

National Mission for Clean Ganga (NMCG)
Department of Water Resources, River Development & Ganga Rejuvenation
Ministry of Jal Shakti

RFP No.: G-35/3/2024-BUDGET-NMCG
e-Tender ID: 2024_NMFCG_807660_1

Date: 22nd July 2024

Corrigendum No.5

Sub: Request for Proposal for Appointment of Issuing Bank for a Letter of Credit

Reference to Section-II, Terms of Reference for Issuing Bank, 2nd Para and Section-VIII, Schedule of Selection Process, 2nd item, the following documents are attached with this corrigendum:

- 1.1 Form Letter of Credit (LC)
- 1.2 Form Reimbursement and Credit Agreement (NMCG-Issuing Bank)
- 1.3 Form Guarantee Agreement (Issuing Bank-World Bank)

**India: Second National Ganga River Basin Project
Form Letter of Credit
(LC RFP Version – 19 July 2024)
CONFIDENTIAL AND SUBJECT TO CHANGE**

These form legal documents included with the Request for Proposals represent the commercial, legal, and other arrangements applicable across IBRD's letter of credit-based payment guarantee transactions worldwide, subject to negotiation in individual transactions as appropriate.

Issuance Date: [●]

[Name of Escrow Bank]
[Address]
Attention: [_____]
Fax No.: [_____]
Email Address(es): [_____]

Ladies and Gentlemen:

We, [name of LC Bank] (the “**LC Bank**”), at the request of National Mission for Clean Ganga (“**NMCG**”), a statutory body under the Ministry of Jal Shakti¹ of the Republic of India (“**India**”) incorporated under the laws of India (the “**Applicant**” or “**Obligor**”), hereby issue our irrevocable standby letter of credit number [●] (this “**LC**”) in favour of [name of Escrow Bank], a financial institution incorporated under the laws of India (the “**Escrow Bank**” or “**LC Beneficiary**”, such term including all successors and assigns) for the account of the Obligor, effective for drawing only:

- (a) from and after the date as notified to the LC Bank in a notice from the LC Beneficiary in the form set out in **Annex [1]** to this LC that commercial operations of any one (1) of the Subprojects (as defined below) have commenced; and
- (b) following receipt of the Guarantee Effectiveness Continuation Confirmation Notice (as such term is defined in the Guarantee, defined below).

Within two (2) Business Days (as defined below) after this LC becomes effective for drawing, the LC Bank shall provide notice confirming the effectiveness for drawing of this LC to each of the Obligor and the LC Beneficiary, with such notice copied to the International Bank for Reconstruction and Development (the “**Guarantor**”), in the form set out in **Annex [2]** to this LC.

THE LC BANK (AND ANY BRANCH INVOLVED IN A TRANSACTION UNDER THIS LC) IS PROHIBITED FROM VIOLATING APPLICABLE NATIONAL ECONOMIC SANCTIONS LAWS AND REGULATIONS TO WHICH IT IS SUBJECT IN RESPECT OF ANY TRANSACTIONS UNDER THIS LC.

I. Definitions and Interpretation

A reference herein to: (a) a Section or an Annex is to a Section of or an Annex to this LC; (b) the Reimbursement and Credit Agreement, the Guarantee, the Cooperation Agreement, the Concession Agreements, or the Escrow Agreement includes any amendment to such document; (c) a person shall have the meaning given to it in the Reimbursement and Credit Agreement; (d) any person or party hereto include successors of such person or party and its permitted assignees and transferees; (e) an amendment includes

¹ “Jal Shakti” means “waterpower” in Hindi.
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a supplement, variation, novation, extension, restatement, re-enactment, or replacement; and (f) the singular includes the plural, and vice versa.

Capitalised terms used in this LC shall have the meanings stated below.

“**Acceptable Substitute Bank**” has the meaning given to such term in Section VI (12) (*Special Conditions: Assignment of Obligations of the LC Bank under this LC to an Eligible Financial Institution*).

“**Agra Concession Agreement**” means the Concession Agreement dated [●] among the Obligor, Uttar Pradesh Jal Nigam (“**UPJN**”), a statutory body incorporated under the laws of India (the “**Contracting Party**”), and [name of Agra concessionaire], a company incorporated under the laws of India (the “**Agra Concessionaire**”), pursuant to which the Agra Concessionaire has agreed to sell to the Contracting Party, and the Contracting Party has agreed to purchase from the Agra Concessionaire, sewerage treatment services to be generated by the Agra Concessionaire from the Agra Subproject (as defined below), and pursuant to which the Obligor has agreed to provide certain undertakings to the Contracting Party in connection with the Obligor’s payment obligations under the Agra Concession Agreement.

“**Available LC Amount**” has the meaning given to such term in Section II (Amount of LC).

“**Business Day**” means any day (other than a Saturday or Sunday) on which: (i) banks are generally open for business in [London,] [New Delhi] [, and [names of any other relevant cities]]; and (ii) the Guarantor is open for business in Washington, D.C.

“**Concession Agreement Termination Date**” has the meaning given to such term in Section VI (10)(c) (*Suspension, Withholding or Termination of LC*).

“**Concession Agreement Termination Notice**” has the meaning given to such term in Section VI (10)(c) (*Suspension, Withholding or Termination of LC*).

“**Concession Agreements**” means, collectively, the Agra Concession Agreement, the Meerut Concession Agreement (as defined below), and the Saharanpur Concession Agreement (as defined below).

“**Concessionaires**” means, collectively, the Agra Concessionaire, the Meerut Concessionaire (as defined below), and the Saharanpur Concessionaire (as defined below), and “**Concessionaire**” means any one of them.

“**Confirmation of Reduction Notice**” has the meaning given to such term in Section IV (*Reinstatement; Changes in Maximum LC Amount*).

“**Demand**” has the meaning given to such term in Section III (A) (*Demands for Payment*).

“**Eligible Financial Institution**” means a [financial institution,] bank[, trust, fund, or other entity] (but not an export credit agency or other governmental, quasi-governmental, or multilateral agency) that is regularly engaged in or established for the purpose of making, purchasing, or investing in loans or other financial assets and that (i) is commercially operated; (ii) has not been listed as ineligible to be awarded an IBRD- or IDA-financed contract in the World Bank Group Listing of Ineligible Firms and Individuals; and (iii) is not sanctioned pursuant to a decision of the United Nations Security Council made under Chapter VII of the Charter of the United Nations.

“**Escrow Account**” means the interest-bearing account established by the Obligor with the LC Beneficiary pursuant to the Escrow Agreements and which is required under the Concession Agreements in connection with the Obligor’s payment obligations to the Contracting Party under the Concession Agreements.

“**Escrow Agreements**” means the [name of city] Escrow Agreement dated [●] among the Obligor, the Contracting Party, the [name of city] Concessionaire, and the Escrow Bank, pursuant to which the Obligor has agreed to establish the Escrow Account, and the Escrow Agreements to be entered into among the Obligor, the Contracting Party, the relevant Concessionaire, and the Escrow Bank, pursuant to which the Obligor will agree to [●].

“**Escrow Bank**” means the Eligible Financial Institution with which the Obligor has established the Escrow Account required under the Concession Agreements.

“**Fee Letter**” has the meaning given to such term in Section VI (2) (*Special Conditions: Banking Charges; Termination for Non-Payment of Charges*).

“**Guarantee**” means the Guarantee Agreement dated [●] between the LC Bank and the Guarantor.

“**ISP**” has the meaning given to such term in Section VII (a) (*Choice of Practice Rules and Governing Law and Jurisdiction*).

“**LC Expiration Date**” has the meaning given to such term in Section VI (7) (*Special Conditions: Scheduled Expiration of LC*).

“**Maximum LC Amount**” has the meaning given to such term in Section II (*Amount of LC*).

“**Meerut Concession Agreement**” means the Concession Agreement dated [●] among the Obligor, the Contracting Party, and [name of Meerut concessionaire], a company incorporated under the laws of India (the “**Meerut Concessionaire**”), pursuant to which the Meerut Concessionaire has agreed to sell to the Contracting Party, and the Contracting Party has agreed to purchase from the Meerut Concessionaire, sewerage treatment services to be generated by the Meerut Concessionaire from the Meerut Subproject (as defined below), and pursuant to which the Obligor has agreed to provide certain undertakings to the Contracting Party in connection with the Obligor’s payment obligations under the Meerut Concession Agreement.

“**Notice of Substitution of LC Bank**” has the meaning given to such term in Section VI (12) (*Special Conditions: Assignment of Obligations of the LC Bank under this LC to an Eligible Financial Institution*).

“**Outstanding Guaranteed Loan Amount**” has the meaning given to such term in Section II (*Amount of LC*).

“**Project**” means the design, financing, construction, installation, commissioning, and operation and maintenance by the respective Concessionaire of a sewerage treatment facility on each of the sites of (i) [●] in the city of Agra (the “**Agra Subproject**”), (ii) [●] in the city of Meerut (the “**Meerut Subproject**”), and (iii) [●] in the city of Saharanpur (the “**Saharanpur Subproject**”), all in the state of Uttar Pradesh in India pursuant to the Concession Agreements.

“**Reduction Notice of Maximum LC Amount**” has the meaning given to such term in Section IV (*Reinstatement; Changes in Maximum LC Amount*).

“**Reimbursement and Credit Agreement**” means the Reimbursement and Credit Agreement dated [●] between the Obligor and the LC Bank.

“**Required Rating**” means a long-term unsecured debt rating no worse than [BBB] from Standard & Poor’s (or an equivalent rating from Moody’s or Fitch Ratings), no worse than A from an Indian credit rating agency acceptable to the LC Beneficiary, or such other lower long-term unsecured debt rating as may be agreed between the Obligor and the LC Beneficiary.

“**Saharanpur Concession Agreement**” means the Concession Agreement dated [●] among the Obligor, the Contracting Party, and [name of Saharanpur concessionaire], a company incorporated under the laws of India (the “**Saharanpur Concessionaire**”), pursuant to which the Saharanpur Concessionaire has agreed to sell to the Contracting Party, and the Contracting Party has agreed to purchase from the Saharanpur Concessionaire, sewerage treatment services to be generated by the Saharanpur Concessionaire from the Saharanpur Subproject, and pursuant to which the Obligor has agreed to provide certain undertakings to the Contracting Party in connection with the Obligor’s payment obligations under the Saharanpur Concession Agreement.

II. Amount of LC.

The initial and maximum amount available at any time under this LC shall not exceed [nine million] Dollars (\$[9,000,000])² (the “**Maximum LC Amount**”).³

The Maximum LC Amount under this LC may be reduced from time to time as provided in Section IV (*Reinstatement; Changes in Maximum LC Amount*) of this LC; and each reference herein, as applicable at any time, to the Maximum LC Amount shall be to the Maximum LC Amount set forth in the preceding paragraph and as reduced as provided in Section IV (*Reinstatement; Changes in Maximum LC Amount*) of this LC, at such time.

Notwithstanding anything to the contrary in this LC, once this LC becomes effective for drawing, the maximum amount available for drawing under this LC at any time (the “**Available LC Amount**”) shall be equal to (i) the Maximum LC Amount at such time, less (ii) the aggregate amount (without duplication) of any and all drawings made under this LC that have been paid by the LC Bank but not yet reimbursed or repaid at such time to the LC Bank (the “**Outstanding Guaranteed Loan Amount**”).

Once the LC becomes effective for drawing, the LC Bank shall notify the LC Beneficiary, the Obligor, the Guarantor, and the Contracting Party semi-annually, no later than [January 15] and [July 15] of every calendar year, details of the Available LC Amount and the Outstanding Guaranteed Loan Amount, by notice substantially in the form set out in **Annex [2]** to this LC.

III. Demands for Payment.

The LC Beneficiary’s demands for payment under this LC shall be made by presentation to the LC Bank of:

- (A) a completed statement (“**Demand**”), in the form of **Annex [3]** to this LC, signed by an authorized representative of the LC Beneficiary, including a copy of the following documents that gave rise to such demand:
 - (I) the relevant demand(s) submitted by the LC Beneficiary to the Obligor pursuant to the respective Escrow Agreement;
 - (II) documentation evidencing a shortfall between the amount available for draw under the Escrow Account and the amount of the Demand; and
 - (III) written confirmation from the LC Beneficiary in the form of the applicable certifications set forth in **Annex [3]** that the amount stated in such demand(s) is (i) due and payable and remains unpaid; and (ii) undisputed;

² This amount represents a maximum of the sum of one quarters of payments by the Obligor under the Concession Agreements during the operation and maintenance periods (i.e., the periods following the commercial operations dates) of the Subprojects.

³ While the LC will be denominated, and the Escrow Bank will draw on it, in Dollars, the Escrow Account will be denominated, and the Escrow Bank will make deposits into it, in Indian Rupees.

- (B) for the first Demand under this LC, and for any subsequent Demands submitted after, changes to the signatory authority evidenced in the relevant incumbency certificate delivered to the LC Bank pursuant to this LC, a copy (or the original) of a completed incumbency certificate, in the form of **Annex [3A]**; and
- (C) a copy of the invoice delivered by the relevant Concessionaire to the Contracting Party pursuant to Clause [9] of the Concession Agreement referred to in the Demand.

A demand for payment delivered to the LC Bank may be cancelled by a completed notice, in the form of **Annex [4]** to this LC, delivered by the LC Beneficiary to the LC Bank at least one (1) Business Day before the time for honouring such demand pursuant to Section 8, indicating that the amount for which the demand was made has been paid.

The LC Bank shall use its reasonable endeavours to cancel a demand for payment but will not be responsible if it cannot do so (including where the demand for payment has already been honoured).

All drawings under this LC shall be denominated in Dollars.

In the event of payment by the LC Bank to the LC Beneficiary under this LC, the LC Bank shall send a notice of payment of drawing, in the form of **Annex [5]** to this LC, to the Obligor (with a copy to the LC Beneficiary, the Guarantor, and the Contracting Party) within three (3) Business Days after such payment.

IV. Reinstatement; Changes in Maximum LC Amount.

Each reimbursement or repayment of a drawing under this LC by:

- (A) the Guarantor shall not reinstate the amount available for drawing under this LC; and
- (B) the Obligor or another entity (other than Guarantor) on behalf of the Obligor shall reinstate the amount available for drawing under this LC by the amount of such reimbursement or repayment.

