

PD-AAA-275-A1

5120240 (3)

LG 7 Rio - São Paulo

512-N-036

A.I.D. LOAN NO.

512-22-310-240 7
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238

ALLIANCE FOR PROGRESS

LOAN AGREEMENT

(Brazil - Rio-São Paulo Highway)

Between the

DEPARTAMENTO NACIONAL DE ESTRADAS DE RODAGEM - D.N.E.R.

the

UNITED STATES OF BRAZIL

and the

UNITED STATES OF AMERICA

Dated: November 13, 1964.

CONFORMED

ALLIANCE FOR PROGRESS

LOAN AGREEMENT

AGREEMENT, in furtherance of the Alliance for Progress, dated the 13th day of November, 1964, between the DEPARTAMENTO NACIONAL DE ESTRADAS DE RODAGEM - D.N.E.R. (National Highway Department) ("Borrower"), the UNITED STATES OF BRAZIL ("Government"), acting in concurrence with the Coordinating Commission for the Alliance for Progress ("COCAP"), and the UNITED STATES OF AMERICA, acting through the Agency for International Development ("A.I.D.").

ARTICLE I

The Loan

SECTION 1.1. The Loan. A.I.D. hereby agrees to lend to the Borrower subject to the availability of appropriate funds, up to Cr\$ 34,000,000,000 (thirty-four billion Brazilian cruzeiros) as follows:

- a. Cr\$ 12,000,000,000 (twelve billion cruzeiros) shall be obligated by execution of this Agreement from funds made available to A.I.D. pursuant to the Agricultural Commodity Agreement between the United States of America and the Government, dated September 11, 1963, as amended.
- b. In the event that cruzeiros are available to the United States for purposes of this loan, pursuant to agricultural commodity agreement hereafter executed by the

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2.

United States of America and the Government, and to the extent that such funds are hereafter allocated to this project, A.I.D. shall obligate through subsequent agreements with the Borrower further amounts for the loan.

- c. Government agrees to make available any additional funds necessary for the timely completion of the project.

Funds thus obligated shall be used to assist in financing part of the cruzeiro costs of goods and services required for the project as defined in Section 1.2. As used in this Agreement, "Eligible Items" shall mean the goods and services financed hereunder, and "Principal" shall mean the aggregate amount of cruzeiros disbursed hereunder.

SECTION 1.2. The Project. As used in this Agreement, "Project" shall mean a project for the completion of construction of a four-lane highway between the cities of Rio de Janeiro and São Paulo. The work to be financed by the Loan Agreement consists of:

1. Completion of earth construction, minor drainage structures and paving (exclusive of cost of asphalt) of two lanes, approximately 204 kilometers in length, between the cities of Caiçaras and Jacareí;
2. The complete construction and paving (exclusive of cost of asphalt) of a four-lane divided section at a new

/...

3.

location for a length of approximately 10 kilometers

between the cities of Engenheiro Passos and Queluz; and

c. Related local costs for consulting engineering services.

The cost of work other than that financed hereunder required to complete the Project, including improvement of the existing two lanes (exclusive of the 10-kilometer section mentioned above), asphalt for the total Project, construction of major bridges and interchanges, and other related construction and engineering required for the Project (except consulting engineering services in connection with the work financed under this Loan Agreement) shall be financed by Government.

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ARTICLE IITerms of Repayment; Interest

SECTION 2.1. Interest. The Borrower shall pay semi-annually to A.I.D. in cruzeiros interest due and unpaid of three quarters of one ($3/4$ of 1) per cent per annum (computed on the basis of a 365-day year) for three (3) years after the first disbursement and two (2) per cent per annum thereafter. Interest shall accrue from the dates of the respective disbursements hereunder. The first such payment shall be due and payable no later than six (6) months after the first such disbursement on a date to be specified by A.I.D.

SECTION 2.2. Repayment. The Borrower shall repay the Principal to A.I.D. in cruzeiros in seventy-five (75) equal semi-annual installments. The first such installment shall be due and payable two and one half ($2\ 1/2$) years after the first payment interest is due.

SECTION 2.3. Application of Payments. All payments shall be applied first to the payment of any interest due and unpaid and then to the repayment of Principal.

