

ALLIANCE FOR PROGRESS

Development Loan Agreement

PRIVATE INVESTMENT FUND

Bank of the Republic

~~X~~MICROFILM  
CUT-OFF 1973

A.I.D. Loan No. 514-L-040

December 23, 1964

Bogotá

CONFORMED COPY

A L L I A N C E F O R P R O G R E S S

D E V E L O P M E N T L O A N A G R E E M E N T

AGREEMENT, in furtherance of the Alliance for Progress, dated the twenty-third (23rd) day of December 1964, between the REPUBLIC OF COLOMBIA ("Government"), the BANCO DE LA REPUBLICA or any of its successors or assigns ("Borrower"), and the UNITED STATES OF AMERICA, acting through the AGENCY FOR INTERNATIONAL DEVELOPMENT ("A.I.D.").

A R T I C L E I

SECTION 1.1. The Loan. A.I.D. hereby agrees to lend Borrower pursuant to the Foreign Assistance Act of 1961, as amended, up to ten million United States dollars (\$10,000,000) ("Loan") for the U.S. dollar costs of the Program as defined in Section 1.2. The aggregate amount disbursed hereunder is referred to as "Principal".

SECTION 1.2. The Program. The purpose of the Loan is to make U.S. dollars available on appropriate terms to finance projects in the Colombian private sector under the auspices of Borrower, the central banking institution of Colombia, through the Private Investment Fund ("PIF") which fosters economic development by assisting intermediary credit institutions ("ICIs") such as commercial banks and financieras to make loans for the following purposes: (a) diversification and promotion of exports; (b) elimination of production bottlenecks, and (c) import substitution, all as further described in Borrower's Resolution No. 11, dated February 28, 1963.

The Principal shall be reloaned or allocated by the Borrower to the PIF as provided for in Section 3.1(e). PIF, under the direction of the Borrower, will make the Principal available to the ICIs as provided in this Agreement, for loans ("Project Loans") made by the ICIs to private borrowers ("Private Borrowers") for projects eligible for PIF financing as further described herein.

All of the Project Loans shall conform with the applicable rules of Resolution No. 11 of February 28, 1963 issued by the Board of Directors of the Borrower, and to such amendments and modifications of said Resolution No. 11, as are accepted by A.I.D. in writing.

All of the Project Loans will require prior approval by PIF and will be in accordance with this Agreement, and also with such criteria as may be subsequently mutually agreed upon by PIF and A.I.D. One hundred thousand U.S. dollars (\$ 100,000) of the Loan shall be set aside for U.S. technical assistance rendered in connection with the Loan, unless PIF and A.I.D. otherwise agree.

SECTION 1.3. Related Peso Fund Understanding. Government and A.I.D. agree that supplementary lending resources in the form of portions of the peso proceeds generated through the utilization of A.I.D. Loan No. 514-L-024, A.I.D. Loan No. 514-L-032 and A.I.D. Loan No. 514-L-039, have been or will be made available to Borrower for use by the PIF for

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its lending program. The amounts, timing of release and manner of utilization of these peso proceeds will be subject to a separate agreement or agreements between the Government, Borrower and A.I.D.

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ARTICLE II

Interest and Terms of Repayment

SECTION 2.1. Interest. Borrower shall pay semi-annually to A.I.D. in U.S. dollars on the unrepaid Principal, and on unpaid interest due, interest at the rate of five and one-half (5-1/2) percent per annum, computed on the basis of a 365-day year, which shall accrue from the date of the respective disbursements hereunder, the first such payment to 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. Disbursements hereunder shall be designated in U. S. dollars and shall be deemed to occur on the respective dates on which payments by A.I.D. are made to a banking institution pursuant to a commitment document referred to in Section 4.1.

*first paid  
1-20-66*

SECTION 2.2. Repayment. Borrower shall repay the Principal to A.I.D. in U.S. dollars in twenty-one (21) equal semi-annual installments, the first installment to be due and payable four and one half (4-1/2) years after the first interest payment is due.

*10 1/2  
4 1/2  
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SECTION 2.3. Application. All payments shall be applied first to the payment of any interest due and then to the repayment of Principal. All payments shall be made to the Controller, United States AID Mission to Colombia and shall be deemed to have been paid when so received by A.I.D.