Promptly following any reimbursement or repayment by the Obligor or another entity (other than the Guarantor) on behalf of the Obligor, the LC Bank shall give the LC Beneficiary notice thereof and of the new Outstanding Guaranteed Loan Amount, and the Available LC Amount, in the form of **Annex [6]** to this LC. Notwithstanding anything to the contrary in this LC, at no time may the Available LC Amount under this LC be greater than the Maximum LC Amount under this LC.

The Maximum LC Amount may be permanently reduced as a result of any written notification from the LC Beneficiary to the Guarantor, the LC Bank, and the Contracting Party, countersigned by the Obligor,⁴ notifying the Guarantor and the other parties to such notice of the reduction of such Maximum LC Amount (a “**Reduction Notice of Maximum LC Amount**”), substantially in the form of **Annex [7]** to this LC. Such notice (i) will permanently reduce the Maximum LC Amount under this LC in increments of [●] Dollars ([\\$●])⁵ only and (ii) may not be delivered more often than once every six (6) months; provided that the Maximum LC Amount cannot be reduced to an amount that is less at any time than the Outstanding Guaranteed Loan Amount. Amounts reduced pursuant to this paragraph will not be reinstated. Upon receipt of a Reduction Notice of Maximum LC Amount, the LC Bank shall confirm to the LC Beneficiary and the Guarantor (with a copy to the Obligor) the receipt of the Reduction Notice of Maximum LC Amount (a “**Confirmation of Reduction Notice**”), substantially in the form attached hereto as **Annex [8]** to this LC, and make any amendments to this LC to reflect the new Maximum LC Amount, which shall become effective upon delivery by the LC Bank of the Confirmation of Reduction Notice to the LC Beneficiary, the Guarantor, and the Contracting Party to the addresses and in the manner specified in **Annex [8]** to this LC.

Upon reimbursement or repayment to the LC Bank by the Guarantor pursuant to the Guarantee as a

consequence of either the Obligor or another entity on behalf of the Obligor (in such case, not in violation of any law or regulation applicable to the LC Bank) failing to reimburse or repay any drawing made under this LC pursuant to and in accordance with the terms of the Reimbursement and Credit Agreement, the Maximum LC Amount under this LC will be permanently reduced by the amount of such reimbursement or payment by the Guarantor, and the LC Bank shall, promptly upon such reimbursement or repayment, notify the LC Beneficiary of the Guarantor's reimbursement or repayment as well as, with effect from the date such

⁴ NOTE TO DRAFT: Section 2.2(b) and Schedule 6 (*Form of Reduction Notice for Maximum Guaranteed Loan Principal Amount*) of the form Guarantee Agreement only require a copy to, not countersignature by, the Obligor. Provisions to be harmonized.

⁵ NOTE TO DRAFT: To be harmonized with Section 2.2(b) of the form Guarantee Agreement.

reimbursement or repayment funds from the Guarantor are received by the LC Bank, of the new Maximum LC Amount, the Available LC Amount, and the Outstanding Guaranteed Loan Amount by a notice of non-reinstatement in the form of **Annex [9]** to this LC, with such notice copied to the Obligor, the Guarantor, and the Contracting Party.

V. Purpose of LC.

The LC Bank has been informed that this LC is issued to cover certain payment obligations of the Obligor under the Concession Agreements.

VI. Special Conditions:

1. Partial Drawings. Partial drawings are permitted.
2. Banking Charges; Termination for Non-Payment of Charges. All banking charges are for the Obligor's account and to be payable in accordance with the fee letter dated [●] between the Obligor and the LC Bank ("**Fee Letter**"). If the Obligor fails to pay any banking charges when due, the LC Bank will promptly notify the Obligor of such failure by notice in the form of **Annex [10]** to this LC. Such notice shall include a copy of the invoice for the charges which the Obligor has failed to pay. The Obligor will have thirty (30) days from its receipt of such notice to pay the LC Bank the amount stated in such notice. If the LC Bank does not receive payment of the amount set forth in the LC Bank's notice to the Obligor within such thirty (30)-day period, the LC Bank may by notice, in the form of **Annex [11]** to this LC, terminate this LC. The LC Bank acknowledges that any party acceptable to the Obligor and the LC Bank has the option (but not the obligation) to pay any and all banking charges on behalf of the Obligor.
3. Discrepancies. Obvious spelling and typographical errors are not to be considered discrepancies, except for numbers and amounts.
4. Presentations; Faxed Documents. Faxed [or emailed] documents in lieu of originals are acceptable for drawings under this LC. All presentations hereunder must be made by hand or fax [or email] to [name of the LC Bank], [address of the LC Bank], Attention: [_____], fax no.: [__][, email address: [_____]].
5. Transfer by the LC Beneficiary of LC, and Assignment by the LC Beneficiary of LC Proceeds. This LC is transferable in whole or in part, as provided herein.
 - (a) Transfer of LC. The LC Beneficiary may request to assign or transfer its rights under this LC by delivery to the LC Bank's office specified below of (i) a request for assignment or transfer in the form attached hereto as **Annex [12]** to this LC, completed and signed (x) by the LC Beneficiary, with either a signature confirmation by a bank or a notarization of the LC Beneficiary's signature, and (y) by the Guarantor and the Obligor, [(ii) the original of this LC (including any amendments),] and [(ii)/(iii)] payment of the LC Bank's reasonable transfer fee at the time. Upon the LC Bank's acceptance of such request (such acceptance not to be unreasonably withheld or delayed) as evidenced by the LC Bank issuing either a replacement letter of credit to the assignee or transferee (or assignees or transferees) on substantially the same terms and conditions as this LC (in which event this LC shall have no further force or effect) or an amendment to the LC reflecting such assignment or transfer, the assignor or transferor LC Beneficiary shall have no further rights in respect of this LC or any replacement letter of credit.
 - (b) Assignment of Proceeds. The LC Beneficiary may request an assignment to any person of its rights to the proceeds of its draws hereunder by delivery to the LC Bank's office specified

below of (i) a request for assignment of proceeds in the form attached hereto as **Annex [13]** to this LC, completed and signed (x) by the LC Beneficiary, with either a signature confirmation by a bank or a notarization of the LC Beneficiary's signature, and (y) by the Guarantor and the Obligor, [(ii) the original of this LC (including any amendments),] and [(ii)/(iii)] payment of the LC Bank's reasonable transfer fee at the time. Upon the LC Bank's acceptance of such request (such acceptance not to be unreasonably withheld or delayed), as evidenced by the LC Bank's written consent thereto, the assignee shall have the rights provided therein.

6. Scheduled Expiration of LC. Unless agreed otherwise by the LC Bank, the LC Beneficiary, the Obligor, and the Guarantor, this LC expires at 5:00 p.m., [*jurisdiction of the LC Bank*] time, three (3) months after completion of the operation and maintenance period of the Subproject which is the last to be completed (the "**LC Expiration Date**"), after which date this LC shall (save in respect of any conforming Demands which have already been made by LC Beneficiary under this LC prior to the LC Expiration Date but which have not yet been paid to the LC Beneficiary) become null and void for all purposes and not available for any further Demands whether or not the LC is returned to the LC Bank. The LC Bank will provide notice of the occurrence of the LC Expiration Date to the LC Beneficiary, the Obligor, the Guarantor, and the Contracting Party in the form attached hereto as **Annex [14]**.
7. Timing of Payments under LC. Each demand under Section III of this LC that appears on its face to comply with the terms and conditions hereof will be honoured (i) by 2:00 p.m. on the third Business Day after the day on which such demand is received, if such demand is received before 10:00 a.m. on a Business Day, or (ii) by 2:00 p.m. on the fourth Business Day after the day on which such demand is received, if such demand is received at or after 10:00 a.m. on a Business Day. All payments hereunder shall be made in Dollars, in immediately available funds.
8. Lost, Stolen, Destroyed, or Mutilated LC. If LC Beneficiary notifies the LC Bank in writing that the original LC is lost, stolen, mutilated, or destroyed, then, subject to LC Beneficiary providing the LC Bank with an indemnity in form and substance reasonably satisfactory to the LC Bank, the LC Bank shall issue a replacement letter of credit.
9. Suspension, Withholding or Termination of LC.
 - (a) If the LC Bank receives a limitation notice, a withholding notice, or a termination notice, as applicable, from the Guarantor purportedly pursuant to Clause [5.2 or 6] of the Guarantee, the LC Bank may correspondingly suspend (in the case of a limitation notice or withholding notice) or terminate (in the case of a termination notice) the LC Beneficiary's right to demand payment under this LC by giving the LC Beneficiary notice of such suspension or termination in the form of **Annex [15]** to this LC, which, subject to paragraph 11 below, shall be effective:
 - (i) in the case of any limitation notice delivered pursuant to Clause 5.2 of the Guarantee, or any withholding notice delivered pursuant to Clause 6.2 of the Guarantee, on the third (3rd) Business Day following the LC Bank's receipt of such notice from the Guarantor (provided that if such notice from the Guarantor is received later than 2 p.m. (local time) in the jurisdiction of the office or offices through which the LC Bank performs its obligations under the LC, such notice from the Guarantor shall be deemed not to have been received by the LC Bank until the following Business Day); and
 - (ii) in the case of any notice of termination delivered pursuant to Clause 6 of the Guarantee, immediately upon the LC Bank's receipt of such notice from the

Guarantor, and in each case, no amounts shall be demanded or shall be payable under this LC (including in respect of any conforming Demand issued (and unpaid) prior to such date) in respect of the LC Beneficiary.

- (b) The LC Bank may also suspend the LC Beneficiary's right to demand payment under this LC by delivering to the LC Beneficiary a suspension notice in the form of **Annex [16]** to this LC if the LC Bank becomes aware of any applicable law or regulation that would prohibit the LC Bank from effecting payment to the LC Beneficiary under this LC.
- (c) Promptly (and no later than five (5) Business Days) following the LC Bank's receipt of a joint notice from the LC Beneficiary and the Obligor, copied to the Guarantor, indicating that a Concession Agreement has been terminated (a "**Concession Agreement Termination Notice**"), the LC Bank shall issue a notice of cancellation of this LC to the Obligor for purposes of the respective Concession Agreement and Escrow Agreement, with such notice copied to the LC Beneficiary, the Guarantor, and the Contracting Party, substantially in the form attached as **Annex [17]**, confirming that this LC shall be cancelled for purposes of the respective Concession Agreement and Escrow Agreement (save for Demands validly made in accordance with this LC prior to the Concession Agreement Termination Date (as defined below)) on and from the later of:
 - (i) the date of termination specified therein, being a date no more sixty (60) days after the date on which the respective Concession Agreement was terminated; and
 - (ii) ten (10) Business Days after the LC Bank's receipt of the respective Concession Agreement Termination Notice,the later of such dates being the "**Concession Agreement Termination Date**".
- (d) This LC shall be available only for conforming Demands in relation to (i) the respective Concession Agreement which were outstanding prior to the respective Concession Agreement Termination Date and (ii) the Obligor's payment obligations under the other Concession Agreements.

10. Reinstatement Following Suspension. If the LC Bank has suspended the LC Beneficiary's right to demand payment hereunder following the LC Bank's receipt of a limitation notice or a withholding notice from the Guarantor purportedly pursuant to Clauses 5.2 or 6.2 (as applicable) of the Guarantee and the Guarantor notifies the LC Bank that such notice has been revoked, the LC Beneficiary's right to demand payment under this LC shall be immediately reinstated; and the LC Bank shall promptly give the LC Beneficiary notice of such reinstatement in the form of **Annex [18]** to this LC revoking such suspension.

11. Early Cancellation by the LC Beneficiary. The LC Beneficiary may, at any time, surrender this LC to the LC Bank for immediate cancellation by furnishing the LC Bank with a completed statement, in the form of **Annex [19]** to this LC, signed by an authorized representative of the LC Beneficiary, countersigned by the Obligor [and the Contracting Party], [copied to the Guarantor,]⁷ as confirmed by the LC Beneficiary in the relevant completed statement. Such cancellation shall be effective immediately upon the LC Bank's receipt of such statement, save for any Demands that have been properly made prior to the LC Bank's receipt of such statement.

12. Assignment of Obligations of the LC Bank under this LC to an Eligible Financial Institution. The LC Bank may at any time assign, transfer, or novate all (but not part) of its rights and obligations

⁷ NOTE TO DRAFT: Annex [19] specifies prior written consent of Guarantor. To be confirmed whether Guarantor consent needed for early cancellation by LC Beneficiary.

under this LC to any Subsidiary or Affiliate of the LC Bank that is an Eligible Financial Institution that satisfies the Required Rating, at the relevant date (“**Acceptable Substitute Bank**”), provided that it has given prior written notice of such assignment, transfer, or novation to the Guarantor. In addition, following the receipt by the LC Bank of a signed and completed request, in the form of **Annex [20]** to this LC, to initiate a substitution process (the “**Notice of Substitution of LC Bank**”), from the Obligor or, if the Obligor fails to issue a Notice of Substitution of LC Bank within ten (10) days following the occurrence of any of the events set forth in subclauses (i) through (iv) of Clause 7.4(a) (*Substitution of LC Bank*) of the Reimbursement and Credit Agreement, the LC Bank shall promptly undertake all actions reasonably necessary on the LC Bank’s part to effect the novation of all of the LC Bank’s rights and obligations under this LC, the Guarantee, and the Reimbursement and Credit Agreement to the Acceptable Substitute Bank identified in such request; provided, however, that if the Notice of Substitution of LC Bank is submitted by the Obligor, the novation shall require the LC Beneficiary’s prior written consent. Upon the effectiveness of such novation, the LC Bank shall automatically be released from all of the LC Bank’s obligations hereunder, and such obligations shall thereafter be solely those of such Acceptable Substitute Bank and the LC Bank shall no longer have any rights or obligations under this LC.

13. Return of LC. If the LC Beneficiary delivers the original of this LC in connection with a demand for payment under this LC, the LC Bank shall, within four (4) Business Days of the LC Bank’s honouring of such demand for payment or sending notice of dishonour thereof, return the original LC to the LC Beneficiary by FedEx or such other internationally recognized delivery service.
14. Account Information. Payments to the LC Beneficiary shall be made to the bank account specified below, as may be specified in the demand for payment under this LC, or such other accounts as are specified in a notice, substantially in the form of **Annex [21]**, by the LC Beneficiary to the LC Bank, with copies to the Obligor and the Guarantor:

[Bank Name: _____]
Account Number: _____
Account Name: _____

VII. Choice of Practice Rules and Governing Law and Jurisdiction.

- (a) This LC is subject to the International Standby Practices 1998, International Chamber of Commerce Publication Number 590 (“**ISP 98**”) except to the extent inconsistent with the express terms of this LC. As to matters not governed by ISP 98, this LC and any non-contractual obligations arising out of or in connection with this LC shall be governed by the laws of England and Wales.