SECTION 2.4. Prepayment. The Borrower shall have the right to prepay, without penalty at any time, all or any part of the Principal. Any prepayment shall be applied in the order prescribed in Section 2.3 hereof, and amounts applied to the remaining installments of Principal shall be applied pro rata to such installments.

SECTION 2.5. Place of Payment. All payments to be made to A.I.D. shall be made to the Controller, Agency for International Development, Rio de Janeiro, Gb., or at such other place as may be specified by A.I.D. Such payments shall be deemed to have been paid when received by A.I.D.

SECTION 2.5. Currency of Payment. Payments of interest and Principal required under this Agreement shall be made in Brazilian currency, or at the option of the Borrower in United States dollars. If the Borrower elects to exercise the option to make payments in dollars, the amount of such payment shall be calculated at the time of payment to be equivalent to the obligation in Brazilian currency computed on the following basis:

- a. The effective rate at which United States dollars are sold in exchange for Brazilian currency to residents of Brazil for the meeting of payments of obligations abroad, provided that, at the time of payment, effective rates for Brazilian currency differing by more than one (1) per cent from par value agreed with the International Monetary Fund for that currency are not permitted by the Government, and provided further than the parties to this Agreement do not agree that another rate would be just and reasonable; and
- b. Otherwise, such other rate as is mutually agreed from time to time.

ARTICLE IIIConditions PrecedentSECTION 3.1. Conditions Precedent to Initial Financing.

Prior to the first disbursement the Borrower shall furnish in form and substance satisfactory to A.I.D.

- a. An opinion or opinions of legal counsel satisfactory to A.I.D. that this Agreement has been duly authorized or ratified by, and executed on behalf of the Borrower, and constitutes a valid and legally binding obligation of the Borrower in accordance with its terms.
- b. Evidence of the authority of the person or persons who will act as the representative or representatives of the Borrower pursuant to Section 3.2, together with a specimen signature of each such person certified as to its authenticity by legal counsel.
- c. Evidence of contractual or other arrangements satisfactory to A.I.D. for consulting engineering services for the Project.
- d. A plan for the financing of the entire Project (the "Financing Plan"), showing evidence of the availability of the Brazilian currency and U.S. dollar requirements, the date of availability, the source for such funds, and the terms under which such funds will be made available to the Borrower.
- e. A plan and schedule for all construction and procurement necessary to complete the Project.

f. Evidence that contractors engaged in the construction of the new two-lane segment of the highway to be partially financed by this loan have been either paid in full or that satisfactory arrangements for full payment have been made with all such contractors for goods and services performed prior to the date of this Agreement.

g. Evidence that the plans, specifications and contracts are adequate for the execution of the project in accordance with A.I.D. standards.

h. A.I.D. shall specify which, if any, of the following additional items it will require before disbursements may be made for any Eligible Items:

1. Additional plans and specifications for the Project;
2. Evidence that arrangements satisfactory to A.I.D. have been made for the necessary procurement; and
3. Evidence that arrangements satisfactory to A.I.D. have been made for construction services.

SECTION 3.2. Additional Limitation on Disbursement. In addition to the requirements of Section 3.1, no disbursements shall be made under this Agreement until A.I.D. and the Government have executed an agreement pursuant to which the Government will provide facilities for the conversion into monies other than the currency of Brazil by the United States of America of two (2) per cent of the Principal and interest funds repaid to A.I.D. pursuant to all loan agreements entered into under Article II (c) of

the Agricultural Commodity Agreement between the United States of America and the Government, dated September 11, 1953, as amended.

SECTION 3.3. Terminal Date for Fulfillment of Conditions Precedent. Except as A.I.D. may otherwise agree in writing, if the conditions required by Section 3.1 have not been completed by February 1, 1955, A.I.D. may at any time thereafter terminate this Agreement by giving notice to the Borrower.

ARTICLE IVDisbursements

SECTION 4.1. Disbursements. To obtain disbursements for cruzeiro costs, Borrower may from time to time, and in accordance with immediate requirements and expenditures of such currency for the Project, request A.I.D. to disburse cruzeiros for the Project through such arrangements as A.I.D. and the Borrower may agree upon.

SECTION 4.2. Date of Disbursements. Disbursements hereunder shall be deemed to occur on the date on which A.I.D. makes payment either directly to the Borrower or its designee.