*first paid  
1-20-66*

SECTION 2.4. Prepayment. Borrower shall have the right to prepay, without penalty, on any date on which interest is due, all or any part of the Principal. Any prepayment shall be applied in the order prescribed in Section 2.3 hereof, and, to the extent applied to Principal, shall be applied pro rata on the remaining installments thereof.

*2-step - yes*

SECTION 2.5. Special Payment Procedure.

(a) If prior to the end of the first year subsequent to the Effective Date of the Loan Agreement, the Government so elects, the Borrower shall fulfill its U.S. dollar obligation under the Loan by paying to Government in the currency of Colombia, the equivalent of the U.S. dollar amounts payable to A.I.D. pursuant to this Article, by using the rate of exchange defined in Section 6.9. In such event the Government shall be obligated to pay U.S. dollars to A.I.D., in the following manner:

*First Disb.  
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1-20-66*

*Second Disb.  
1-20-76*

(i) Government shall pay interest to A.I.D. on the unrepaid Principal and on unpaid interest due at the rate of three-quarters of one (3/4 of 1) percent per annum during the first ten (10) years from the date of the first disbursement under the Loan ("Grace Period") and at the rate of two (2) percent thereafter.

(ii) Government shall repay Principal to A.I.D. within forty (40) years from the date of the first disbursement under the Loan, providing that no payments of Principal shall be required to be made during the Grace Period.

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(b) Government may retain the amount, if any, by which the Pesos paid to it by Borrower for interest exceed the U.S. dollar equivalent of such Pesos paid by Government to A.I.D. under (a) (i) above.

(c) If the Government elects to exercise the option set out in (a) above Government will unconditionally guaranty all of Borrower's payment obligations hereunder by making payments to A.I.D. according to the schedule set out in (a) (i) and (ii) above, regardless of whether or not Borrower makes all or any of the Peso payments required to be made to Government pursuant to Government's election to receive such payments.

A R T I C L E   I I I

Conditions Precedent

SECTION 3.1. Conditions Precedent. Prior to the first disbursement or to the issuance of the first commitment document, Borrower or Government, as applicable, shall furnish A.I.D., in form and substance satisfactory to A.I.D.:

(a) An opinion or opinions of the highest legal officer of Borrower or of other counsel satisfactory to A.I.D., that: (i) This Agreement has been duly authorized or ratified by, and executed on behalf of Borrower and constitutes a valid and legally binding obligation of Borrower in accordance with its terms; (ii) Borrower is not in violation of, and its actions in connection with the Agreement do not, and will not, conflict with or result in any violation of the provisions of any present agreement, franchise, concession, license, permit, decree, order, statute, ordinance, or other governmental rule or regulation applicable to Borrower; (iii) All applicable taxes, charges, or fees (if any) imposed under laws in effect as of the date of such opinion within the territory of Colombia or in connection with the execution, delivery, recording or registration of this Agreement, the indebtedness evidenced hereby, any promissory notes which may be issued hereunder, the repayment of Principal or payment of interest, have been duly paid by Borrower; and all payment by Borrower of Principal and interest hereunder are exempt from all Colombian income, withholding and other

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taxes whatsoever; (iv) All applicable requirements (if any) for the registration or recording of this Agreement have been complied with within such place or places and in such manner as is required within Colombia to protect and preserve the rights of A.I.D. hereunder; (v) All of Borrower's stock outstanding as of the date of such opinion is validly issued, fully paid and non-assessable; and (vi) Borrower is duly organized and an existing corporation under the laws and decrees of Colombia with full authority to undertake the Program, to enter into and carry out all of its obligations under the Agreement, and has obtained all authorizations, consent or approvals required in connection with the making and performance of this Agreement;

(b) An opinion or opinions of the highest legal officer of Government or of other counsel satisfactory to A.I.D., demonstrating that the Agreement has been duly authorized or ratified by, and executed on behalf of Government and constitutes a valid and binding obligation of Government in accordance with its terms;

(c) Evidence of the authority of the person or persons who will act as the representative or representatives of Borrower and Government respectively pursuant to Section 8.2. hereof, together with the authenticated specimen signature of each person certified as to its authenticity by a person satisfactory to A.I.D.;

(d) A statement concerning the type and number of employees necessary to carry out the Program described in Section 1.2 and the operations of the PIF.

(e) A letter of information setting forth the basic terms under which the Borrower will make the Principal of this Loan available to the PIF.