- (b) The construction, validity and performance of this LC and any non-contractual obligations arising out of it or in connection with it shall be submitted to the exclusive jurisdiction of the courts of England and Wales.

VIII. Notices.

Please direct any correspondence, including any drawing or inquiry, to the LC Bank at [*name of LCBank*], [*address of LC Bank*], Attention: [_____], fax no.: [_____], [email address: [_____]]. Please also send a copy to the Guarantor (provided that, unless otherwise specified in this LC, the failure to do so shall not affect the LC Beneficiary's rights under this LC). All notices to be given by the LC Bank under this LC to the LC Beneficiary, the Obligor, the Guarantor, the Contracting Party, or anyone else shall be directed to the relevant person at its address stated in **Annex [22]** to this LC, and a copy shall also be sent to the Guarantor (provided that, unless otherwise specified in this LC, the failure to do so shall not affect the LC Bank's rights and obligations under this LC). All notices or other communications to be given or made hereunder shall be in English and in writing.

IX. Headings and Interpretation.

Headings and subheadings are included in this LC only for convenience, are not interpretive and have no legal effect.

X. Third-Party Rights.

The LC Bank and the LC Beneficiary do not intend any third party to have the right to enforce any provision of this LC under the Contracts (Rights of Third Parties) Act 1999.

XI. Amendments.

No provision of this LC may be amended, modified, or supplemented except with the written agreement of each of the Guarantor (to the extent required under the Guarantee), the LC Beneficiary, the Obligor, and the LCBank. The LC Bank shall not consent to, or enter into, an amendment, supplement, modification, or waiver of, the Reimbursement and Credit Agreement or the Guarantee without the prior written approval of the LC Beneficiary.

[*NAME OF LC BANK*]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

List of Annexes

Annex [1]	-	Notice of Confirmation of Effectiveness for Drawing of LC
Annex [2]	-	Semi-Annual Notice of Available LC Amount
Annex [3]	-	Demand for Payment
Annex [3A]	-	Evidence of Signatory Authority
Annex [3B]	-	Notice of Failure to Deposit
Annex [4]	-	Notice Cancelling a Demand for Payment under LC
Annex [5]	-	Notice of Payment of Drawing
Annex [6]	-	Notice of Reinstatement – Payment by or on Behalf of Obligor
Annex [7]	-	LC Beneficiary Reduction Notice of the Maximum LC Amount
Annex [8]	-	Confirmation of LC Beneficiary Reduction Notice of the Maximum LC Amount
Annex [9]	-	Amount Notice of Non-Reinstatement – Payment by Guarantor
Annex [10]	-	Notice of Non-Payment of Banking Charges
Annex [11]	-	Notice of Termination of LC Due to Non-Payment of Banking Charges
Annex [12]	-	Request for Assignment or Transfer of LC
Annex [13]	-	Request for Assignment of LC Proceeds
Annex [14]	-	Notice of LC Expiration Date
Annex [15]	-	Notice of Suspension or Termination of LC
Annex [16]	-	Notice of LC Suspension
Annex [17]	-	Concession Agreement and Escrow Agreement – Notification of Cancellation
Annex [18]	-	Notice of Revocation of Suspension of LC
Annex [19]	-	Request for Cancellation of LC
Annex [20]	-	Notice of Substitution of LC Bank
Attachment	-	Request for Substitution of LC Bank

Annex [21] - Notice of Change of Bank Account

Annex [22] Notice Addresses

Notice of Confirmation of Effectiveness for Drawing of LC

[Letterhead of LC Bank]

[Date]

To: National Mission for Clean Ganga
(NMCG)
[Address]
Attention: [_____]
Fax No.: [_____]
Email Address(es): [_____]

[Name of LC Beneficiary]
[Address]
Attention: [_____]
Fax No.: [_____]
Email Address(es): [_____]

cc:

International Bank for Reconstruction and Development
1818 H Street NW
Washington, DC 20433
United States of America

Attention: Practice Manager, Water South Asia Region 1
Facsimile: +1 (202) 522-[●]
Email: [●]@worldbank.org
Ref: Guarantee Number G-[●]

Copy to: Practice Manager, Infrastructure Finance and Guarantees
Facsimile: +1 (202) 522-0761
Email Address(es): guarantees@worldbank.org
Ref: Guarantee Number G-[●]

Dear Sirs:

**Re: [Name of LC Bank] Letter of Credit No. [●] dated [●] in favour of [name of LC Beneficiary]
("LC") – Guarantee No. G-[●] in support of the Second National Ganga River Basin Project,
Republic of India**

This is to notify you that we have issued our Irrevocable Standby Letter of Credit number [●] in favour of [name of LC Beneficiary] for the account of NMCG, and we hereby confirm the effectiveness for drawing of such Irrevocable Standby Letter on [date].

[NAME OF LC BANK]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

* * *

Semi-annual Notice of Available LC Amount

[Letterhead of LC Bank]

[Date]

To: National Mission for Clean Ganga
(NMCG)
[Address]
Attention: [_____]
Fax No.: [_____]
Email Address(es): [_____]

Department of Economic Affairs
Ministry of Finance
[Address]
Attention: [_____]
Fax No.: [_____]
Email Address(es): [_____]

International Bank for Reconstruction and Development
1818 H Street NW
Washington, DC 20433
United States of America

Attention: Practice Manager, Water South Asia Region 1
Facsimile: +1 (202) 522-[●]
Email: [●]@worldbank.org
Ref: Guarantee Number G-[●]

Copy to: Practice Manager, Infrastructure Finance and Guarantees
Facsimile: +1 (202) 522-0761
Email Address(es): guarantees@worldbank.org
Ref: Guarantee Number G-[●]

**Re: [Name of LC Bank] Letter of Credit No. [●] dated [●] in favour of [name of LC Beneficiary]
("LC") – Guarantee No. G-[●] in support of the Second National Ganga River Basin
Project, Republic of India**

We refer to Section II of the LC. Capitalized terms used and not otherwise defined herein shall have the meaning assigned thereto in the LC.

We hereby notify you that as of [[January 10] in the case of the semi-annual notice given on or before [January 15], and [July 10] in the case of the semi-annual notice given on or before [July 15]], 20[●], that:

- (a) the Outstanding Guaranteed Loan Amount is US\$[●]; and
- (b) the Available LC Amount is US\$[●].

These amounts are subject to adjustment as a result of a drawing, reduction, cancellation, payment, reinstatement, or amendment after the date of this notice.

Yours faithfully,

[*NAME OF LC BANK*]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

* * *

Demand for Payment

[Letterhead of LC Beneficiary]

[Date]

To: [Name of LC Bank]
 [Address]
 Attention: [_____
 Fax No.: [_____
 Email Address(es): [_____]

cc: National Mission for Clean Ganga
 (NMCG)
 [Address]
 Attention: [_____
 Fax No.: [_____
 Email Address(es): [_____]

International Bank for Reconstruction and Development
 1818 H Street NW
 Washington, DC 20433
 United States of America

Attention: Practice Manager, Water South Asia Region 1
 Facsimile: +1 (202) 522-[●]
 Email: [●]@worldbank.org
 Ref: Guarantee Number G-[●]

Copy to: Practice Manager, Infrastructure Finance and Guarantees
 Facsimile: +1 (202) 522-0761
 Email Address(es): guarantees@worldbank.org
 Ref: Guarantee Number G-[●]

Dear Sirs:

**Re: [Name of LC Bank] Letter of Credit No. [] dated [●] in favour of [name of LC Beneficiary]
 ("LC") – Guarantee No. G-[] in support of the Second National Ganga River Basin
 Project, Republic of India**

This is a demand under the above-referenced LC (capitalized terms used herein and not otherwise defined shall have the meanings assigned thereto in the LC) for payment of [amount] Dollars, which does not exceed the aggregate amounts specified in the attached invoice or invoices.

The LC Beneficiary certifies that the amount demanded for payment is the amount (or aggregate of the amounts) invoiced to the Obligor for O&M Payments, corresponding to [an] invoice[s] delivered by the [name of city] Concessionaire to the Contracting Party under the [name of city] Concession Agreement, that [was][were] not available when due under the [name of city] Concession Agreement and that the LC Beneficiary was unable to satisfy by enforcing its rights under the [name of city] Escrow Agreement.

Attached as Exhibit 1 [are]/[is] a certified copy of the invoice[s] sent by the [name of city] Concessionaire to the Contracting Party under the [name of city] Concession Agreement in relation to the amount demanded hereunder.

The LC Beneficiary hereby confirms that no notice of dispute was received or given by it in connection with the invoice[s] attached as Exhibit 1 prior to the date hereof.

Attached as Exhibit [2] is a certified copy of all demands made by the LC Beneficiary to the Obligor under the Escrow Agreement in respect of the amount demanded hereunder [and other documentation evidencing a shortfall between the amount available for draw under the Escrow Agreement and the amount demanded hereunder].

[Attached as Exhibit 4 is a copy (or the original) of a completed incumbency certificate, certifying the title, name, and signature of the representative of the LC Beneficiary who signed the statement described in this Demand.] [The LC Beneficiary hereby certifies that there have not been any changes to the signature authority evidenced in the incumbency certificate delivered to the LC Bank and dated [●].]

The LC Beneficiary certifies

that:

- (a) the amount demanded hereunder is not greater than the Available LC Amount;
- (a) the amount demanded hereunder remains unpaid as of the date of this Demand;
- (b) the fees due to the LC Bank and invoiced by the LC Bank pursuant to the Fee Letter have been paid in full as at the date of this Demand; and
- (c) the amount requested hereby has not been requested under another demand under the LC.

Please pay the amount demanded hereunder to the following account(s), as indicated below:

For [name of LC Beneficiary]:

Bank Name: [_____]

Account Number: [_____]

Account Name: [_____]

If payments cannot be made into the above account, please use the following

accounts:

For [name of LC Beneficiary]:

[Amount]

Bank Name: [_____]
Account Number: [_____]
Account Name: [_____]

[Amount]

Bank Name: [_____]
Account Number: [_____]
Account Name: [_____]

[NAME OF LC BENEFICIARY]

By: _____
Name: _____
Title: _____

* * *

Evidence of Signatory Authority

[To be attached when the first Demand is submitted, and with subsequent Demands if there have been changes to the signature authority from the previous incumbency certificate]

CERTIFICATE OF INCUMBENCY

I, *[name of certificate signatory]*, *[title of certificate signatory]* of *[[name of LC Beneficiary]]*, a *[jurisdiction of LC Beneficiary]* *[corporate/legal form of entity]*, DO HEREBY CERTIFY that the persons whose names, titles, and signatures appear below hold, on the date of this Certificate, the offices set opposite their names, and that the signatures appearing opposite their names are copies of their genuine signatures.

Office	Name	Signature
<i>[title of representative]</i>	<i>[name of representative]</i>	_____
<i>[title of representative]</i>	<i>[name of representative]</i>	_____
<i>[title of representative]</i>	<i>[name of representative]</i>	_____

WITNESS my hand on this [_____] day of [_____], 20[_____].

 [NAME OF SIGNATORY]
 [TITLE OF SIGNATORY]

* * *

Notice of Failure to Deposit

[Escrow Bank's Letterhead]

[Date]

To: National Mission for Clean Ganga
(NMCG)
[Address]
Attention: [_____]
Fax No.: [_____]
Email Address(es): [_____]

cc: Department of Economic
Affairs
Ministry of Finance
[Address]
Attention: [_____]
Fax No.: [_____]
Email Address(es): [_____]

[Name of LC Bank]
[Address]
Attention: [_____]
Fax No.: [_____]
Email Address(es): [_____]

International Bank for Reconstruction and Development
1818 H Street NW
Washington, DC 20433
United States of America

Attention: Practice Manager, Water South Asia Region 1
Facsimile: +1 (202) 522-[●]
Email: [●]@worldbank.org
Ref: Number [Include guarantee number]

Copy to: Practice Manager, Infrastructure Finance and Guarantees
Facsimile: +1 (202) 522-0761
Email Address(es): guarantees@worldbank.org
Ref: Number [Include guarantee number]

Uttar Pradesh Jal Nigam
[Address]
Attention: [_____]
Fax No.: [_____]
Email Address(es): [_____]

Dear Sirs,

Re: NOTICE OF FAILURE TO DEPOSIT

In respect of an invoice delivered to Uttar Pradesh Jal Nigam pursuant to Clause [9] of the [name of city] Concession Agreement:

We refer to Clause [9] of the Concession Agreement dated [●] among National Mission for Clean Ganga (“NMCG” or the “Obligor”), Uttar Pradesh Jal Nigam (“UPJN” or the “Contracting Party”), and [name of concessionaire] (the “[name of city] Concessionaire”) (the “[name of city] Concession Agreement”), and to Clause [●] of the Escrow Agreement dated [●] among the Obligor, the Contracting Party, the Concessionaire, and us (the “[name of city] Escrow Agreement”). Terms defined in the [name of city] Concession Agreement have the same meaning in this letter.

1. An invoice dated [●] was issued by the [name of city] Concessionaire and deemed received by the Contracting Party on [date] under the [name of city] Concession Agreement.
2. Payment in respect of the amounts invoiced is due on [date].
3. Pursuant to the terms of the [name of city] Concession Agreement, the sum of [●] in respect of that payment was required to be deposited by the Obligor in the Escrow Account (Account No. [●]) by [date].
4. The Obligor has not deposited the above sum. In the event the said sum is not paid into the above account by [date] (i.e., expiration of cure period after occurrence of date in 2 above), we shall have the right pursuant to the terms of the [name of city] Escrow Agreement to make a withdrawal under the Letter of Credit (as defined in the [name of city] Concession Agreement).

Please find attached the following documentation:

1. Invoice dated [●]
2. [Copy of demand under Escrow Agreement]

We look forward to receiving your deposit.

