October 21, 2016

Hon. Sihna Lawrence
Secretary of Finance and Administration
Department of Finance and Administration
PS158, Palikir
Pohnpei State, FM 96941
FEDERATED STATE OF MICRONESIA

Dear Secretary,

*Federated States of Micronesia: PRIF Grant No. TF015459 (Telecommunications and ICT Technical Assistance Project)*

Letter of Amendment

I refer to the grant agreement between the Federated States of Micronesia (the “Recipient”) and the International Bank for Reconstruction and Development and the International Development Association (collectively, the “World Bank”) acting as administrator or grant funds provided by various donors under the Pacific Regional Infrastructure Facility (“PRIF”) dated September 6, 2013 for the above-referenced Project (the “Agreement”), as amended to date. I also refer to the notice of extension of the closing date of the Grant Agreement from the Association to the Recipient dated August 31, 2016, and your letter dated June 21, 2016 requesting some amendments be made to the Grant Agreement.

I am pleased to inform you that the World Bank agrees with your request and hereby proposes to amend the Agreement by way of this letter (“Amendment Letter”) as follows:

1. Section 2.06(c) of the Annex to the Agreement is amended to read as follows:

   "(c) The Recipient shall have its Project Financial Statements audited in accordance with the provisions of Section 2.07 (b) of the Standard Conditions. The first audit of the Financial Statements shall cover the period from the effective date of this Agreement to September 30, 2015. Each subsequent audit of the Financial Statements shall cover the period of one fiscal year of the Recipient. The audited Financial Statements for each such period shall be furnished to the World Bank not later than nine (9) months after the end of such period."

Except as specifically amended by this Amendment Letter, all other provisions of the Agreement shall remain in full force and effect.

1818 H Street NW • Washington, DC 20433 USA
Please confirm your agreement to the amendments set out above by having an authorized representative of the Recipient sign and date the form of confirmation set forth below, and returning one fully countersigned original of this Amendment Letter to us. Upon receipt by the Association of the copy of this Amendment Letter countersigned on behalf of the Recipient, this amendment letter shall become effective as of the date of the countersignature.

Sincerely,

Mona Sur
Acting Country Director
Timor-Leste, Papua New Guinea
& Pacific Islands
East Asia and Pacific Region

AGREED:
FEDERATED STATES OF MICRONESIA

By: ____________________________
Authorized Representative

Name: Sihna N. Lawrence
Title: Secretary of Finance & Administration
Date: May 23, 2017

cc: Mr. Lukner Weibacher, Secretary, Department of Transport, Communication & Infrastructure
Ms. Senny Phillip, Assistant Secretary, Investment Management & International Finance, Department of Finance and Administration
Mr. Aaron Warren, FSM Coordinator, Palau-FSM Connectivity Project