SECTION 3.2. 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 March 31, 1965, A.I.D. may at any time thereafter at its option terminate this Agreement by giving notice to Borrower. Upon such termination all obligations of the parties hereto under this Agreement shall cease.

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A R T I C L E I V

Disbursement

SECTION 4.1. Disbursement for Program. To obtain disbursements for the Program, Borrower may from time to time request A.I.D. to issue commitment documents to one or more banks in the United States designated by Borrower and satisfactory to A.I.D., committing A.I.D. to reimburse such bank or banks for payments made through letters of credit or otherwise, to Borrower or any designee of Borrower, pursuant to such documentation requirements as A.I.D. may prescribe. Banking charges incurred pursuant to this section in connection with a commitment document shall be for the account of Borrower and may be financed hereunder.

SECTION 4.2. Other Forms of Disbursement. Disbursements may also be made through such other means as Borrower and A.I.D. may agree to in writing.

SECTION 4.3. Terminal Date for Requests for Commitment Documents and for Disbursements. Except as A.I.D. may otherwise agree in writing, no commitment documents shall be issued in response to requests received after March 31, 1967, and no disbursements for the Program shall be made against documentation submitted after November 30, 1967.

ARTICLE V

Covenants Concerning Procurement

SECTION 5.1. Eligibility Date. No goods or services may be financed, in whole or in part, under commitment documents issued pursuant to sub-section 4.1 which arise out of orders or contracts firmly placed or entered into prior to the effective date of this Agreement.

*See A.I.D.  
1/27/65*

SECTION 5.2. Small Business Notification. In order that American small business shall have the opportunity to participate in furnishing goods and services for the Program, Borrower shall cause to be received by A.I.D., at such time as ICI submits to Borrower its applications for a loan, a list of such goods or services which might be financed under this Agreement estimated to cost more than the equivalent of five thousand U.S. dollars (\$ 5,000).

SECTION 5.3. Source of Procurement. All goods and services, except marine insurance, financed for the Program under this Agreement shall have both their source and origin in the United States of America. Ocean shipping procured from a United States flag carrier shall be deemed to have its source and origin in the United States. All other goods and services procured for a project financed in part by a Project Loan shall have their source and origin in countries included in Code 935 of the A.I.D. Geographic Code Book as in effect at the time such goods or services are procured.

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**SECTION 5.4. Administration.**

(a) At least fifty (50) percent of the gross tonnage of all goods financed under commitment documents issued pursuant to Section 4.1 hereof ("Eligible Goods") (computed separately for dry bulk carriers, dry cargo liners and tankers) which shall be transported on ocean vessels shall be transported on privately-owned United States flag commercial vessels.

The above provision will be superseded in case A.I.D. and the Government reach an agreement on a method of administrating the above shipping clause on a country-wide basis, involving all A.I.D. loans to Colombia.

(b) Eligible Goods shall be transported to Colombia on carriers of the United States of America, Colombia, or countries included in Code 935 of the A.I.D. Geographic Code Book as in effect at the time such transportation is procured, except that Eligible Goods may not be transported on any ocean vessel which A.I.D., in a notice to Borrower, has designated as ineligible.

(c) Marine insurance on Eligible Goods may be financed under this Agreement provided such insurance is placed at the lowest available competitive rate in the United States of America or in a country included in Code 935 of the A.I.D. Geographic Code Book as in effect at the time

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of placement. If in connection with the placement of marine insurance on shipments financed under United States legislation authorizing assistance to other nations, Colombia, by statute, decree, rule or regulation, favors any marine insurance company of any country over any marine insurance company authorized to do business in any state of the United States, Eligible Goods shall during the continuance of such discrimination be insured against marine risk in the United States with a company or companies authorized to do a marine insurance business in any state of the United States.

A R T I C L E   V I

Additional Covenants and Warranties

SECTION 6.1. Conduct of the Program

(a) The Borrower shall carry out and complete the Program with due diligence and efficiency in conformity with sound banking, technical and financial practices, under supervision of qualified and experienced management, and in accordance with the provisions outlined in Section 1.2. The Borrower shall exercise its rights, in relation to PIF and ICIs, so as to protect the interests of the Borrower and A.I.D., to meet the requirements and discharge the obligations of the Borrower under this Agreement and to facilitate the success of the Program.