Yours sincerely,

[NAME OF LC BENEFICIARY]

By: _____
Name: _____
Title: _____

* * *

Notice Cancelling a Demand for Payment under LC

[Letterhead of LC Beneficiary]

To: *[Name of LC Bank]*
[Address]
Attention:
Fax No.:
Email Address(es):

cc: National Mission for Clean Ganga
(NMCG)
[Address]
Attention:
Fax No.:
Email Address(es):

International Bank for Reconstruction and Development
1818 H Street NW
Washington, DC 20433
United States of America

Attention: Practice Manager, Water South Asia Region 1
Facsimile: +1 (202) 522-
Email: @worldbank.org
Ref: Number [Include guarantee number]

Copy to: Practice Manager, Infrastructure Finance and Guarantees
Facsimile: +1 (202) 522-0761
Email Address(es): guarantees@worldbank.org
Ref: Number [Include guarantee number]

**Re: *[Name of LC Bank]* Letter of Credit No. dated in favour of *[name of LC Beneficiary]*
("LC") – Guarantee No. G- in support of the Second National Ganga River Basin
Project, Republic of India**

Dear Sirs:

On *[date]* we submitted a demand for payment under the above-referenced LC in the amount of *[amount in words]* Dollars (US\$).

This is notice to you that the amount for which the demand was made has since been paid in full. Please cancel the demand for payment referenced in the preceding paragraph.

[NAME OF LC BENEFICIARY]

By: _____
Name: _____
Title: _____

Notice of Payment of Drawing

[Letterhead of LC Bank]

[Date]

To: National Mission for Clean Ganga
(NMCG)
[Address]
Attention: [_____]
Fax No.: [_____]
Email Address(es): [_____]

cc: Department of Economic
Affairs
Ministry of Finance
[Address]
Attention: [_____]
Fax No.: [_____]
Email Address(es): [_____]

[Name of LC Beneficiary]
[Address]
Attention: [_____]
Fax No.: [_____]
Email Address(es): [_____]

International Bank for Reconstruction and Development
1818 H Street NW
Washington, DC 20433
United States of America

Attention: Practice Manager, Water South Asia Region 1
Facsimile: +1 (202) 522-[●]
Email: [●]@worldbank.org
Ref: Number [Include guarantee number]

Copy to: Practice Manager, Infrastructure Finance and Guarantees
Facsimile: +1 (202) 522-0761
Email Address(es): guarantees@worldbank.org
Ref: Number [Include guarantee number]

**Re: [Name of LC Bank] Letter of Credit No. [] dated [●] in favour of [name of LC Beneficiary]
("LC") – Guarantee No. G-[] in support of the [name of project], Republic of India**

We refer to the LC in favour of [name of LC Beneficiary] ("LC Beneficiary") for the account of National Mission for Clean Ganga ("NMCG" or the "Obligor"). Terms defined in the LC have the same meaning herein.

We hereby notify you that we have received a demand for payment of [amount] Dollars from the LC Beneficiary pursuant to Section III of the LC. We hereby inform you that on [date], we paid [amount] Dollars in accordance with such demand. Accordingly, the Outstanding Guaranteed Loan Amount under the LC is currently [amount] Dollars, and the Available LC Amount currently available for drawing under the LC is [amount] Dollars.

[NAME OF LC BANK]

By: _____

By: __

Name: _____

Name: __

Title: _____

Title: __

* * *

Notice of Reinstatement – Payment by or on Behalf of Obligor

[Letterhead of LC Bank]

[Date]

To: [Name of LC Beneficiary]
 [Address]
 Attention: [_____]

 Fax No.: [_____]

 Email Address(es): [_____]

International Bank for Reconstruction and Development
 1818 H Street NW
 Washington, DC 20433
 United States of America

Attention: Practice Manager, Water South Asia Region 1
 Facsimile: +1 (202) 522-[•]
 Email: [•]@worldbank.org
 Ref: Number [Include guarantee number]

Copy to: Practice Manager, Infrastructure Finance and Guarantees
 Facsimile: +1 (202) 522-0761
 Email Address(es): guarantees@worldbank.org
 Ref: Number [Include guarantee number]

**Re: [name of LC Bank] Letter of Credit No. [] dated [•] in favour of [name of LC Beneficiary]
 (“LC”) – Guarantee No. G-[] in support of the [name of project], Republic of India**

Reference is made to Section IV of the LC. Capitalized terms used and not otherwise defined herein shall have the meaning assigned thereto in the LC.

On [date] you submitted a demand for payment under the above-referenced LC in the amount of US\$[_____] . We paid such drawing of US\$ [_____].

This is to notify you that we have obtained reimbursement or repayment from the Obligor or from another entity (other than the Guarantor) on behalf of the Obligor in United States dollars for the drawing in the amount of US\$[_____].

A. [Include the following if all or a portion of the reimbursement or repayment results in an immediate reinstatement:] [The amount of the LC has been reinstated by US\$[_____].

As of the date of this notice, the new Available LC Amount is US\$[_____] and the new Outstanding Guaranteed Loan Amount is US\$[_____].

[NAME OF LC BANK]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

* * *

LC Beneficiary Reduction Notice of the Maximum LC Amount

[Letterhead of LC Beneficiary]

[Date]

To: [name of LC Bank]
 [address]
 Attention: [_____
 Fax No.: [_____
 Email Address(es): [__]

International Bank for Reconstruction and Development
 1818 H Street NW
 Washington, DC 20433
 United States of America

Attention: Practice Manager, Water South Asia Region 1
 Facsimile: +1 (202) 522-[●]
 Email: [●]@worldbank.org
 Ref: Number [Include guarantee number]

Copy to: Practice Manager, Infrastructure Finance and Guarantees
 Facsimile: +1 202 522-0761
 Email Address(es): guarantees@worldbank.org
 Ref: Number [Include guarantee number]

With a copy to:

Attention: Loan Client Services
 Facsimile: +1 (202) 522-1654
 Email: loanclientservices@worldbank.org

cc: National Mission for Clean
 Ganga (NMCG)
 [address]
 Attention: [_____
 Fax No.: [_____
 Email Address(es): [_____]

Dear Sirs:

Re: Reduction Notice of Maximum LC Amount dated [____], 20[_] pursuant to [name of LC Bank] Letter of Credit No. [_] dated [●] in favour of [name of LC Beneficiary] (“LC”) – Guarantee No. G-[__] in support of the [name of project], Republic of India

We refer to the LC, and to the Escrow Agreement, dated [Date], among National Mission for Clean Ganga (“NMCG” or the “Obligor”), Uttar Pradesh Jal Nigam (“UPJN” or the “Contracting Party”), [name of concessionaire] (the “[name of city] Concessionaire”), and us (the “LC Beneficiary”) in support of the Project (the “[name of city] Escrow Agreement”). Capitalized terms used and not otherwise defined herein shall have the meaning assigned thereto in the LC and / or the [name of city] Escrow Agreement.

We hereby notify you that the Maximum LC Amount shall be permanently reduced by [*amount in words*].

Accordingly, from the date of delivery by the LC Bank to the Guarantor of the LC Bank's Confirmation of Reduction Notice, the Maximum LC Amount shall be US\$[*amount in numbers*].

Sincerely,

[NAME OF LC BENEFICIARY]

By: _____
Name: _____
Title: _____

[ACKNOWLEDGED AND APPROVED:

**NATIONAL MISSION FOR CLEAN
GANGA (NMCG)**

By: _____
Name: _____
Title: _____]¹¹

* * *

¹¹ NOTE TO DRAFT: See related footnote to Section IV of the form LC.

Confirmation of LC Beneficiary Reduction Notice of the Maximum LC Amount

[Letterhead of LC Bank]

To: [name of LC Beneficiary]
[address]
Attention: [_____]]
Fax No.: [_____]]
Email Address(es): [_____]]

International Bank for Reconstruction and Development
1818 H Street NW
Washington, DC 20433
United States of America

Attention: Practice Manager, Water South Asia Region 1
Facsimile: +1 (202) 522-[●]
Email: [●]@worldbank.org
Ref: Number [Include guarantee number]

Copy to: Practice Manager, Infrastructure Finance and Guarantees
Facsimile: +1 (202) 522-0761
Email Address(es): guarantees@worldbank.org
Ref: Number [Include guarantee number]

With a copy to:

Attention: Loan Client Services
Facsimile: +1 (202) 522-1654
Email: loanclientservices@worldbank.org

With a copy to: National Mission for Clean Ganga (NMCG)

[Address]
Attention: [_____]]
Fax No.: [_____]]
Email Address(es): [_____]]

Department of Economic Affairs
Ministry of Finance
[Address]
Attention: [_____]]
Fax No.: [_____]]
Email Address(es): [_____]]

[Date]

**Re: [Name of LC Bank] Letter of Credit No. [] dated [●] in favour of [name of LC Beneficiary]
("LC") – Guarantee No. G-[] in support of the [name of project], Republic of India**

Dear Sir/Madam,

We refer to the LC in favour of [*name of LC Beneficiary*] (the “**LC Beneficiary**”) for the account of National Mission for Clean Ganga (the “**Obligor**”). Capitalized terms used and not otherwise defined herein shall have the meaning assigned thereto in the LC.

We hereby confirm the receipt of the Reduction Notice of the Maximum LC Amount from the LC Beneficiary dated [*date*], notifying us of a permanent reduction of the Maximum LC Amount to [*specify amount*].

Accordingly, effective upon delivery of this notice to the LC Beneficiary and the Guarantor, the Maximum LC Amount under the LC is [_____], the Available LC Amount is [_____] and the Outstanding Guaranteed Loan Amount is [_____].

[*NAME OF LC BANK*]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

* * *

Notice of Non-Reinstatement – Payment by Guarantor

[Letterhead of the LC Bank]

[Date]

To: [name of LC Beneficiary]
 [address of LC Beneficiary]
 Attention: [_____
 Fax No.: [_____
 Email Address(es): [_____]

cc: National Mission for Clean Ganga
 (NMCG)
 [address]
 Attention: [_____
 Fax No.: [_____
 Email Address(es): [_____]

International Bank for Reconstruction and Development
 1818 H Street NW
 Washington, DC 20433
 United States of America

Attention: Practice Manager, Water South Asia Region 1
 Facsimile: +1 (202) 522-[●]
 Email: [●]@worldbank.org
 Ref: Number [Include guarantee number]

Copy to: Practice Manager, Infrastructure Finance and Guarantees
 Facsimile: +1 (202) 522-0761
 Email Address(es): guarantees@worldbank.org
 Ref: Number [Include guarantee number]

Dear Sirs,

**Re: [name of LC Bank] Letter of Credit No. [] dated [●] in favour of [name of LC Beneficiary]
 (“LC”) – Guarantee No. G-[] in support of the [name of project], Republic of India**

We refer to Section IV of the LC. Capitalized terms used and not otherwise defined herein shall have the meaning assigned thereto in the LC.

We hereby notify you that we have received payment from the Guarantor in relation to sums due by the Obligor but unreimbursed or unpaid under the Reimbursement and Credit Agreement between the Obligor and us.

We hereby inform you that the Maximum LC Amount, Available LC Amount, and the Outstanding Guaranteed Loan Amount are reduced accordingly, effective immediately, and the new amounts of each of the above amounts are set out below.

Maximum LC Amount: [new amount]
Outstanding Guaranteed Loan Amount: [new amount]
Available LC Amount: [new amount]

Yours faithfully,

[NAME OF LC BANK]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

* * *

Notice of Non-Payment of Banking Charges

[Letterhead of LC Bank]

[Date]

To: National Mission for Clean
Ganga (NMCG)
[Address]
Attention: [_____]
Fax No.: [_____]
Email Address(es): [_____]

cc: [name of LC Beneficiary]
[address of LC Beneficiary]
Attention: [_____]
Fax No.: [_____]
Email Address(es): [_____]

Department of Economic Affairs
Ministry of Finance
[Address]
Attention: [_____]
Fax No.: [_____]
Email Address(es): [_____]

International Bank for Reconstruction and Development
1818 H Street NW
Washington, DC 20433
United States of America

Attention: Practice Manager, Water South Asia Region 1
Facsimile: +1 (202) 522-[●]
Email: [●]@worldbank.org
Ref: Number [Include guarantee number]

Copy to: Practice Manager, Guarantees
Facsimile: +1 (202) 522-0761
Email Address(es): guarantees@worldbank.org
Ref: Number [Include guarantee number]

Dear Sirs,

**Re: [name of LC Bank] Letter of Credit No. [] dated [●] in favour of [name of LC Beneficiary]
("LC") – Guarantee No. G-[] in support of the [name of project], Republic of India**

We refer to the Fee Letter and to Section VI (2) (*Special Conditions: Banking Charges; Termination for Non-Payment of Charges*) of the LC. Capitalized terms used and not otherwise defined herein shall have the meaning assigned thereto in the LC.

This is notice to you that we have not been paid the following banking charges that are due and payable

from you with respect to the LC:

[*Description of fee(s)*] [*amount*] Dollars (US\$ [____]).

A copy of the invoice(s) for these charges is enclosed.

Unless we are paid the above amounts within thirty (30) days from your receipt of this notice, we will terminate the LC pursuant to Section VI (2) (*Special Conditions: Banking Charges; Termination for Non-Payment of Charges*) thereof.

[*NAME OF LC BANK*]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

* * *

Notice of Termination of LC Due to Non-Payment of Banking Charges

[Letterhead of LC Bank]

[Date]

To: National Mission for Clean
Ganga (NMCG)

[Address]

Attention: [_____]

Fax No.: [_____]

Email Address(es): [_____]

cc: [name of LC Beneficiary]

[address of LC Beneficiary]

Attention: [_____]

Fax No.: [_____]

Email Address(es): [_____]

Department of Economic Affairs

Ministry of Finance

[Address]

Attention: [_____]

Fax No.: [_____]

Email Address(es): [_____]

International Bank for Reconstruction and Development

1818 H Street NW

Washington, DC 20433

United States of America

Attention: Practice Manager, Water South Asia Region 1

Facsimile: +1 (202) 522-[●]

Email: [●]@worldbank.org

Ref: Number [Include guarantee number]

Copy to: Practice Manager, Infrastructure Finance and Guarantees

Facsimile: +1 (202) 522-0761

Email Address(es): guarantees@worldbank.org

Ref: Number [Include guarantee number]

Dear Sirs,

**Re: [name of LC Bank] Letter of Credit No. [] dated [●] in favour of [name of LC Beneficiary]
("LC") – Guarantee No. G-[] in support of the [name of project], Republic of India**

Reference is made to the LC. Capitalized terms used and not otherwise defined herein shall have the meaning assigned thereto in the LC.