SECTION 4.3. Terminal Dates for Disbursements. Except as A.I.D. may otherwise specify in writing no disbursement shall be made against documentation received after December 31, 1957.

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ARTICLE VCovenants Concerning Procurement

SECTION 5.1. Source of Procurement. All Eligible Items shall be procured in Brazil.

SECTION 5.2. Method of Procurement. No more than reasonable prices shall be paid for any Eligible Item, and all such items (except architectural, engineering, management and such other professional services as A.I.D. may specify) shall be procured on a fair competitive basis. Prices (except for the foregoing professional services) should normally approximate the lowest competitive price for the Eligible Item procured, operating costs, quality, time and costs of delivery, terms of payment and other factors considered.

SECTION 5.3. Eligibility Date. Except as agreed upon by A.I.D. in writing no goods or services may be financed in whole or in part by the loan which arise out of orders firmly placed or entered into, or services performed prior to the effective date of this Agreement.

SECTION 5.4. Contracts. No Eligible Item may be financed in whole or in part by the loan which arises out of contracts for engineering, procurement or construction services unless A.I.D. has given its approval in writing to the terms of such contracts and the firms who will provide such services.

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ARTICLE VIAdditional Covenants and Warranties

SECTION 6.1. Conduct of the Project. The Borrower will:

a. Carry out and complete the Project, with due diligence and efficiency, providing any additional resources which may be required. The Project shall be carried out in conformity with sound engineering, construction and financial practices, and with contracts, engineering, construction or procurement arrangements, or plans, schedules and specifications approved by A.I.D. The Borrower shall obtain A.I.D. concurrence prior to any material modification or cancellation of any such contracts, arrangements, plans, schedules, or specifications. The Borrower covenants that it will use the Eligible Items in accordance with plans and procedures developed mutually with A.I.D. for that purpose.

b. Adequately maintain and repair, in accordance with sound maintenance practices, all Eligible Items and any construction or facility resulting from their use.

SECTION 6.2. Utilization of Eligible Items. All Eligible Items shall be used exclusively for the Project. In the case of any goods financed hereunder which are not fully expended through their use for the Project, the foregoing provision shall apply until the completion of the Project or until such time as they can no longer be usefully employed for the Project, provided that no goods financed hereunder shall be exported from Brazil without prior approval

of A.I.D.

SECTION 6.3. Information and Marking. The Borrower shall cooperate with A.I.D. in making information concerning this loan public, and shall make appropriate arrangements to carry out A.I.D.'s instructions with respect to signs at the Project sites and marking of goods financed hereunder.

SECTION 6.4. Notice of Material Developments. The Borrower represents and warrants that it has disclosed to A.I.D. all circumstances which may materially affect this Project or the discharge of its obligations under this Agreement, and covenants that it will inform A.I.D. of any conditions which interfere, or which it is reasonable to believe will interfere, with any of the foregoing.

SECTION 6.5. Taxation. This Agreement and the execution, delivery and registration thereof, shall be free from and the Principal and interest shall be paid without deductions for and free from all taxes, fees, or other charges, if any, imposed under the laws of Brazil or laws in effect in its territory.

SECTION 6.6. Commissions, Fees and Other Payments. Borrower warrants and covenants that, in connection with obtaining this loan or taking any action under or with respect to this agreement, it has not paid and will not pay or agree to pay nor to the best of its knowledge has there been paid or will there be paid or agreed to be paid by any other person or entity, commissions, fees

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or other payments of any kind, except as regular compensation to Borrower's full-time officers and employees or as compensation for bona fide professional, technical or other comparable services. Borrower shall promptly report to A.I.D. any payment or agreement to pay for such bona fide professional, technical or comparable services to which it is a party or of which it has knowledge (indicating whether such payment has or is to be made on a contingent basis) and if the amount of any such payment is deemed unreasonable by A.I.D., Borrower shall cause a reduction satisfactory to A.I.D. to be made therein.

