4. “General Conditions” means the “International Development Association General Conditions for Credits and Grants”, dated July 31, 2010, with the modifications set forth in Section II of this Appendix.

5. “Original Financing Agreement” means the financing agreement for a Livestock Competitiveness and Food Safety Project between the Recipient and the Association, dated December 10, 2009, as such agreement may be further amended from time to time (Credit Number 4649-VN).

6. “Original Project” means the Project described in the Original Financing Agreement.


8. “Procurement Plan” means the Recipient’s procurement plan for the Project, dated May 27, 2015 and referred to in paragraph 1.18 of the Procurement Guidelines and paragraph 1.25 of the Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.


10. “Sub-grant” means a grant made, or proposed to be made, by the Recipient, out of the proceeds of the Financing, to a Sub-grant Beneficiary for financing Parts A.1(b), A.1(c), A.1(e), and A.3(a) of the Project, as the case may be, in accordance with the relevant provisions of this Agreement and the Project Implementation Manual, and the term “Sub-grants” means, collectively, the plural thereof.
11. "Sub-grant Beneficiary" means a household-based livestock producer selected or to be selected to participate in Parts A.1(b) and A.1(e) of the Project, or a collaboration of producer groups and cooperatives selected or to be selected to participate in Part A.1(c) of the Project, or a private slaughterhouse selected or to be selected to participate in A.3(a) of the Project, all in accordance with the selection criteria set out in the Project Implementation Manual, and "Sub-grant Beneficiaries" means, collectively, the plural thereof.

Section II. Modifications to the General Conditions

The General Conditions are hereby modified as follows:

1. Section 3.02 is modified to read as follows:

"Section 3.02. Service Charge and Interest Charge

(a) Service Charge. The Recipient shall pay the Association a service charge on the Withdrawn Credit Balance at the rate specified in the Financing Agreement. The Service Charge shall accrue from the respective dates on which amounts of the Credit are withdrawn and shall be payable semi-annually in arrears on each Payment Date. Service Charges shall be computed on the basis of a 360-day year of twelve 30-day months.

(b) Interest Charge. The Recipient shall pay the Association interest on the Withdrawn Credit Balance at the rate specified in the Financing Agreement. Interest shall accrue from the respective dates on which amounts of the Credit are withdrawn and shall be payable semi-annually in arrears on each Payment Date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months."

2. Paragraph 28 of the Appendix ("Financing Payment") is modified by inserting the words "the Interest Charge" between the words "the Service Charge" and "the Commitment Charge".

3. The Appendix is modified by inserting a new paragraph 32 with the following definition of "Interest Charge", and renumbering the subsequent paragraphs accordingly:

"32. "Interest Charge" means the interest charge specified in the Financing Agreement for the purpose of Section 3.02(b)."

4. Renumbered paragraph 37 (originally paragraph 36) of the Appendix ("Payment Date") is modified by inserting the words "Interest Charges" between the words "Service Charges" and "Commitment Charges".
5. Renumbered paragraph 50 (originally paragraph 49) of the Appendix ("Service Charge") is modified by replacing the reference to Section 3.02 with Section 3.02 (a).

Section III. Amendments to the Original Financing Agreement

The Original Financing Agreement is amended as follows:

1. The Project description in Schedule 1 to the Original Financing Agreement is amended to read as set out in Schedule 1 to this Agreement.

2. For the purposes of the Sub-grants, all references to Parts A.1(d) and A.2(d) of the Project in Schedule 2 to the Original Financing Agreement are hereby amended to read as references to Parts A.1(b), A.1(c), A.1(e) and A.3(a) of the Project and as set out in Schedule 2 to this Agreement.