We refer to our letter to you dated [date] wherein we notified you that certain banking charges were due

and payable in connection with the above-referenced LC and that unless such charges were paid within thirty (30) days from LC Beneficiary's receipt of our notice, we would terminate such LC pursuant to Section VI (2) (*Special Conditions: Banking Charges; Termination for Non-Payment of Charges*) thereof.

We have not received payment of such charges by the date of this letter and hereby notify you that such LC is hereby terminated.

[NAME OF LC BANK]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

* * *

Request for Assignment or Transfer of LC

[Letterhead of LC Beneficiary]

[Date]

To: [name of LC Bank]
[address of LC Bank]
Attention: [_____]]
Fax No.: [_____]]
Email Address(es): [_____]]

Dear Sirs,

**Re: [name of LC Bank] Letter of Credit No. [] dated [●] in favour of [name of LC Beneficiary] (“LC”)
– Guarantee No. G-[] in support of the [name of project], Republic of India**

We, the undersigned LC Beneficiary under the above-referenced irrevocable and transferable letter of credit (herein, together with all amendments thereto to date called the “LC”), transfer to:

Name of assignee / transferee: _____

Address: _____

all of our rights under the LC. By this assignment or transfer, all of our rights in the LC are assigned or transferred to the assignee or transferee, and the assignee or transferee shall have the same rights as the LC Beneficiary thereof.

We confirm that the Guarantor referred to in the LC has approved this transfer of this LC, as evidenced by the Guarantor’s signature below. [We are forwarding to you herewith the LC.] Please [notify the assignee in writing of the assignment] [note the transfer on the reverse of the LC and forward it to the assignee].

Enclosed is a remittance of [amount] Dollars [(US\$ [])] in payment of your transfer commission.

Very truly yours,

signature(s) authenticated by:

[NAME OF LC
BENEFICIARY]

(Name of LC Beneficiary)

(Name of Bank)

(Notary Public)

(Authorized Signature)

(Authorized Signature)

(Seal)

APPROVED:

International Bank for Reconstruction and Development

By: _____

Name: _____

Title: _____

**[NATIONAL MISSION FOR CLEAN
GANGA (NMCG)]**

By: _____

Name: _____

Request for Assignment of LC Proceeds

[Letterhead of LC Beneficiary]

[Date]

To: [name of LC Bank]
[address of LC Bank]
Attention: [_____]]
Fax No.: [_____]]
Email Address(es): [_____]]

Dear Sirs:

Re: [name of LC Bank] Letter of Credit No. [] dated [●] in favour of [name of LC Beneficiary] (“LC”) – Guarantee No. G-[] in support of the [name of project], Republic of India

We, the undersigned LC Beneficiary under the above-referenced Letter of Credit (herein, together with all amendments thereto to date called the “LC”), assign to:

Name of assignee: _____

Address: _____

Amount: _____ Dollars
(US\$ _____)

By this assignment, all of our rights to the proceeds of the LC are assigned to the assignee (up to the amount aforesaid).

The assigned portion of the LC is to expire on _____, i.e., the expiration date of the LC.

In case the validity of the LC is extended, you [must / need not] obtain our approval before extending the expiration of the assigned portion of this LC.

We confirm that the Guarantor referred to in the LC has approved this assignment of proceeds of the LC, as evidenced by the Guarantor's signature below.

Please [notify the assignee in writing of the assignment] [note the transfer on the reverse of the LC and forward it to the assignee with your customary notice of transfer].

Enclosed is a remittance of [*amount*] Dollars [(US\$[_____])] in payment of your transfer commission.

Very truly yours,

signature(s) authenticated by:

[*NAME OF LC
BENEFICIARY*]

(Name of LC Beneficiary)

(Name of Bank)

(Notary Public)

(Authorized Signature)

(Authorized Signature)

(Seal)

APPROVED:

International Bank for Reconstruction and Development

By: _____
Name: _____
Title: _____

**[NATIONAL MISSION FOR CLEAN
GANGA (NMCG)**

By: _____
Name: _____
Title: _____]

* * *

Notice of LC Expiration Date

[Letterhead of LC Bank]

[Date]

To: [name of LC Beneficiary]
[address of LC Beneficiary]
Attention: [_____
Fax No.: [_____
Email Address(es): [_____]

National Mission for Clean Ganga
(NMCG)
[address]
Attention: [_____
Fax No.: [_____
Email Address(es): [_____]

International Bank for Reconstruction and Development
1818 H Street NW
Washington, DC 20433
United States of America

Attention: Practice Manager, Water South Asia Region 1
Facsimile: +1 (202) 522-[●]
Email: [●]@worldbank.org
Ref: Number [Include guarantee number]

Copy to: Practice Manager, Infrastructure Finance and Guarantees
Facsimile: +1 (202) 522-0761
Email Address(es): guarantees@worldbank.org
Ref: Number [Include guarantee number]

Dear Sirs:

**Re: [name of LC Bank] Letter of Credit No. [] dated [●] in favour of [name of LC Beneficiary]
("LC") – Guarantee No. G-[] in support of the [name of project], Republic of India**

Reference is made to the LC. Capitalized terms used and not otherwise defined herein shall have the meaning assigned thereto in the LC.

We, [name of LC Bank], hereby notify you that the LC Expiration Date occurred on[_____].

[NAME OF LC BANK]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

* * *

ANNEX [15]

**Notice of Suspension, Withholding, or Termination of
LC**

[Letterhead of LC Bank]

[Date]

To: [name of LC Beneficiary]
[address of LC Beneficiary]
Attention: [_____
Fax No.: [_____
Email Address(es): [_____]

cc: National Mission for Clean Ganga
(NMCG)
[address]
Attention: [_____
Fax No.: [_____
Email Address(es): [_____]

International Bank for Reconstruction and Development
1818 H Street NW
Washington, DC 20433
United States of America

Attention: Practice Manager, Water South Asia Region 1
Facsimile: +1 (202) 522-[●]
Email: [●]@worldbank.org
Ref: Number [Include guarantee number]

Copy to: Practice Manager, Infrastructure Finance and Guarantees
Facsimile: +1 (202) 522-0761
Email Address(es): guarantees@worldbank.org
Ref: Number [Include guarantee number]

Dear Sirs:

**Re: [name of LC Bank] Letter of Credit No. [] dated [●] in favour of [name of LC Beneficiary]
("LC") – Guarantee No. G-[] in support of the [name of project], Republic of India**

Reference is made to the LC. Capitalized terms used and not otherwise defined herein shall have the meaning assigned thereto in the LC.

We, [name of LC Bank], hereby notify you that we have received notice from International Bank for Reconstruction and Development pursuant to Clause [[5.2] / [6]] of the Guarantee on [date], which is attached hereto.

We hereby [one or more of the following:] [suspend your right to demand payment under the above-referenced LC][terminate the above-referenced LC] effective [from [the date which is the third (3rd) Business Day following the LC Bank's receipt of IBRD's limitation notice, withholding notice or termination notice under the Guarantee (or if such notice from IBRD was received later than 2 p.m. (local time) in the jurisdiction of the LC Bank's office or offices, the fourth (4th) Business Day)][immediately, in accordance with its terms].

[NAME OF LC BANK]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

* * *

Notice of LC Suspension

[Letterhead of LC Bank]

[Date]

To: [name of LC Beneficiary]
 [address of LC Beneficiary]
 Attention: [_____
 Fax No.: [_____
 Email Address(es): [_____]

cc: National Mission for Clean Ganga (NMCG)
 [address]
 Attention: [_____
 Fax No.: [_____
 Email Address(es): [_____]

International Bank for Reconstruction and Development
 1818 H Street NW
 Washington, DC 20433
 United States of America

Attention: Practice Manager, Water South Asia Region 1
 Facsimile: +1 (202) 522-[●]
 Email: [●]@worldbank.org
 Ref: Number [Include guarantee number]

Copy to: Practice Manager, Infrastructure Finance and Guarantees
 Facsimile: +1 (202) 522-0761
 Email Address(es): guarantees@worldbank.org
 Ref: Number [Include guarantee number]

Dear Sirs:

Re: Suspension Notice under [name of LC Bank] Letter of Credit No. [____] dated [●] in favour of [name of LC Beneficiary] (“LC”) – Guarantee No. G-[____] in support of the [name of project], Republic of India

Reference is made to the Reimbursement and Credit Agreement between [name of LC Bank] and National Mission for Clean Ganga dated [●] (the “**Reimbursement and Credit Agreement**”) and the LC. Capitalized terms used but not otherwise defined herein shall have the meaning given to them in the Reimbursement and Credit Agreement and / or the LC.

We hereby notify you that we have become aware that on [date], [brief description of illegality event pursuant to paragraph 5.1(b)(i) of the Reimbursement and Credit Agreement], and this event prevents us from effecting payment to you under the LC. Accordingly, we hereby suspend your right to demand payment under the LC effective as of the date of the above-referenced event.

[NAME OF LC BANK]

By: _____
Name: _____
Title: _____

By: ____
Name: __
Title: __

* * *

Concession Agreement and Escrow Agreement – Notification of Cancellation

[Letterhead of LC Bank]

[Date]

To: National Mission for Clean Ganga (NMCG)

[Address]

Attention: [_____]

Fax No.: [_____]

Email Address(es): [_____]

Cc: [name of LC Beneficiary]

[address]

Attention: [_____]

Fax No.: [_____]

Email Address(es): [_____]

International Bank for Reconstruction and Development
1818 H Street NW
Washington, DC 20433
United States of America

Attention: Practice Manager, Water South Asia Region 1

Facsimile: +1 (202) 522-[●]

Email: [●]@worldbank.org

Ref: Number [Include guarantee number]

Copy to: Practice Manager, Infrastructure Finance and Guarantees

Facsimile: +1 (202) 522-0761

Email Address(es): guarantees@worldbank.org

Ref: Number [Include guarantee number]

Dear Sirs:

**Re: [name of LC Bank] Letter of Credit No. [] dated [●] in favour of [name of LC Beneficiary]
("LC") – Guarantee No. G-[] in support of the [name of project], Republic of India**

Reference is made to the LC. Capitalized terms used and not otherwise defined herein shall have the meaning assigned thereto in the LC.

We hereby notify you that we have on [date of receipt of notice] received a joint notice from the LC Beneficiary and the Obligor informing us that the [name of city] Concession Agreement dated [●], supported by the above-referenced LC, has been terminated. We hereby cancel the LC effective as of [cancellation date as per Section VI (10)(c) of LC] (the "[name of city] Concession Agreement Termination Date") for purposes of the said Agreement, save in respect of any conforming Demands which were outstanding prior to the [name of city] Concession Agreement Termination Date.

[NAME OF LC BANK]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

* * *

Notice of Revocation of Suspension of Letter of Credit

[Letterhead of LC Bank]

[Date]

To: [name of LC Beneficiary]
[address]
Attention: [_____]]
Fax No.: [_____]]
Email Address(es): [_____]]

cc: National Mission for Clean Ganga (NMCG)
[address]
Attention: [_____]]
Fax No.: [_____]]
Email Address(es): [_____]]

International Bank for Reconstruction and Development
1818 H Street NW
Washington, DC 20433
United States of America

Attention: Practice Manager, Water South Asia Region 1
Facsimile: +1 (202) 522-[●]
Email: [●]@worldbank.org
Ref: Number [Include guarantee number]

Copy to: Practice Manager, Infrastructure Finance and Guarantees
Facsimile: +1 (202) 522-0761
Email Address(es): guarantees@worldbank.org
Ref: Number [Include guarantee number]

Dear Sirs:

**Re: [name of LC Bank] Letter of Credit No. [] dated [●] in favour of [name of LC Beneficiary]
("LC") – Guarantee No. G-[] in support of the [name of project], Republic of India**

Reference is made to the LC. Capitalized terms used and not otherwise defined herein shall have the meaning assigned thereto in the LC. We, [name of LC Bank], have previously given you notice that we had suspended your right to demand and receive payment under the LC. We hereby notify you that we have revoked such suspension and that your right to demand payment and our obligation to honor such demands under the LC is hereby reinstated, effective immediately.

[NAME OF LC BANK]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

* * *

ANNEX [19]

Request for Cancellation of LC

[Letterhead of LC Beneficiary]

[Date]

To: [name of LC Bank]
[address]
Attention: [_____]]
Fax No.: [_____]]
Email Address(es): [_____]]

cc: National Mission for Clean Ganga (NMCG)
[address]
Attention: [_____]]
Fax No.: [_____]]
Email Address(es): [_____]]

International Bank for Reconstruction and Development
1818 H Street NW
Washington, DC 20433
United States of America

Attention: Practice Manager, Water South Asia Region 1
Facsimile: +1 (202) 522-[●]
Email: [●]@worldbank.org
Ref: Number [Include guarantee number]

Copy to: Practice Manager, Infrastructure Finance and Guarantees
Facsimile: +1 (202) 522-0761
Email Address(es): guarantees@worldbank.org
Ref: Number [Include guarantee number]

Dear Sirs:

**Re: [name of LC Bank] Letter of Credit No. [] dated [●] in favour of [name of LC Beneficiary]
("LC") – Guarantee No. G-[] in support of the [name of project], Republic of India**

Reference is made to the LC. Capitalized terms used and not otherwise defined herein shall have the meaning assigned thereto in the LC.

We confirm that we have received the prior written consent of the Obligor [and the Guarantor]²⁰ to send this notice.

²⁰ NOTE TO DRAFT: Section VI (12) of the LC requires a copy to Guarantor but not Guarantor's consent. To be confirmed whether Guarantor consent needed for early cancellation by LC Beneficiary.

We hereby surrender the above-referenced LC to you for cancellation, and we hereby release you from all your obligations under such LC, which is hereby terminated effective immediately in accordance with its terms.

A copy of this notice has been sent by us to the parties copied above.

