

Special Account Procedure for ODA Loans

1. "Special Account Procedure for ODA Loans" is applicable to the ODA Loans provided by JAPAN BANK FOR INTERNATIONAL COOPERATION (hereinafter referred to as "the BANK") under the Section (1), Paragraph 2, Article 23 of THE JAPAN BANK FOR INTERNATIONAL COOPERATION LAW(hereinafter referred to as "the Loan")
2. The Special Account Procedure for ODA Loans provides for an initial disbursement from the Loan to be deposited in a special account, opened by the Borrower and maintained in a bank, from which payments for eligible expenditures are made (such account hereinafter referred to as the "Special Account"). The Special Account is replenished by sending requests for replenishment. Towards the end of loan disbursements, the BANK initiates a recovery procedure to obtain full documentation for the amount of the initial disbursement.
3. The Special Account should normally be stated in Japanese Yen. Deposits into and payments out of the Special Account shall be made in accordance with the provisions of the Loan Agreement, unless otherwise agreed upon between the BANK and the Borrower.
4. The BANK shall, upon receipt of request for disbursement as per Form JBIC-RID attached hereto and of an amount equal to one-tenth percent (0.1%) of such a disbursement amount as the service charge from the Borrower, make initial disbursement of the Loan in the amount stipulated in the relevant Loan Agreement.
5. The BANK disburses by paying into the non-resident yen account of the Borrower, which shall be opened in advance with the designated foreign exchange bank in Tokyo, from which the Borrower transfers the amount to the Special Account.
6. Requests for Replenishment as per Form JBIC-RPM should normally be submitted at monthly intervals. In principle, each Request for Replenishment shall be accompanied by the following:
 - (a) Summary Sheet of Payments as per Form JBIC-SSP
 - (b) Supporting documents evidencing each payment and its usage, as stipulated in the relevant Loan Agreement
7.
 - (1) The amount in the Request for Replenishment should normally be expressed in Japanese Yen.
 - (2) When the currency used for the payment to the supplier is not Japanese Yen, the amount stated in the Request for Replenishment shall be the equivalent either in Japanese Yen, converted at the T/T buying rate quoted by the authorized foreign exchange bank in the territories of the Borrower, on the day immediately preceding the day on which the Request for Replenishment is made, or in the currency other than Japanese Yen. In the former case, the amount paid in the currency and the exchange rate used for conversion to Japanese Yen shall be described in the Summary Sheet of Payments as per

Form JBIC-SSP. In the latter case, the currencies which may be used for the Request shall be stipulated in the Loan Agreement, and the amount of replenishment in Japanese Yen shall be calculated at the T/T selling rate quoted by the designated foreign exchange bank in Tokyo two business days before the day when the replenishment is made.

8. When the BANK finds the Request for Replenishment in order and in conformity with the provisions of the Loan Agreement, the BANK, upon receipt of an amount equal to one-tenth percent (0.1%) of the disbursement amount as the service charge from the Borrower, shall make disbursement of the Loan for such replenishment in Japanese Yen. The BANK shall pay into the non-resident yen account of the Borrower mentioned in Paragraph 3. above, from which the Borrower transfers the amount to the Special Account.
9.
 - (1) In principle, no further replenishment of the Special Account shall be made by the BANK when the amount remaining undisbursed from the Loan shall be equal to twice the amount of the initial disbursement.
 - (2) Thereafter, the BANK shall reimburse the Borrower for payments already made by the date each Request for Replenishment is submitted, together with documents evidencing such payments. The BANK shall, in principle, reimburse against each Request on a two to three ratio, that is, for every three yen requested the BANK shall reimburse two yen until the total disbursement from the BANK reaches the amount stipulated in the relevant Loan Agreement.
10.
 - (1) If the BANK have determined at any time that any payment out of the Special Account (i) was made for any expenditure or in any amount not eligible under the Loan, or (ii) was not justified by the evidence furnished pursuant to Paragraph 5, the Borrower shall, promptly upon notice from the BANK, deposit into the Special Account (or, if the BANK shall so request, refund to the BANK) an amount equal to the amount of such payment or the portion thereof not so eligible or justified. No further disbursement by the BANK shall be made until the Borrower has made such deposit or refund. However, this stipulation does not affect Section 6.01 of the BANK's General Terms and Conditions for ODA Loans, dated October , 1999.
 - (2) If the BANK shall have determined at any time that any amount outstanding in the Special Account will not be required to cover further payments for eligible expenditures, the Borrower shall, promptly upon notice from the BANK, refund to the BANK such outstanding amount.
11. Disbursement will be made within fifteen (15) business days from the date of receipt of the Request for Initial Disbursement or the Request for Replenishment respectively.
12. All amounts received for or in connection with the Special Account and amounts withdrawn therefrom should be recorded in a separate account in accordance with consistently maintained sound accounting principles. The BANK may require all relevant documents including monthly statements evidencing the expenditures paid out of the Special Account.

