January 21, 2013

Mr. Cezar Augusto Schirmer
Mayor
Municipality of Santa Maria
Centro Administrativo
Rua Venâncio Aires, 2277
Santa Maria, RS
CEP: 97010-005
Facsimile: (55) 3217 4306

Dear Mr. Schirmer,

**BRAZIL: Loan No. 7448-BR (Rio Grande do Sul Integrated Municipal Development Program - Integrated Municipal Infrastructure Project – Santa Maria)**

Rectification to the Annex (Disbursement Category Table) to the Second Amendment to the Loan Agreement

We refer to the Loan Agreement for the above-captioned Project between the Municipality of Santa Maria (the “Borrower”) and the International Bank for Reconstruction and Development (the “Bank”), with a guarantee from the Federative Republic of Brazil (the “Guarantor”), dated March 4, 2010 (“Loan Agreement”), as amended, and to the Second Amendment Letter dated December 14, 2012 and countersigned on December 17, 2012, currently in our files. We have corrected a mistake in the numbering of the Categories in the table annexed to the Second Amendment Letter and would like to request that it be replaced by the one attached to this Rectification Letter. We apologize for any inconvenience.
Please confirm your agreement with the attached table by signing and dating two originals of this Rectification Letter in the spaces provided below. Henceforward, all the provisions of the Loan Agreement except as amended through the Second Amendment Letter and the present table shall remain in full force and effect.

Upon confirmation, please return one fully executed original to us.

Very truly yours,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

[Signature]

Deborah L. Wetzel
Director
Brazil
Latin America and the Caribbean Region

AGREED:

MUNICIPALITY OF SANTA MARIA

[Signature]

By: [Authorized Representative]

Name: CÉZAR SCHIRMER

Title: PREFEITO MUNICIPAL

Date: 01/02/2018

cc: Sr. Roberto B. Tun, Diretor Executivo para o Brasil, Banco Mundial
Sr. Rogério Studart, Diretor Executivo Adjunto para o Brasil, Banco Mundial
Sr. Carlos Augusto Vi lotto, Secretário, SEAIN/MP – Fax: 2020-5047
Sr. João Guilherme Machado, Secretário-Adjunto, SEAIN/MP – Fax: 2020-5006
Sr. Nelson Her rique Farbosa Filho, Secretário-Executivo, MF – Fax: 3412-1824
Sr. Marcelo Estrela Fi :he, Chefe de Gabinete, MF – Fax: 3412-2525
Sra. Adriana Queiroz de Carvalho, Procuradora-Geral, PGFN/MF – Fax: 3412-1740
Sr. Arno Augustin Filho, Secretário, STN/MF – Fax: 3412-1717
Sr. Carlos Márcio Bicalho Cozendey, Secretário, SAIN/MF – Fax: 3412-1727
Sra. Eva Maria Cella Dal Chi von, Secretária-Executiva, MP – Fax: 2020-5003
Sr. Carlos Brasil Pippi Brisola, Secretário do PLANEPE – Fax: (55) 3921-7255
Sr. Elisandro Roath de Canto Coordenador da UGP – Fax: (55) 3921-7250
## Disbursement Table

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Loan Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods and non-consultant services: for all Parts of the Project other than Part II.1 (b)(ii); Parts III. 1 (a) (ii), (b) (ii) and (c) (i); and Parts III. 3 (a),(b), (c) (i) (B) and (c) (ii) B thereof</td>
<td>1,942,783.60</td>
<td>100%</td>
</tr>
<tr>
<td>(1) (a) Goods and non-consultant services for all Parts of the Project other than Parts III. (a) (ii), (b) (ii) and (c) thereof</td>
<td>617,216.40</td>
<td>100%</td>
</tr>
<tr>
<td>(2) (a) Works for Parts II and III.1 and 2 of the Project other than Part II, 1 (b)(ii), and Parts III. 1 (a) (i), (b) (ii) and (c) (i) thereof; and</td>
<td>1,573,955.41</td>
<td>100%</td>
</tr>
<tr>
<td>(2) (b) Works for Parts III.3 (c) (i) (A) and (ii) (A) of the Project</td>
<td>0</td>
<td>100%</td>
</tr>
<tr>
<td>(2) (c) Works for Parts II and III of the Project other than Parts III. 1 (a) (ii), (b) (ii), (c); and Part III.3 (a) thereof</td>
<td>7,962,644.59</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Consultant Services, Training and Operating Costs for Parts of the Project other than Part II.1 (b) (ii); Parts III.1 (a) (ii); (b) (ii) and (c) (i); Parts III. 3 (a), (b), (c) (i) (B) and (c) (ii) (B) thereof</td>
<td>111,305.50</td>
<td>100%</td>
</tr>
<tr>
<td>(3) (a) Consultants Services, Training and Operating Costs for all Parts of the Project other than Parts III.1 (a) (ii); (b) (ii), (c); and Part III. 3 (a) thereof</td>
<td>1,707,219.50</td>
<td>100%</td>
</tr>
<tr>
<td>(4) Front-end Fee</td>
<td>34,875.00</td>
<td>Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07 (b) of the General Conditions</td>
</tr>
<tr>
<td>(5) Premia for Interest Rate Caps and Interest Rate Collars</td>
<td>0</td>
<td>Amount due under Section 2.07 (c) of this Agreement</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>13,950,000.00</td>
<td></td>
</tr>
</tbody>
</table>
Cleared w & bcc.: Messrs./Mmes. B. Utria (LC5C, Country Operations Advisor); C. Portelo (LEGLE, Sr. Counsel) and PKris (Sector Leader, LCSSD).

Bcc.: Messrs./Mmes.: D. Wetzel, F. Vasconcelos, K. Marcelino, T. Lettieri, L. Guaraciaba, M. Martins (LC5C); P. Kriss (Sector Leader, LCSSD); S. Hill (LC5A); M. Oliveira (CTRFC); E. Vasquez (LCSSD); R. Pastor (LEGLE); E. Adu (LCSOS); J. Garrido (LCSWS); A. Wellenstein; S. Walba, E. Morteirc (LCSDU); M. Tambucho, TdeAbreu (CTRLN); S. Aliram (LCST); E. Franca (LCSTM); WBDcs; Project Files.

Drftr: W. Pedrosa (LEGLE, Program Assistant)