[NAME OF LC BENEFICIARY]

By: _____
Name: _____
Title: _____

APPROVED:

**NATIONAL MISSION FOR
CLEAN GANGA (NMCG)**

By: _____
Name: _____
Title: _____

* * *

Notice of Substitution of LC Bank

[Letterhead of NMCG] / [Letterhead of LC

Beneficiary]

To: [Name of LC Bank]
[Address]
Attention: [_____]]
Fax No.: [_____]]
Email Address(es): [_____]]

With a copy to: International Bank for Reconstruction and Development
1818 H Street NW
Washington, DC 20433
United States of America

Attention: Practice Manager, Water South Asia Region 1
Facsimile: +1 (202) 522-[●]
Email: [●]@worldbank.org
Ref: Number [Include guarantee number]

Copy to: Practice Manager, Infrastructure Finance and Guarantees
Facsimile: +1 (202) 522-0761
Email Address(es): guarantees@worldbank.org
Ref: Number [Include guarantee number]

With a copy to:

Attention: Loan Client Services
Facsimile: +1 (202) 522-1654
Email: loanclientservices@worldbank.org

With a copy to: [name of LC Beneficiary] / [National Mission for Clean
Ganga (NMCG)]
[address]
Attention: [_____]]
Fax No.: [_____]]
Email Address(es): [_____]]

[Date]

Dear Sirs,

Re: Notice of Substitution of the LC Bank – [Name of LC Bank] Letter of Credit No. [] dated [●] in favour of [name of LC Beneficiary] (“LC”) – Guarantee No. G-[_____] in support of the [name of project], Republic of India

We refer to (i) the LC, (ii) the Concession Agreement dated [●] among National Mission for Clean Ganga (the “Obligor”), Uttar Pradesh Jal Nigam (“UPJN” or the “Contracting Party”), and [name(s) of

Concessionaire] (the “[name of city] Concessionaire”) (the “[name of city] Concession Agreement”), (iii) the Escrow Agreement dated [●] among the Obligor, the Contracting Party, the [name of city] Concessionaire, and the LC Beneficiary (the “[name of city] Escrow Agreement”, and, together with the [name of city] Concession Agreement, the “Underlying Agreements”), and (iv) the Reimbursement and Credit Agreement, dated [●] (“RCA”), between the Obligor and [name of LC Bank]. Capitalized terms used and not otherwise defined herein shall have the meaning given thereto in the Underlying Agreements.

We hereby notify you that an event giving rise to our right to request a substitution of the LC Bank pursuant to Clause 7.4 (*Substitution of the LC Bank*) of the RCA has occurred [and the Obligor has failed to issue a notice of substitution within ten (10) days following the occurrence of such event], and accordingly request you to:

- (a) undertake, subject to the Guarantor’s consent and, to the extent that the Obligor is issuing this notice, the LC Beneficiary’s consent, all actions reasonably necessary to ensure that your rights and obligations under the LC, the RCA and the Guarantee Agreement are novated to and assumed by [name of substitute LC Bank] as substitute LC Bank (for a purchase price in cash payable at the time of the transfer equal to the outstanding principal amounts due and payable to the LC Bank under the RCA, including all accrued interests, fees, breakage costs (if any), being [__]), within the period of sixty (60) days from the date of this notice; and
- (b) inform the Obligor, the LC Beneficiary, and the Guarantor as promptly as possible once the novation is successfully concluded.

Attached to this request is a copy of the Request for Substitution, dated [●].

For and on behalf of:

[NATIONAL MISSION FOR CLEAN GANGA (NMCG)]

By: _____
Name: _____
Title: _____]

[[NAME OF LC BENEFICIARY]

By: _____
Name: _____
Title: _____]

ATTACHMENT

REQUEST FOR SUBSTITUTION

[Letterhead of LC Beneficiary or Obligor]

[Date]

[To: National Mission for Clean Ganga
(NMCG)

[Address]

Attention: [_____]

Fax No.: [_____]

Email Address(es): [_____]

[To: [[name of LC Beneficiary]
[address of LC Beneficiary]

Attention: [_____]

Fax No.: [_____]

Email Address(es): [_____]]

With a copy to: International Bank for Reconstruction and Development
1818 H Street NW
Washington, DC 20433
United States of America

Attention: Practice Manager, Water South Asia Region 1
Facsimile: +1 (202) 522-[●]
Email: [●]@worldbank.org
Ref: Number [Include guarantee number]

Copy to: Practice Manager, Guarantees
Facsimile: +1 (202) 522-0761
Email Address(es): guarantees@worldbank.org
Ref: Number [Include guarantee number]

With a copy to:

Attention: Loan Client Services
Facsimile: [+1 (202) 522-1654]
Email: loanclientservices@worldbank.org

Re: Request for Substitution under the [relevant Underlying Agreement] (Guarantee No. G-[●] in support of the [name of project], Republic of India

Dear Sirs:

We refer to (i) the LC, (ii) the Concession Agreement dated [●] among National Mission for Clean Ganga (“NMCG” or the “Obligor”), Uttar Pradesh Jal Nigam (“UPJN” or the “Contracting Party”), and [name of Concessionaire] (the “[name of city] Concessionaire”) (the “[name of city] Concession Agreement”), (iii) the Escrow Agreement dated [●] among the Obligor, the Contracting Party, the [name of city]

Concessionaire, and the LC Beneficiary (the “[*name of city*] Escrow Agreement”, and, together with the [*name of city*] Concession Agreement, the “Underlying Agreements”), (iv) the Reimbursement and Credit Agreement, dated [] (“RCA”), between the Obligor and [*name of LC Bank*], and (v) the Guarantee Agreement between the International Bank for Reconstruction and Development and [*name of LC Bank*] dated [] (the “Guarantee Agreement”). Capitalized terms used and not otherwise defined herein shall have the meaning given thereto in the RCA.

Pursuant to [Section [] of the [*name of relevant Underlying Agreement*], we hereby notify you that:

[Choose one of the following as applicable:]

- () The Guarantor has issued a LC Beneficiary Limitation Notice (as defined in the Guarantee Agreement) to the LC Bank.
- () The Guarantor has issued a Withholding Notice (as defined in the Guarantee Agreement) to the LC Bank.
- () The LC Bank’s credit status has fallen below the Required Rating (as defined in the Guarantee Agreement).
- () The LC Bank has provided a notice to the LC Beneficiary (copied to the Obligor and the Guarantor) pursuant to Clause 5.1(b)(i) of the RCA indicating that it is prohibited under law from effecting payment to the LC Beneficiary under the LC.

We therefore propose that [*name of existing LC Bank*] be substituted by [*name of substitute LC Bank*], an Eligible Financial Institution (as defined in the Guarantee Agreement) that has in principle agreed to this substitution.

We will, by way of delivering a copy of this notice to the Guarantor, seek the Guarantor’s consent to the selection of the substitute LC Bank. We will contemporaneously deliver this notice to the LC Bank that is being substituted and request such LC Bank to undertake actions reasonably necessary to ensure that its rights and obligations under the LC, the RCA, and the Guarantee Agreement are novated to and assumed by the substitute LC Bank pursuant to [Clause [] (*Substitution of L/C Issuing Bank*) of the [*name of relevant Underlying Agreement*]].

[Please kindly confirm your agreement to the foregoing, on behalf of [the LC Beneficiary] [the Obligor], by signing, dating, and returning to us the countersigned letter.][*Paragraph to be included in initial letter to [the LC Beneficiary] [the Obligor] requesting its express approval of the proposed substitute LC Bank.*]

[or]

[[The Obligor] [The LC Beneficiary] hereby certifies that [the LC Beneficiary] [the Obligor] has been deemed to agree to the selection of the proposed substitute LC Bank because: (i) such substitute bank is an Eligible Financial Institution; (ii) the substitute bank has agreed to assume all the rights and obligations of the existing LC Bank under the LC, the RCA, and the Guarantee Agreement, including any payment to the existing LC Bank for accrued liabilities owed to it by the Obligor], in exchange for transferring the existing LC Bank’s rights to seek payments from the Obligor; and (iii) the interest charged by the substitute bank under the RCA is lower or equal to the interest charged by the existing LC Bank.][*Paragraph to be included in letter to the Guarantor in the event the LC Beneficiary or the Obligor, as the case may be, is deemed to have approved the proposed substitute LC Bank, pursuant to Clause [_____] (Substitution of L/C Issuing Bank) of the [relevant Underlying Agreement].*]

Sincerely,

Authorized signature

For and on behalf of the [[LC BENEFICIARY] / [OBLIGOR]]

By:

Name:

Position:

CONFIRMED AND AGREED BY:

Authorized signature

For and on behalf of [[OBLIGOR] / [LC BENEFICIARY]]

By:

Name:

Position:

* * *

Notice of Change of Bank Account

[Letterhead of LC Beneficiary]

[Date]

To: [Name of LC Bank]
[Address]
Attention: [_____]
Fax No.: [_____]
Email Address(es): [_____]

cc: National Mission for Clean Ganga
(NMCG)
[Address]
Attention: [_____]
Fax No.: [_____]
Email Address(es): [_____]

Dear Sirs:

Re: [Name of LC Bank] Letter of Credit No. [] dated [●] in favour of [name of LC Beneficiary]
("LC") – Guarantee No. G-[] in support of the [name of project], Republic of India

Reference is made to the LC. Capitalized terms used and not otherwise defined herein shall have the meaning assigned thereto in the LC.

This is notice that payments to be made thereunder to us shall be paid into the following bank account or accounts until further notice.

Bank Name: _____
Account Number: _____
Account Name: _____

[NAME OF LC BENEFICIARY] Signature(s) authenticated by:

By: _____
Name: _____
Title: _____

(Name of Bank) (Notary Public)

(Authorized Signature) (Seal)

* * *

Notice Addresses

[This form notice provision is set up to specify different methods of notification for notices to different countries in case reliable delivery methods differ in such countries. This provision can be simplified if all relevant delivery methods are reliable.]

Notices to be sent to places outside the Republic of India shall be delivered to the applicable Persons listed below by (i) regular mail or recognized delivery service (including but not limited to FedEx or DHL) and (ii) by facsimile and/or email as indicated below.

Notices to be sent to places in the Republic of India shall be sent only by recognized delivery service (including but not limited to FedEx or DHL), except that if a *[names of Persons located in India]* notifies LC Bank in writing that it wishes to also receive notices by facsimile and/or email as indicated below then such notices shall also be sent to it by such means.

Where a specific provision of this LC or an annex to this LC provides for notice to a Person to a different or additional address than the address listed below for such Person, the address(es) provided for such Person in such provision of this LC or such annex shall be used instead of the address(es) listed below for such person. The parties may change the following addresses set out below by giving fifteen (15) days' written notice to the other party.

1. National Mission for Clean Ganga (NMCG)

[Address]

Attention:

Fax No.:

Email Address(es):

2. *[Name of LC Beneficiary]*

[Address]

Attention:

Fax No.:

Email Address(es):

3. *[name of LC Bank]*

[address of LC Bank]

Attention:

Fax No.:

Email Address(es):

[as applicable, with a copy to: _____]

International Bank for Reconstruction and Development
1818 H Street NW
Washington, DC 20433
United States of America

Attention: Practice Manager, Water South Asia Region 1
Facsimile: +1 (202) 522-[●]
Email: [●]@worldbank.org
Ref: Number [Include guarantee number]

Copy to: Practice Manager, Infrastructure Finance and Guarantees
Facsimile: +1 (202) 522-0761
Email Address(es): guarantees@worldbank.org
Ref: Number [Include guarantee number]

National Mission for Clean Ganga (NMCG)

[Address]

Attention: [_____]

Fax No.: [_____]

Email Address(es): [_____]

* * *

**India: Second National Ganga River Basin Project
Form Reimbursement and Credit Agreement
(LC RFP Version – 19 July 2024)
CONFIDENTIAL AND SUBJECT TO CHANGE**

These form legal documents included with the Request for Proposals represent the commercial, legal, and other arrangements applicable across IBRD's letter of credit-based payment guarantee transactions worldwide, subject to negotiation in individual transactions as appropriate.

REIMBURSEMENT AND CREDIT AGREEMENT

(Republic of India:

Second National Ganga River Basin Project)

dated as of [●]

among

National Mission for

Clean Ganga,

as Obligor,

and

[Name of LC Bank],

as LC Bank

TABLE OF CONTENTS

	Page
ARTICLE 1 DEFINED TERMS AND INTERPRETATION.....	2
1.1. Defined Terms.....	2
1.2. Interpretation.....	5
ARTICLE 2 LC.....	6
2.1. Issuance of LC.....	6
2.2. Repayment.....	6
2.3. Interest.....	6
2.4. Fees.....	8
2.5. Payments.....	8
2.6. Capital Adequacy; Additional Costs.....	8
2.7. Taxes.....	9
2.8. Obligations Absolute; Claims against LC Bank.....	9
2.9. Exculpations.....	10
2.10. Extensions and Modifications; Duties of LC Bank; Waivers of Discrepancies.....	11
2.11. Maximum Interest Rate.....	11
ARTICLE 3 REPRESENTATIONS AND WARRANTIES.....	12
3.1. Representations and Warranties.....	12
ARTICLE 4 CONDITIONS TO ISSUANCE.....	12
4.1. Conditions.....	12
ARTICLE 5 COVENANTS.....	13
5.1. Covenants.....	13
ARTICLE 6 EVENTS OF DEFAULT AND REMEDIES.....	14
6.1. Events of Default.....	14
6.2. Remedies.....	15
ARTICLE 7 MISCELLANEOUS.....	15
7.1. Notices.....	15
7.2. Modification; No Waiver.....	17
7.3. Successors and Assigns; Etc.....	17
7.4. Substitution of LC Bank.....	17
7.5. Currency.....	18
7.6. Limitations of Liability.....	19

TABLE OF CONTENTS

(continued)

	Page
7.7. Indemnification.....	19
7.8. Calculation and Certification.....	19
7.9. Obligor Status.....	19
7.10. Severability.....	19
7.11. Multiple Roles.....	20
7.12. Entire Agreement; Remedies Cumulative.....	20
7.13. Continuing Agreement; Termination.....	20
7.14. Obligor Responsibility, Etc.....	20
7.15. Transfers.....	20
7.16. Further Assurances; Subrogation.....	20
7.17. Waiver of Immunity.....	20
7.18. Counterparts; Effectiveness.....	21
7.19. [USA PATRIOT Act Notice.....	21
7.20. [Foreign Asset Control Regulations.....	21
7.21. Anti-Corruption Laws.....	21
7.22. Governing Law; Practice; ISP.....	21
7.23. Arbitration; Service of Process; Enforcement.....	22
7.24. Third Party Rights.....	23

Annex A – Form of LC

Annex B – Repayment Notice

REIMBURSEMENT AND CREDIT AGREEMENT

This REIMBURSEMENT AND CREDIT AGREEMENT, dated as of [●] (this “**Agreement**”), is entered into by and between National Mission for Clean Ganga, a statutory body organized under the laws of the Republic of India (“**India**”) (“**NMCG**” or the “**Obligor**”) and [name of LC Bank], a bank organised under the laws of India (“**LC Bank**”).