(b) A.I.D. and Borrower shall confer from time to time on whether technical assistance is desirable for the Program and, if so, whether the use of U.S. consulting services is desirable. One hundred thousand United States dollars (\$ 100,000) furnished hereunder shall be set aside by Borrower to defray the United States dollar costs of such technical assistance rendered in connection with the Loan, unless A.I.D. and PIF otherwise agree. If Borrower and A.I.D. determine that United States consulting services are desirable for the Program, Borrower shall obtain A.I.D.'s approval of any contractual or other arrangement with a contractor whose contract is financed in whole or in part by the Loan.

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(c) The Borrower shall provide an opportunity for regular exchange of views between A.I.D. and Borrower regarding the progress of the Program. A full review of the status of the Loan, lending policies and procedures and other matters pertaining to the Loan will take place between A.I.D. and Borrower at least once a year, or more frequently at the option of any of the parties hereto.

(d) Borrower will publish an annual report on the operation of PIF and will otherwise publicize PIF activities.

SECTION 6.2. Project Loans. Borrower shall take all steps necessary to ensure that all Project Loans financed in whole or in part hereunder are made in accordance with the following provisions, except as A.I.D. may otherwise agree in writing:

(a) Proposed Project Loans in excess of five hundred thousand United States dollars (\$500,000) shall be referred, through USAID, to the Export-Import Bank of Washington, D.C. ("Bank") for possible financing by the Bank. A.I.D. agrees to use its best efforts to obtain an expeditious expression of interest or disinterest by the Bank with regard to such a project. In the event the Bank expresses no interest in financing such a project, A.I.D. will so advise Borrower and return the documents indicating whether the proposed Project Loan is eligible for PIF financing under the Loan.

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(b) Project Loans under this Agreement will not be made which are likely to result in (1) the increased production of cotton and tobacco which are agricultural commodities in world surplus, or (2) the increased exportation from Colombia of rice, wheat, vegetable oil, citrus fruits and coffee, all of which are foods in world surplus. The aforementioned list of commodities in world surplus may be revised from time to time as necessary by A.I.D. With regard to Project Loans made by ICIs to textile producers, Borrower will, at time of approval of such loans, make best efforts to assure that any additional production resulting from such Project Loans will not be exported to the United States of America.

(c) No Project Loan will be made where the total PIF financing (including pesos and foreign exchange, regardless of source) would finance more than seventy (70) percent of the total cost of the project.

(d) No Project Loan will be made unless PIF is satisfied that adequate assurance has been received by it that all funds needed to complete and operate the project, including working capital, will be made available when required.

(e) No Project Loan will be made to private Borrowers who utilize supplier credits for a portion of the cost of a project being financed by a Project Loan, which are excessively short-term and costly.

(f) No Project Loan will be made where information available to PIF indicates that the Private Borrower has access to its own or other resources, or loans or credit lines on terms suitable for financing the project.

(g) Project Loan agreements between Private Borrowers and ICIs will provide that a Private Borrower must accelerate its payments due thereunder by an amount equal to that amount by which its after tax profits distributed in cash during a given fiscal year (not including distribution from retained earnings of prior years), exceeds sixty (60) percent of its after tax profits earned during such fiscal year. Such payment will be due and payable sixty (60) days after the end of the fiscal year in question and will be credited against the last repayments due of the Project Loan in inverse order of maturity.

SECTION 6.3 Export Promotion. At least sixty (60) percent of the total value of all Principal made available by PIF each year to ICIs for Project Loans under this Agreement will be utilized by the ICIs to assist in financing loans the principal purpose of which is to promote the increase of exports from Colombia.

SECTION 6.4. Project Studies. In general and in all cases where the combined financing provided by PIF for a Project Loan (including Pesos and foreign exchange, regardless of source) exceeds the equivalent

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of three hundred and thirty thousand United States dollars (\$330,000), the PIF will require that the ICI obtain a project study from the Private Borrower to be forwarded to PIF together with the evaluation and analysis of the ICI. Provision will be made by Borrower to ensure that the cost of such evaluation and analysis, is borne by the ICI and is not passed on to the Private Borrower by the ICI in the form of a special charge or in any other manner.