SECTION 5.7. Records; Reports; Inspections.

a. The Borrower shall maintain or cause to be maintained in accordance with sound accounting practices, books and records adequate to identify Eligible Items, to disclose the cost and use thereof in the Project, to show the nature and extent of the solicitation of prospective suppliers and the basis for the award of contracts or orders, and to indicate the progress of the Project. Such books and records shall be maintained until five (5) years after the final disbursement pursuant to this Agreement.

b. Such books and records shall be open at all times for examination by authorized representatives of the Government and A.I.D. which procedure is consistent with Article II, Section 5, of the agreement between the Government and the United States of America, signed on May 30, 1953, and subsequently approved by the Brazilian Congress. For this purpose, if the Borrower and A.I.D.

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mutually agree, the Borrower may maintain, within its accounting system, a segregated set of books and records for all transactions specifically related to the loan. Examination of the books and records will be carried out in practice by procedures which may include the following whenever mutually agreed to by the Borrower and A.I.D.

1. Joint auditing under mutually agreed to conditions;
2. The use of independent auditors selected by the Borrower and acceptable to A.I.D.;
3. The inspection outside the premises of the Borrower of certified documentation relating to the loan.

c. The Borrower shall cooperate with and give reasonable assistance to, and shall facilitate inspection by A.I.D. with respect to the execution of the works and the activities related to the Project in conformity with this Agreement, and shall afford all reasonable opportunity for authorized representatives of A.I.D. to visit any part of the territory of Brazil for purposes related to this Agreement.

d. The Borrower shall promptly furnish A.I.D. such financial and other reports and information relating to the loan or transaction pursuant to this Agreement and any covenants of this Agreement as A.I.D. may request.

SECTION 5.8. Enforcement of Load Limits. The Borrower covenants that it will enforce or cause to be enforced appropriate statutory vehicle load limits on the Rio-São Paulo Highway.

SECTION 6.9. Safety. The Borrower covenants that it will maintain or cause to be maintained traffic patrols and enforce traffic regulations on the Rio-São Paulo Highway.

ARTICLE VIIRemedies of A.I.D.

SECTION 7.1. Events of Default; Acceleration. If any of the following events ("Events of Default") occurs:

- a. The Borrower fails to pay in full when due any installments of Principal or interest or any other payments required under this Agreement;
- b. The Borrower or the Government fails to comply with any other provision contained herein;
- c. Any representation or warranty made by or on behalf of the Borrower with respect to obtaining this loan or made or required to be made hereunder is determined by A.I.D. to be incorrect in any material respect;

then, A.I.D., at its option, may declare all or any part of the unrepaid Principal to be due and payable immediately, and upon any such declaration, unless the default is cured within thirty (30) days thereafter, such Principal and interest accrued thereon shall become due and payable immediately.

SECTION 7.2. Termination of Disbursements. If at any time

- a. An Event of Default occurs;
- b. An event occurs which A.I.D. determines to be an extraordinary situation which makes it improbable that the purposes of this loan will be attained or that the Borrower will be able to perform its obligations hereunder; or

c. Any disbursement would be in violation of the law governing A.I.D.;

then, A.I.D., at its option, after giving prior detailed notice in writing to the Borrower, may decline to issue any further disbursements under this loan.

SECTION 7.3. Refunds. If A.I.D. determines that any disbursement made by it under this Agreement for any Eligible Item is not supported by valid documentation submitted by the Borrower in accordance with the terms of this Agreement, or is not used in accordance with the terms of this Agreement, or is in violation of the law governing A.I.D. (including A.I.D. regulations applicable to the Project), A.I.D., at its option, may, notwithstanding the availability of any other remedy provided for under this Agreement or the exercise of the remedies provided for in Sections 7.1 and 7.2, require the Borrower to refund to A.I.D. within thirty (30) days after receipt of a request therefor an amount not to exceed the amount for such disbursement. Any such refund received by A.I.D. shall be applied as provided in Section 2.3 of this Agreement and amounts applied to the remaining installments of Principal shall be applied in inverse order of their maturity. No request shall be made by A.I.D. pursuant to this Section later than five (5) years after the date of the final disbursement pursuant to this Agreement.

SECTION 7.4. Waivers. No delay in exercising or omission to exercise any right, power or remedy accruing to A.I.D. under

this Agreement shall be construed as a waiver of any of such rights, powers or remedies.

SECTION 7.5. Expenses of Collection. All reasonable costs incurred by A.I.D. (other than salaries of its regular staff) after an Event of Default has occurred in connection with the collection of amounts due under this Agreement, may be charged to the Borrower and reimbursed as A.I.D. shall specify.