Request for Initial Disbursement

Date:
Loan Agreement No.:
App. Serial No.:

To: JAPAN BANK FOR INTERNATIONAL COOPERATION
Tokyo, Japan

Attn: Director-General, Development Assistance Department_____

Gentlemen:

Pursuant to the Loan Agreement No. _____ dated _____
between JAPAN BANK FOR INTERNATIONAL COOPERATION and (Borrower), the
undersigned hereby applies for Initial Disbursement, under the said Loan Agreement, of
¥ _____ (Say Japanese Yen _____)
by being paid to the non-resident yen account of _____ with
(Borrower)

(name and address of a designated foreign exchange bank in Tokyo)
from which the Borrower transfers the amount to the Special Account defined in the Loan
Agreement No. _____ .

Very truly yours,

(Name of Borrower)

(Authorized Signature)

Request for Replenishment

Date:
Loan Agreement No.:
App. Serial No.:

To: JAPAN BANK FOR INTERNATIONAL COOPERATION
Tokyo, Japan

Attn: Director-General, Development Assistance Department_____

Gentlemen:

1. Pursuant to the Loan Agreement No. _____ dated _____ between JAPAN BANK FOR INTERNATIONAL COOPERATION (hereinafter referred to as "the BANK") and (Borrower), the undersigned hereby applies for replenishment to the Special Account under the said Loan Agreement, of the sum of ¥ _____ (Say Yen _____) in disbursement of expenditures as described in the attached Summary Sheet(s).
2. As a result of the payments for which replenishment is applied by this Request, the balance remaining in the Special Account is ¥ _____ (Say Yen _____)
3. The undersigned has not previously requested of any amounts from the Loan for the purpose of meeting the expenditures described in the attached Summary Sheet(s). The undersigned has not obtained nor will obtain funds for such purpose out of the proceeds of any other loan, credit or grant available to the undersigned except short-term loans or credits, if any, established in anticipation of the disbursement requested for herein and to be repaid pro-tanto with the funds disbursed hereunder and any charges, commission or interest paid or payable under such anticipatory short-term credits are not included in the amount herein requested to be disbursed.

4. The undersigned certifies that:
- a) the expenditures, hereby sought to be disbursed were made for the purposes specified in the Loan Agreement;
 - b) the said goods and services have been procured in accordance with the applicable procurement procedures agreed with the BANK pursuant to the said Loan Agreement and the cost and terms of purchase thereof are reasonable;
 - c) the said goods and services were or will be supplied by the supplier(s) specified in the attached Summary Sheet(s) and were or will be procured in (or, in the case of services, supplied from) the eligible source country (countries) for the BANK's loan.
5. Please credit the amount applied for herein by paying into the non-resident yen account of _____ with _____ ,
(Borrower) (name and address of a designated foreign exchange bank in Tokyo)
from which the Borrower transfers the amount to the Special Account defined in the Loan Agreement No. _____.
6. This request consists of _____ pages(s) and _____ signed and
(number) (number)
numbered summary sheet(s), with the supporting documents.

Very truly yours,

(Name of Borrower)

(Authorized Signature)