SECTION 6.5. Interest Differentials. PIF will make Principal available to ICIs at an interest rate of four (4) percent per annum for Project Loans the principal purpose of which is to promote the increase of exports from Colombia, and at an interest rate of six (6) percent for Project Loans the principal purpose of which is the elimination of local shortages or bottlenecks or for import substitution, or at such rate or rates as Borrower and A.I.D. shall mutually agree are appropriate to best carry out the purposes of the Program. Borrower will review the need for upward adjustments of interest rates charged by ICIs to private Borrowers and those charged by PIF to ICIs, while maintaining the above differential of interest rates, and for establishment of other incentives favoring export projects in the light of market conditions and the objectives of the Program, and will use its best efforts to make such adjustments and establish such incentives as to achieve the objectives of the Program.

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SECTION 6.6. Separate Account. All repayments of Principal made available to ICIs by PIF for Project Loans under this Agreement will be placed by PIF in a separate account. To the extent that such repayments exceed the amount of funds required to meet Borrower's payment obligation under Article II, the repayments will be utilized by PIF, unless A.I.D. otherwise agrees, for relending in the same manner as peso funds made available to PIF pursuant to the Agreement described in Section 1.3.

SECTION 6.7. Rates of Interest. In Project Loans involving industry, ICIs may charge the following annual rates of interest:

Up to 8 percent on loans with a maximum terms of three (3) years;

Up to 9 percent on loans with three (3) to five (5) years terms,

and

Up to 10 percent on loans with terms of over five (5) years.

In Project Loans involving agriculture and cattle-raising ICIs may charge the following rates of annual interest:

Up to 8 percent on loans with a maximum term of three (3) years,

and

Up to 9 percent on loans with terms of over three (3) years.

SECTION 6.8. Publicity. Borrower shall require ICIs to ensure that, to the maximum extent practicable, the clasped hands and Alliance for Progress symbols are conspicuously posted on the projects financed by Project Loans.

SECTION 6.9. Rate of Exchange. The rate of exchange between dollars and pesos in all transactions pursuant to Section 2.5 shall be at the highest rate, at the time of such transactions, at which the Borrower sells dollars to Colombian importers for essential imports, inclusive of all taxes, charges and fees charged to the importer by the Borrower.

SECTION 6.10. Notice of Material Developments. Borrower represents and warrants that it has disclosed to A.I.D. all circumstances which may materially affect the Program or the discharge of its obligations under this Agreement and covenants that it will promptly inform A.I.D. of any conditions which interfere, or which it is reasonable to believe will interfere, with any of the foregoing.

SECTION 6.11. Information. Appropriate arrangements shall be made by Borrower, to publicize the Loan as a Program of American aid in furtherance of the Alliance for Progress.

SECTION 6.12. Commissions, Fees and Other Payments.

(a) Borrower covenants that no commissions, fees or payments of any kind in connection with preparing or presenting the application which has resulted in the authorization of the loan by A.I.D., or in connection with negotiations incident to obtaining the Loan, have been or will be made or agreed to be made to any person, firm or corporation other than regular compensation to official and full-time officers and employees of Borrower, or for bona fide professional, technical or other comparable services.

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(b) 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 Borrower or U.S. affiliate is a party or of which Borrower has knowledge (indicating whether such payment has or is to be made on a contingent basis), and if the amount of any such is deemed unreasonable by A.I.D., Borrower shall cause a reduction satisfactory to A.I.D. to be made therein.

SECTION 6.13. Records; Reports; Inspections.

(a) Borrower shall maintain books and records concerning PIF accounts, in accordance with generally acceptable bookkeeping and accounting practices. Such books and records shall be maintained and audited for such periods and in such manner as A.I.D. and Borrower shall agree. The authorized representatives of A.I.D. shall have the right at all reasonable times to review and inspect the carrying out of the Program, the Project Loans, the books and records referred to above, and other documents or records relating to this Loan and Project Loans. Borrower shall cooperate with A.I.D. to facilitate review of the operations of Borrower, PIF and ICIs as well as the Private Borrowers.

(b) Borrower will require that the ICIs furnish PIF with regular quarterly reports containing information as to the progress of projects financed by Project Loans from the time disbursement is made to a Private Borrower until such time as the Project is completed. Such reports

will cover the entire project, and will not be limited to that portion being financed by a Project Loan made by an ICI. Such official reports will be based on on-site inspections by qualified technicians on the staff of the ICI or engaged by it.

(b) Borrower will ensure that PIF furnishes A.I.D., on a quarterly basis and in a manner to be mutually agreed upon, with summary reports including the following information: (i) utilization of Principal by ICIs to make Project Loans; (ii) general information on the utilization by PIF and Private Borrowers of other external credits; and (iii) progress reports on Private Borrowers' progress in implementing projects for which Project Loans have been made.