ARTICLE VIIIMiscellaneous

SECTION 8.1. Effective Date. This Agreement shall enter into effect as of the day and year first above written.

SECTION 8.2. Use of Representatives.

a. All actions required or permitted to be performed or taken under this Agreement by the Borrower or A.I.D. may be performed by their respective duly authorized representatives.

b. The Borrower hereby designates its Director General as its representative with authority to designate in writing other representatives of the Borrower in its dealings with A.I.D. The Borrower's representatives designated pursuant to the preceding sentence, unless A.I.D. is given notice otherwise, shall have authority to agree on behalf of the Borrower to any modification of this Agreement which does not substantially increase the Borrower's obligations hereunder. Until receipt by A.I.D. of written notice of revocation by the Borrower of the authority of any of its representatives, A.I.D. may accept the signature of such representatives on any instrument as conclusive evidence that any action effected by such instrument is authorized by the Borrower.

SECTION 8.3. Successors to Rights of A.I.D. If, by operation of any law of the United States of America or by virtue of assignment, any corporate or other agency of the Government of

the United States of America succeeds to the rights and obligations of A.I.D. under this Agreement, such agency shall be deemed to be A.I.D. for purpose of this Agreement.

SECTION 8.4. Other Agreements. This Agreement is entered into pursuant to the following agreements between the United States of America and the United States of Brazil:

- a. the Agreement relating to Technical Cooperation, dated December 19, 1950; and
- b. the Agreement for Special Technical Services, dated May 30, 1953.

SECTION 8.5. Communications. Any communication or document given, made or sent by the Borrower, the Government or A.I.D., pursuant to this Agreement, shall be in writing and shall be deemed to have been duly given, made or sent to the party to which it is addressed when it shall be delivered by hand or by mail, telegram, cable or radiogram to such party at the following addresses:

To the Borrower:

Mail Address:

Diretoria Geral
D.N.E.R.
Av. Presidente Vargas, 522 - 13º andar
Rio de Janeiro, Brasil.

Cable Address:

DNER
Rio de Janeiro.

/...

To the Government:

Mail Address:

Ministério da Fazenda
Rio de Janeiro, Brasil.

Cable Address:

MINIFAZ
Rio de Janeiro.

To A.I.D. (five copies):

Mail Address:

Office of Capital Development
Agency for International Development
Embaixada dos Estados Unidos da América
Rio de Janeiro, Brasil.

Cable Address:

A.I.D.
Embaixada dos Estados Unidos da América
Rio de Janeiro.

Other addresses may be substituted for the above upon the giving of notice as provided herein.

All communications and documents submitted to A.I.D. hereunder shall be in English, and all technical and engineering specifications therein shall be in terms of United States of America standards, except as A.I.D. and the Borrower may otherwise agree in writing.

IN WITNESS WHEREOF, the Borrower, the Government and the United States of America, each acting through its respective duly authorized representative, have caused this Agreement to be signed in their names and delivered as of the day and year first above written.

DEPARTAMENTO NACIONAL DE
ESTRADAS DE RODAGEM

By: M. Rangel Pestana

Title: Director General

UNITED STATES OF BRAZIL

By: Octavio Bulhões

Title: Minister of Finance

UNITED STATES OF AMERICA

By: Jack B. Kubish

Title: Minister Director
USAID/Brazil

In the presence of:

Lincoln Gordon

Roberto de Oliveira Campos

Juarez Tavora

Francisco de Assis Grieco

Daltro Barbosa Leite

Thomas J. L. Landau

Eduardo Veiga Soares

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512-22-310-240

A.I.D. Loan Nº 512-L-059 ✓

ALLIANCE FOR PROGRESS

LOAN AGREEMENT

AMENDMENT Nº 2

Between the
DEPARTAMENTO DE ESTRADAS DE RODAGEM DO ESTADO DE
SÃO PAULO
the
GOVERNO DO ESTADO DE SÃO PAULO
and the
UNITED STATES OF AMERICA
for the
SÃO PAULO HIGHWAY MAINTENANCE EQUIPMENT PROJECT

Date: January 22, 1968

CONFORMED COPY

ALLIANCE FOR PROGRESS

AMENDMENT Nº 2 TO LOAN AGREEMENT

AMENDATORY AGREEMENT, in furtherance of the Alliance for Progress, dated the 22th day of January, 1968, between the DEPARTAMENTO DE ESTRADAS DE RODAGEM DO ESTADO DE SÃO PAULO ("Borrower"), the GOVÊRNO DO ESTADO DE SÃO PAULO ("STATE of SÃO PAULO"), and the UNITED STATES OF AMERICA, acting through the Agency for International Development ("A.I.D. ").