RECITALS

- A. [Name of concessionaire], a company incorporated under the laws of India (“[name of city] **Concessionaire**”), has entered into a Concession Agreement dated [●] (“[name of city] **Concession Agreement**”), pursuant to which the [name of city] Concessionaire has agreed to sell, and Uttar Pradesh Jal Nigam, a statutory body organised under the laws of India (“**UPJN**” or the “**Contracting Party**”), has agreed to payfor, sewerage treatment services from a sewerage treatment facility on the [●] site in the city of [●] in the state of Uttar Pradesh to be developed and operated by the [name of city] Concessionaire (“[name of city] **Subproject**”);
- B. Pursuant to the [name of city] Concession Agreement, the Obligor has agreed, among other things, to provide a letter of credit to secure its payment obligations under the [name of city] Concession Agreement;
- C. Accordingly, the Obligor has requested that the LC Bank issue a letter of credit in the amount of [●] Dollars (\$[●])¹ (“**LC**”); and
- D. The International Bank for Reconstruction and Development (“**Guarantor**”) has agreed to guarantee to the LC Bank the repayment by the Obligor of up to [●] Dollars \$[●])² in reimbursement or repayment obligations in respect of drawings under the LC plus certain accrued interest, upon the terms and subject to the conditions of the Guarantee Agreement dated [●] (“**Guarantee Agreement**”) between the Guarantor and the LC Bank.

NOW, THEREFORE, to induce the LC Bank to issue the LC at the request of the Obligor, in substantially the form of **Annex A** attached hereto, the Obligor hereby agrees (subject to this Agreement) with the LC Bank as follows:

¹ This amount represents a maximum of the sum of up to one quarters of payments by the Obligor under the Concession Agreements during the operation and maintenance periods (i.e., the periods following the commercial operations dates) of the Subprojects.

² This amount represents the sum of one quarters of payments by the Obligor under the Concession Agreements during the operation and maintenance periods (i.e., the periods following the commercial operations dates) of the Subprojects.

ARTICLE 1
DEFINED TERMS AND INTERPRETATION

1.1. Defined Terms.

As used in this Agreement, the following terms have the respective meanings specified below, unless the context requires otherwise:

“**Agreement**” has the meaning provided in the introductory paragraph of this agreement.

“**Base Rate**” means, for any day (or, if such day is not a Business Day, the immediately preceding Business Day), a rate per annum equal to the greater of (a) the [Overnight Federal Funds Rate for such day plus 1/2 of 1%] or (b) the Prime Lending Rate for such day.

“**Base Rate Loan**” means that portion of the outstanding principal balance of the Loan bearing interest based on the Base Rate.

“**Basel II**” means the "International Convergence of Capital Measurement and Capital Standards, a revised Framework" published by the Basel Committee on Banking Supervision in June 2004 in the form existing on the date of this Agreement (but excluding any amendment arising out of Basel III).

“**Basel III**” means (a) the agreements on capital requirements, a leverage ratio and liquidity standards contained in “Basel III: A global regulatory framework for more resilient banks and banking systems”, “Basel III: International Framework for liquidity risk measurement, standards and monitoring” and “Guidance for national authorities operating the countercyclical capital buffer” published by the Basel Committee on Banking Supervision in December 2010, each as amended, supplemented or restated; (b) the rules for global systemically important banks contained in “Global systemically important banks: assessment methodology and the additional loss absorbency requirement – Rules text” published by the Basel Committee on Banking Supervision in November 2011 as amended, supplemented or restated; and (c) any further guidance or standards published by the Basel Committee on Banking Supervision relating to Basel III.

“**Business Day**” means any day (other than a Saturday or Sunday) on which: (A) banks are generally open for business in [Paris] [,London] [,New Delhi] [, and][*names of any other relevant cities*]; and (B) the Guarantor is open for business in Washington, D.C[; provided that, when used in connection with a Loan, the term “Business Day” shall also exclude any day on which banks are not open for dealings in Dollar deposits in the [New York secured overnight] market.

“**Change in Law**” has the meaning provided in Clause 2.6.

“**Charges**” has the meaning provided in Clause 2.11.

[“**Code**” means the US Internal Revenue Code of 1986.]

“**Concession Agreement**” has the meaning provided in Recital A of this Agreement.

[“**CRD IV**” means (a) Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms; and (b) Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC.]

Drafting Note: Parties should make appropriate changes throughout to reflect the agreed interest rate (*i.e.*, an appropriate spread above [SOFR] to be agreed among NMCG, the LC Bank, and the Guarantor).

“**Dollars**” or “**US\$**” mean, at any time, the lawful currency of the United States of America.

“**Drawing**” means a payment made by the LC Bank to the LC Beneficiary pursuant to a demand made under the LC.

“**Due Date**” has the meaning provided in Clause 2.2.

[“**Eurodollar**”, when used in reference to any Loan, refers to whether such Loan is bearing interest at a rate determined by reference to [●].]

“**Event of Default**” has the meaning provided in Clause 6.1.

[“**FATCA**” means:

- (a) sections 1471 to 1474 of the Code or any associated regulations;
- (b) any treaty, law, or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or
- (c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction.

“**FATCA Deduction**” means a deduction or withholding from a payment under this Agreement required by FATCA.]

“**Fee Letter**” means the fee letter dated as of the date hereof between the LC Bank and the Obligor in respect of the fees and other bank charges related to the LC.

“**Guarantee Agreement**” has the meaning provided in Recital D of this Agreement.

“**Guarantor**” has the meaning provided in Recital D of this Agreement.

“**Guarantor Due Date**” has the meaning provided in Clause 2.3(a).

“**Impacted Interest Period**” has the meaning provided in the definition of the term “[SOFR]”.

“**Indemnified Party**” means LC Bank and each officer, director, and employee thereof.

“**Interest Period**” means, with respect to any Eurodollar Loan, the period commencing on the date of such Loan and ending on the numerically corresponding day in the calendar month that is one month thereafter; provided that (a) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day, unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, and (b) any Interest Period pertaining to a Eurodollar Loan that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period. For purposes hereof, the date of a Loan shall be (a) with respect to the initial Interest Period applicable to such Loan, the date on which the corresponding payment was made by LC Bank under the LC of a Drawing that was not reimbursed or repaid by Obligor that same day, and (b) with respect to any subsequent Interest Period applicable to such Loan, the date on which the immediately preceding Interest Period applicable to such Loan ended. With respect to interest on overdue amounts under

this Agreement, [SOFR] shall be computed on an overnight basis from time to time rather than on the basis of one (1)-month Interest Periods.

“Interpolated Rate” means, at any time, for any Impacted Interest Period, the rate per annum (rounded to the same number of decimal places as the Screen Rate) determined by LC Bank (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from interpolating on a linear basis between: (a) the Screen Rate for the longest period for which the Screen Rate is available that is shorter than the Impacted Interest Period; and (b) the Screen Rate for the shortest period for which the Screen Rate is available that exceeds the Impacted Interest Period, in each case, at such time.

“ISP” means the International Standby Practices 1998, International Chamber of Commerce Publication No. 590.

“LC” has the meaning provided in Recital C of this Agreement.

“LC Bank” has the meaning provided in the introductory paragraph of this Agreement.

“LC Bank’s Office” means the LC Bank’s address for notices under this Agreement.

“LC Beneficiary” has the meaning provided in the [●] Agreement.

“Loan” has the meaning provided in Clause 2.2.

“Material Adverse Effect” has the meaning provided in Clause 5.1(a).

“Maximum Rate” has the meaning provided in Clause 2.11.

“NMCG” has the meaning provided in Recital A of this Agreement.

“Notice of Substitution of LC Bank” has the meaning given to such term in the LC.

“Obligations” means all present and future obligations and liabilities of the Obligor under this Agreement, or in respect of the LC or any Loans that have become due, including interest accruing at the rate provided in this Agreement on or after the commencement of any bankruptcy or insolvency proceeding, whether or not an allowed or allowable claim in such proceeding.

“Obligor” has the meaning provided in the introductory paragraph of this Agreement.

“Overnight Federal Funds Rate” means, for any day, the weighted average (rounded upwards, if necessary, to the next 1/100 of 1%) of the rates on overnight US Federal funds transactions with members of the US Federal Reserve System arranged by US Federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average rate (rounded upwards, if necessary, to the next 1/100 of 1%) charged to LC Bank on such day on such transactions [by three (3) US Federal funds brokers of recognized standing selected by it].

“Prime Lending Rate” means the rate of interest the LC Bank announces from time to time as its prime lending rate for unsecured commercial loans within [the United States of America] (but is not intended to be the lowest rate of interest the LC Bank charges in connection with extensions of credit to borrowers).

“Project” has the meaning provided in Recital A of this Agreement.

“Required Rating” means a long-term unsecured debt rating no worse than BBB from Standard & Poor’s (or an equivalent rating from Moody’s or Fitch Ratings), no worse than A from an Indian credit rating agency acceptable to the LC Beneficiary, or such other lower unsecured long-term debt rating as may be agreed between the Obligor and the LC Beneficiary.

“Screen Rate” has the meaning provided in the definition of the term “[SOFR]”.

“**[SOFR]**” means, with respect to any Eurodollar Loan for any Interest Period, the [secured overnight financing] rate as administered by [the Federal Reserve Bank of New York] (or any other person that takes over the administration of such rate for Dollars for a period equal in length to such Interest Period as displayed on page [●] of the Reuters screen that displays such rate (or, in the event such rate does not appear on a Reuters page or screen, on any successor or substitute page on such screen that displays such rate, or on the appropriate page of such other information service that publishes such rate from time to time as selected by the LC Bank in its reasonable discretion; in each case the “**Screen Rate**”) at approximately 11:00 a.m., [New York] time, two (2) Business Days prior to the commencement of such Interest Period; provided that if the Screen Rate shall not be available at such time for such Interest Period (an “**Impacted Interest Period**”), [SOFR] for such Impacted Interest Period shall be the Interpolated Rate; provided, further, that if any Screen Rate or Interpolated Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement; provided, finally, that if at such time no Screen Rate or Interpolated Rate appears or is otherwise available, the Base Rate shall apply.

“**Specified Currency**” has the meaning provided in Clause 7.5.

“**Taxes**” means all present and future taxes, levies, imposts, deductions, charges, withholdings, and related liabilities, excluding income and franchise taxes imposed by the jurisdiction of the LC Bank’s head office or the office issuing the LC or any of its political subdivisions.

“**Tax Deduction**” means a deduction or withholding for or on account of Tax from a payment under this Agreement[, other than a FATCA Deduction].

“**US**” means the United States of America.

1.2. Interpretation.

In this Agreement:

- (a) headings are inserted for convenience of reference only and shall not be taken into account in the application or interpretation of this Agreement;
- (b) words importing the singular include the plural and vice versa;
- (c) the terms “include” and “including” mean without limitation;
- (d) a reference to a recital, clause, article or annex is, unless the context requires otherwise, a reference to a recital, section, clause, article or annex to this Agreement;
- (e) all annexes to this Agreement are an integral part of this Agreement with the same force and effect as if they were fully set out herein; and references to this Agreement shall include references to both this Agreement and the annexes;
- (f) references to an agreement (other than this Agreement) or an instrument include that agreement or instrument as amended, supplemented, novated or replaced from time to time (provided that, where consent is required by this Agreement to amend, supplement, novate or replace, such consent has been obtained), and shall include any document that amends, supplements or replaces it; provided, however, that any term in this Agreement defined by reference to another agreement shall refer to that agreement as of its date of execution without regard to any subsequent amendments; and unless a contrary indication appears, a reference in this Agreement to the Guarantor, the Obligor, the LC Bank, the LC Beneficiary or any other person shall be construed so as to include its successors in title, and its permitted assigns and permitted transferees;
- (g) a reference to this Agreement shall be construed as a reference to this Agreement as amended

from time to time in accordance with the terms hereof;

- (h) any reference to **accrued** interest means all unpaid interest in respect of a Loan including any interest that has been compounded and capitalised in respect of that Loan;
- (i) a **person** shall be construed as a reference to any natural person, company, corporation, government, state or agency of a state, partnership (whether or not having separate legal personality), firm, voluntary association, joint venture, trust, unincorporated organization or any other entity whether acting in an individual, fiduciary or other capacity; and
- (j) references to any person or party hereto include successors of such person or party and its permitted assignees and transferees.

ARTICLE 2 LC

2.1. Issuance of LC.

Subject to the terms and conditions of this Agreement, LC Bank shall issue the LC substantially in the form of **Annex A** attached hereto (or such other form as has been agreed among the Obligor, the Guarantor, and the LC Bank).

2.2. Repayment.

Any Drawing made by LC Bank will automatically convert into a loan in the amount of such Drawing upon the date of such payment to the LC Beneficiary (each such loan, a “**Loan**”). The Obligor (or any other entity on Obligor’s behalf) shall repay the Loan resulting from a Drawing no later than the date falling twelve (12) months after the date on which the relevant Drawing was made (the date of such first anniversary, the “**Due Date**”). For the avoidance of doubt, the Obligor, or any other entity on behalf of the Obligor (other than the Guarantor), shall have the right at any time and from time to time, on at least three (3) Business Days’ notice, to prepay the whole or any part of the Loan resulting from a Drawing on any Business Day prior to the Due Date, without premium or penalty. The LC Bank shall notify the Obligor and the Guarantor of the payment of each Drawing within three (3) Business Days after the date thereof. Each reimbursement or repayment by the Obligor (or by any other entity on the Obligor’s behalf) shall be without prejudice to the Obligor’s rights under Clause 2.8(b). The LC Bank shall provide the Obligor with notice of the Due Date of each Loan at least thirty (30) days prior to the occurrence of such Due Date, with a copy to the Guarantor, in the form of **Annex B** attached hereto, but the LC Bank’s rights hereunder shall not be impaired by any failure to give or any delay in giving such notice. Any amounts received by the LC Bank from the Guarantor under the Guarantee Agreement shall be applied: (i) in respect only of repayment of Loans resulting from the Drawing(s) and any accrued interest specified in the demand for repayment submitted to the Guarantor pursuant to the Guarantee Agreement; and (ii) in the order in which each Drawing was made in the event that the demand for repayment covers more than one Drawing.