Handwritten signature or initials in the bottom right corner of the page.

A R T I C L E V I I

Remedies of A.I.D.

SECTION 7.1. Events of Default: Acceleration. If any one or more of the following events ("Events of Default") shall occur:

(a) Borrower shall fail to pay in full any payment of interest, installment of Principal or any other payment required under this Agreement when due;

(b) Borrower shall fail to comply with any other provision contained herein;

(c) Any representation or warranty made by or on behalf of Borrower with respect to obtaining this loan or made or required to be made hereunder is incorrect in any material respect;

(d) A default shall have occurred under any other agreement between Borrower, and the United States of America or any of its agencies; and

(e) Any change in the character, capacity or credit-worthiness of the Borrower or of the conduct of the Program occurs, or any government or governmental authority shall have taken any action for dissolution or disestablishment of the Borrower or for the suspension of the Borrower's activities or a substantial part thereof or for the cancellation, substantial amendment or suspension of the right of Borrower to carry out the Program or to service the Loan;

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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 sixty (60) days thereafter such Principal and all interest accrued thereon shall become due and payable immediately.

**SECTION 7.2. Termination of Disbursement:**

In the event that at any time:

(a) An Event of Default has occurred;

(b) An event occurs which A.I.D. determines to be an extraordinary situation which makes it improbable that the purpose of this Loan will be attained or that Borrower will be able to perform its obligations hereunder;

(c) Any disbursement would be in violation of the law governing A.I.D. or

(d) A default shall have occurred under any other Agreement between Borrower and the United States of America or any of its agencies; then, A.I.D. at its option, may (i) decline to issue further commitment documents, (ii) suspend or cancel outstanding commitment documents to the extent that they have not been utilized through the issuance of irrevocable letters of credit or through bank payments made other than under irrevocable letter of credit, giving notice to Borrower, Government or Bank promptly thereafter, and (iii) decline to make disbursements other than under commitment documents.

SECTION 7.3. Refunds. IF A.I.D. determines that any disbursement is not supported by valid documentation in accordance with the terms of this Agreement, or is not made or used in accordance with the terms of this Agreement, or was at the time of disbursement in violation of the law governing A.I.D., A.I.D. at its option, may notwithstanding the availability of any other remedy provided for under this Agreement or the exercise of the remedy provided for in Section 7.2, require Borrower to pay to A.I.D. within thirty (30) days after receipt of a request therefor, an amount not to exceed the amount of such disbursement, provided that such request by A.I.D. shall be made not later than five (5) years after the date on which disbursement was made. Any such refund received by A.I.D. shall be applied first to the payment of any accrued interest, and then pro rata to the remaining installments of Principal.

SECTION 7.4. Waivers of Default. 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 these rights, powers, or remedies.

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

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ARTICLE VIII

Miscellaneous

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 Borrower or A.I.D. may be performed by their respective duly authorized representatives.

(b) The individuals designated below shall have authority to represent the parties by which they are below designated in accordance with the above subsection and shall have the authority to designate other such representatives. All such representatives, unless A.I.D. is given notice otherwise, shall have authority to agree on behalf of such parties to any modification or amplification of this Agreement which does not substantially increase such parties' obligations hereunder. Until receipt by A.I.D. of written notice of revocation by 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.

FOR GOVERNMENT: Minister of Finance and Public Credit

FOR BORROWER : General Manager

**SECTION 8.3. Communication.** Any communication or document given, made or sent by Borrower 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 Borrower:

1. Mail address:

Banco de la República  
Bogotá, Colombia

Cable address:

REDESBANCO  
Bogotá

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

Mail address:

3. USAID Mission to Colombia  
American Embassy  
Bogotá, Colombia

Cable address:

American Embassy  
Bogotá

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

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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 standards, except as A.I.D. may otherwise agree in writing.

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

THE REPUBLIC OF COLOMBIA

BY : Diego Calle Restrepo

TITLE: Minister of Finance and Public Credit

THE BANK OF THE REPUBLIC OF COLOMBIA

BY : Eduardo Arias Robledo

TITLE: General Manager

THE UNITED STATES OF AMERICA

BY : James R. Fowler

TITLE: Director, United States A.I.D.  
Mission to Colombia