WHEREAS Borrower, State of São Paulo and A.I.D. are parties to a Loan Agreement numbered A.I.D. Loan Nº 512-L-059, dated August 18, 1966, as amended by Amendment Nº 1, dated March 14, 1967 (hereinafter referred to as "Loan Agreement");

WHEREAS said parties are also parties, with the Grupo Executivo de Integração da Política de Transportes (GEIPOT), to an Agreement of Cooperation for Highway Studies, dated March 14, 1967 (hereinafter referred to as "Agreement of Cooperation "); and

WHEREAS the parties desire to amend the Loan Agreement to permit financing from Loan proceeds of certain cruzeiro costs, including cruzeiro costs arising pursuant to the Agreement of Cooperation:

NOW, THEREFORE, the parties agree as follows:

1. Section 1.01 of the Loan Agreement is amended to read

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as follows:

"SECTION 1.01. The Loan. A.I.D. agrees to lend to the Borrower in furtherance of the Alliance for Progress and pursuant to the Foreign Assistance Act of 1961, as amended, an amount not to exceed twenty million United States Dollars (US\$20,000,000) ("Loan") to assist the Borrower in carrying out the Project referred to in Section 1.02 ("Project"). The Loan shall be used exclusively to finance United States dollar costs ("Dollar Costs") of goods, and the Dollar Costs or Brazilian cruzeiro costs of services required for the Project. The aggregate amount for disbursements under the Loan is herein-after referred to as "Principal".

2. Section 6.01 of the Loan Agreement is amended to read as follows:

"SECTION 6.01. Procurement from the United States and Brazil. Except as A.I.D. may otherwise agree in writing, disbursements made pursuant to Section 7.01 shall be used exclusively to finance the procurement for the Project of goods and services, including ocean shipping and marine insurance, having both their source and origin in the United States of America. Disbursements made pursuant to Section 7.02 shall be used exclusively to finance the Brazilian cruzeiro costs of engineering, services for the Project".



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3. Article VII of the Loan Agreement is amended to add a new Section 7.02 as follows:

"SECTION 7.02. Disbursements for Brazilian Cruzeiro Costs.

To obtain disbursements hereunder for cruzeiro costs of the Project, Borrower may from time to time, and in accordance with cruzeiro requirements and expenditures for engineering or consulting services, request A.I.D. to make available an amount of cruzeiros for the Project. Each such request shall be supported by such documentation as A.I.D. may require. The provisions of the Special Letter of Credit Implementation Agreement, dated July 16, 1965, as amended, between the Banco Central da República do Brasil, the Banco do Brasil, and A.I.D. shall apply to Special Letters of Credit utilized to make cruzeiros available for the purposes of this Loan. Cruzeiro disbursements hereunder shall be charged against the loan at the rate at which A.I.D. acquired the cruzeiros pursuant to the respective Special Letter of Credit or amendment thereto."

4. Original Sections 7.02, 7.03, and 7.04 of the Loan Agreement are renumbered 7.03, 7.04, and 7.05 respectively.

5. In all other respects, the Loan Agreement is ratified and confirmed.



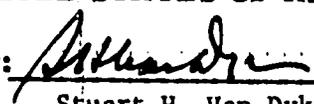
IN WITNESS WHEREOF, the Borrower, the State of São Paulo and the United States of America, each acting through its respective duly authorized representative, have caused this Amendment to the Loan Agreement to be signed in their names and delivered as of the day and year first above written.

DEPARTAMENTO DE ESTRADAS
DE RODAGEM DO ESTADO DE
SÃO PAULO

By: 

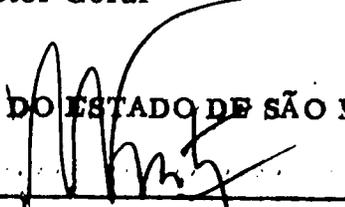
Title: Eng^o Miguel Melhado Campos
Diretor Geral

UNITED STATES OF AMERICA

By: 

Stuart H. Van Dyke
Title: Director, U.S.A.I.D./Brazil

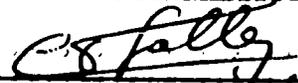
GOVERNO DO ESTADO DE SÃO PAULO

By: 

Title: Eng^o Firmino Rocha de Freitas
Secretário dos Transportes

Concurrence:

COORDINATING COMMISSION FOR THE ALLIANCE FOR PROGRESS

By: 

Title: Cícero de Oliveira Salles
Coordenador

LGP2-059
512040 (12)

AGENCY FOR INTERNATIONAL DEVELOPMENT
United States A.I.D. Mission to Brazil
c/o American Embassy

Rio de Janeiro
March 13, 1967

Dr. Orlando Pereira dos Santos
Director General
Departamento de Estradas de Rodagem
São Paulo, Est. de São Paulo

7-1
512-22-310-2401
Subject: A.I.D. Loan No 512-L-059
São Paulo Highway Maintenance
Equipment Loan
Implementation Letter No 3

Dear Dr. Santos:

We wish to call your attention that there is a technical error in the Certificate of Registration by the Central Bank of the above captioned loan. The Loan Agreement calls for 31 approximately equal semi-annual installments of principal and interest combined (i.e., level payments of principal and interest). The Registration Certificate is based on 31 approximately equal installments of principal alone, with interest computed separately. This is of course substantially different from an amortization schedule based on level payments of interest and principal combined.

This error has been called to the attention of the Central Bank. Although we are informed that the error does not affect the validity of the Registration Certificate, we request that you seek an appropriate amendment to the certificate in order to avoid any difficulties which might arise in the future.

Sincerely yours,

Dwight B. Johnson
Deputy Assistant Director for
Capital Development and Industry



UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT
AGÊNCIA NORTE-AMERICANA PARA O DESENVOLVIMENTO INTERNACIONAL

USAID/BRASIL

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PD-AAA-275-A1

RUA MELVIN JONES N.º 5 - RIO DE JANEIRO - TEL: 31-5020

September 10, 1968

Dr. Pedro Gravina
Director-General
Departamento de Estradas de Rodagem
Avenida do Estado 777
Sao Paulo, SP

512-22-310-240 (C)
Subject: A.I.D. Loan No. 512-L-059
Sao Paulo Highway Maintenance
Equipment Loan
Implementation Letter No. 10

Dear Dr. Gravina:

To expedite the U.S. training of personnel working for the DER/SP as provided for under the Loan Agreement, we hereby approve the use of \$200,000 for this purpose. These funds may be committed prior to the fulfillment of Section 3.02 titled Conditions Precedent to Additional Disbursements.

If this office can be of any further assistance to you, please do not hesitate to contact us.

Sincerely yours,

L.V. Perez

Assistant Director for
Capital Development and Industry



UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT
AGÊNCIA NORTE-AMERICANA PARA O DESENVOLVIMENTO INTERNACIONAL

USAID/BRASIL

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(26)



RUA MELVIN JONES N.º 5 - RIO DE JANEIRO - TEL.: 31-5820

PD-AAA-275-A1

July 9, 1969

Mr. Enid Dias Vierno
President, CIPE
Departamento de Estradas de Rodagem
do Estado de São Paulo
Avenida do Estado, 777 - 3º
São Paulo, S.P.

512-22-310-240
Subject: A.I.D. Loan No. 512-L-059
Implementation Letter No. 17

Dear Dr. Vierno:

In response to your letter dated May 27, 1969 the terminal date for meeting the Conditions Precedent set forth in Section 3.02 of the Loan Agreement is hereby extended until July 31, 1969.

In granting this extension USAID expects that the DER will take all measures necessary to submit promptly the documentation required by Section 3.02, especially the approved financial plan and budget for the program.

In addition to the above extension, the terminal date for receipt by USAID of requests to issue or amend commitment documents (Section 7.04) is hereby extended to September 30, 1970.

Sincerely yours,

L. V. Perez

Assistant Director
Capital Development and Industry