2.3. Interest.

(a) If a Loan is not repaid on the date it is made, interest thereon shall accrue (on a daily basis) during each Interest Period at a variable interest rate equal to [SOFR] plus [__]% per annum from and including the date such Loan was made pursuant to Clause 2.2 above until the date that is

the later of the Due Date or, following the making of a demand for the repayment of such Loan under the Guarantee Agreement, the date on which such demand is due to be paid by the Guarantor (“**Guarantor Due Date**”). Following the making of a demand for the repayment of any Loan under the Guarantee Agreement, if the Loan is not repaid by the Obligor (or the Guarantor or another entity on behalf of the Obligor) by the Guarantor Due Date, the rate provided in Clause 2.3(b) shall thereafter apply.

(b) Without limiting the Obligor’s obligation to make all payments hereunder when due, if any Loan is not repaid by the Obligor (or the Guarantor or any other entity on the Obligor’s behalf) by the Guarantor Due Date, the Obligor will pay to the LC Bank, on demand, interest on all overdue amounts hereunder from the Due Date under the Guarantee Agreement through the payment date at a variable interest rate equal to the sum of [●]%⁶ per annum plus [SOFR] computed on the basis of one (1)-month Interest Periods.

(c) Any change in the interest rate resulting from a change in the Base Rate shall take effect on the date of such change in the Base Rate. If any payment shall be due on a day that is not a Business Day, such payment shall be made on the next Business Day and interest shall be paid for each additional day elapsed.

(d) In the event the LC Bank shall have reasonably determined (which determination shall, absent manifest error, be final, conclusive and binding on the Obligor) that on any date for determining [SOFR], by reason of changes affecting the [New York secured overnight market], or the LC Bank’s position therein, adequate and fair means do not exist for ascertaining [SOFR], then in such event, the LC Bank shall give prompt email or written notice to the Obligor of such reasonable determination. Until the LC Bank notifies the Obligor that the circumstances giving rise to the suspension described herein no longer exist, the LC Bank shall not be required to make or maintain a [Eurodollar] Loan and all Loans shall instead be a Base Rate Loan bearing interest at a variable interest rate equal to (i) until the Guarantor Due Date applicable to such Loan, the Base Rate plus []%⁷ per annum, and (ii) thereafter, the Base Rate plus []%⁸ per annum. If the LC Bank reasonably determines that the circumstances giving rise to the suspension described herein no longer exist, it shall reasonably promptly give email and written notice to the Obligor of such determination and shall, within three (3) Business Days thereafter, convert any Loans to Eurodollar Loans rather than Base Rate Loans and give the Obligor written notice of the [SOFR] rate applicable to such Loans; provided that neither the LC Bank’s nor the Obligor’s rights and obligations hereunder shall be impaired by any failure to give or delay in giving the Obligor prompt written notice of such conversion or applicable [SOFR] rate; provided, further, that if at the time of such conversion less than one (1) month remains until the Due Date for such Loan, the Interest Period for such Eurodollar Loan shall be for the period less than one (1) month commencing on the date of such conversion and ending on the Due Date, subject to the operation of clauses (a) and (b) of the proviso to the definition of the term “Interest Period”. In the event the LC Bank shall have reasonably determined (which determination shall, absent manifest error, be final, conclusive and binding on the Obligor) at any time that compliance by the LC Bank in good faith with any applicable law, rule, regulation or order, or any request, guideline or directive (whether or not having the force of law) of any governmental authority, prohibits the making or continuance of any Eurodollar Loan, then, in any such event, the LC Bank shall give prompt email or written notice to the Obligor of such reasonable determination, whereupon that portion of the Loan bearing interest based on [SOFR] shall automatically and immediately convert to a Base Rate Loan.

(e) Interest on each Loan shall be capitalised upon the expiry of each Interest Period and shall be payable to the LC Bank on the Due Date for such Loan. Interest on each Loan may be prepaid to the LC Bank at any time and from time to time, on at least three (3) Business Days’ notice.

⁶ **Drafting Note:** Insert margin in excess of [SOFR] for default interest rate (e.g., 2% in excess of margin for non-default interest rate). For the avoidance of doubt, IBRD does not cover penalty interest, default interest, or any other charges of a similar nature.

⁷ **Drafting Note:** Non-default interest rate margin.

⁸ **Drafting Note:** Default interest rate margin.

2.4. Fees.

The Obligor will pay the LC Bank fees in respect of the LC at the rates and times provided in the Fee Letter.

2.5. Payments.

All amounts due from the Obligor under this Agreement shall be paid by the Obligor or any other person on behalf of the Obligor (other than the Guarantor) to the LC Bank at the LC Bank's office without defence, setoff, or counterclaim, in Dollars and in immediately available funds. All computations of interest under this Agreement shall be based on a 360-day year for the actual number of days elapsed. Without limiting the Obligor's obligation to make all payments under this Agreement when due, if on any day the Obligor shall pay less than the full amount then due, the LC Bank shall apply such partial payment in the following order: (a) first, towards payment of all fees and expenses then due under this Agreement, (b) second, to the extent of any remaining balance, towards payment of any indemnities due hereunder, (c) third, to the extent of any remaining balance, towards payment of any amounts due under Clause 2.11, (d) fourth, to the extent of any remaining balance, towards payment of interest then due under this Agreement, (e) fifth, to the extent of any remaining balance, towards reimbursement or payment of principal of Loans then due hereunder from the Obligor, and (f) sixth, to the extent of any remaining balance, to all other Obligations of the Obligor hereunder. For avoidance of doubt, any payment made by the Guarantor under the Guarantee Agreement shall be applied in accordance with the Guarantee Agreement.

2.6. Capital Adequacy; Additional Costs.

(a) Subject to Clause 2.6(b), if the LC Bank reasonably determines that the introduction or effectiveness after the date of this Agreement of, or any change after the date of this Agreement in, any law, rule or regulation or compliance with any directive, guideline or request from any central bank or other governmental or quasi-governmental authority (whether or not having the force of law but, if not having the force of law, is generally complied with by the persons to whom it is addressed or applied or expected to be complied with by the issuer thereof), or any change in the interpretation of any of the foregoing (each a "**Change in Law**"), affects the amount of capital, liquidity, insurance or reserves (including special deposits, deposit insurance or similar requirements) to be maintained by the LC Bank, or otherwise increases the costs of, or reduces the amount received or receivable by, the LC Bank, and the LC Bank determines that the amount of such capital, liquidity, insurance or reserve or other increased cost or reduction, as the case may be, is increased or reduced by or based upon the existence of this Agreement or the LC or any Loan or any commitment to make a Loan, then the Obligor shall pay to the LC Bank, within thirty (30) Business Days after demand from time to time, such additional amounts as the LC Bank may reasonably demand to compensate for the increase or reduction, as the case may be; provided that the LC Bank computes all amounts due under this paragraph on a reasonable basis and furnishes the Obligor with a reasonably detailed certificate of the computation of such amounts.

(b) Clause 2.6(a) does not apply to the extent that any amount is:

- (i) attributable to a Tax Deduction required by law to be made by the Obligor;
- (ii) [attributable to a FATCA Deduction required to be made by the LC Bank;]
- (iii) compensated for by the Obligor in Clause 2.7 (*Taxes*); or
- (iv) attributable to the willful breach by, or the negligence of, the LC Bank or its affiliates of any law or regulation; or
- (v) attributable to the implementation of, or compliance with (A) Basel II, (B) Basel III or CRD IV; or (C) any law or regulation that implements or applies Basel II, Basel III or CRD IV (whether such implementation, application or compliance is by a government, regulator,

the LC Bank or any of its affiliates).

2.7. Taxes.⁹

(a) All payments to the LC Bank hereunder shall be made free and clear of and without any Tax Deduction, unless a Tax Deduction is required by law.

(b) If any Tax Deduction is required by law to be made by the Obligor, then: (a) the sumpayable under this Agreement shall be increased so that after making all required deductions the LC Bank receives an amount equal to the sum the LC Bank would have received had no such deductions been required.

(c) The Obligor shall be responsible for payment of the amount to the relevant taxing authority; (c) the Obligor shall indemnify the LC Bank on demand for any failure to comply with the foregoing clause (a) or clause (b), any such Taxes imposed on or paid by the LC Bank and any liability (including penalties, interest and expenses) arising from its payment or in respect of such Taxes; and (d) the Obligor shall provide to the LC Bank upon request a certified copy of the receipt evidencing each Tax payment.

(d) Any indemnity to be provided by the Obligor to the LC Bank under Clause 2.7(b) shall not apply to the extent a loss, liability or cost relates to a [FATCA Deduction] required to be made by the LC Bank.

(e) If, after the date of this Agreement, there is a Change in Law that affects the amount of withholding or other Taxes applicable to any or all payments by the Obligor to the LC Bank under this Agreement, the parties hereto agree to negotiate in good faith whether any change to this Agreement would be appropriate to place the parties hereto in substantially the same economic position they would have been in but for such Change in Law.

2.8. Obligations Absolute; Claims against LC Bank.

(a) The Obligor's Obligations shall be absolute, unconditional, and irrevocable and shall be performed strictly in accordance with the terms of this Agreement, irrespective of:

- (i) if any other person shall at any time have guaranteed or otherwise agreed to be liable for any of the Obligations or granted any security therefor, any change in the time, manner or place of payment of or any other term of the obligations of such other person;
- (ii) any exchange, change, waiver or release of any collateral for, or any other person's guarantee of or other liability for, any of the Obligations;
- (iii) the existence of any claim, setoff, defense or other right that Obligor or any other person may at any time have against the LC Beneficiary, any assignee of proceeds of the LC, the LC Bank or any other person;
- (iv) any presentation under the LC being forged or fraudulent or any statement therein being untrue or inaccurate; or
- (v) any other circumstance that might, but for the provisions of this Article, constitute a legal or equitable discharge of or defense to any or all of the Obligations,

provided that if, subsequent to requesting reimbursement or repayment for any drawing under the LC, the LCBank or the Obligor discovers that the LC Bank is not entitled to be reimbursed or repaid because of its gross

⁹ **Drafting Note:** Subject to the Obligor's tax advice and confirmation of identity of LC Bank.

negligence or willful misconduct or that of any of its directors, officers, employees, agents or delegates in paying such drawing, the LC Bank shall retract its demand for reimbursement or repayment from the Obligor (which retraction shall not affect any rights the LC Bank may have to be compensated for the amount of any benefit conferred on the Obligor by its performance (such as payment of an obligation of the Obligor to the LC Beneficiary), whether such rights are couched as subrogation, restitution, unjust enrichment, or otherwise).

(b) The foregoing shall not excuse the LC Bank from liability to the Obligor in any independent action or proceeding that is brought by the Obligor against the LC Bank following reimbursement or repayment by the Obligor to the LC Bank to the extent of any direct damages suffered by the Obligor that were caused by the LC Bank's gross negligence or wilful misconduct or that of any of its directors, officers, employees, agents or delegates; provided that (i) the LC Bank shall be deemed to have acted with reasonable care if it acts in accordance with standard letter of credit practice of commercial banks located in London to the extent applicable to letters of credit like the LC; and (ii) the Obligor's aggregate remedies against the LC Bank for wrongfully honouring a presentation or wrongfully retaining honoured documents shall not exceed the aggregate amount paid by the Obligor to the LC Bank with respect to the honoured presentation, plus interest.

2.9. Exculpations.

- (a) Without limiting any other provision of this Agreement, the LC Bank:
- (i) may rely upon any facsimile, electronic, written, SWIFT platform or other form of communication (which other form of communication has been agreed to in writing between the LC Bank and the Obligor) reasonably believed to have been authorized by the Obligor;
 - (ii) shall not be responsible for errors, omissions, interruptions or delays in transmission or delivery of any message, advice or document in connection with the LC, whether transmitted by courier, mail, telex, any other telecommunication, or otherwise (whether or not they be encrypted), or for errors in interpretation of technical terms or in translation (and the LC Bank may transmit LC terms without translating them);
 - (iii) may honour any presentation under the LC that appears on its face to comply with the terms and conditions of the LC (subject to the duty of the LC Bank to receive and examine the required documents and make payments in compliance with the terms and conditions of the LC and/or this Agreement and subject further to circumstances of fraud);
 - (iv) may replace a purportedly lost, stolen, mutilated or destroyed original LC, waive a requirement for its presentation, or provide one marked as a true copy or a replacement copy to the LC Beneficiary;
 - (v) unless the LC specifies the means of payment, may make any payment under the LC by any means it chooses, including by wire transfer of immediately available funds, provided that the payment is made to the account specified in the applicable demand for payment under the LC;
 - (vi) may select any branch or affiliate of the LC Bank or any other bank to act as advising, transferring, confirming and/or nominated bank under the law and practice of the place where it is located (if the Obligor has requested or authorized advice, transfer, confirmation and / or nomination, as applicable);

- (vii) may amend the LC to reflect any change of address or other contact information of the LC Beneficiary;
- (viii) shall not be obligated to check or verify the genuineness of any signatures with respect to any documents presented under the LC; and
- (ix) shall not be responsible for any other action or inaction taken or suffered by the LC Bank under or in connection with the LC, if required or permitted under any applicable domestic or foreign law or letter of credit practice (it being understood that the practice must be of general application and not a practice unique to the LC Bank). None of the circumstances described in this Clause 2.9 shall impair the LC Bank's rights and remedies against the Obligor.

(b) The Obligor shall notify the LC Bank in writing of any objection the Obligor may have to the LC Bank's amendment of the LC pursuant to Clause 2.9(a)(vii) above, the LC Bank's honour or dishonour of any presentation under the LC, or any other action or inaction taken by the LC Bank under or in connection with this Agreement or the LC. The Obligor's notice of objection must be delivered to the LC Bank within ten (10) BusinessDays after the Obligor receives notice of the action or inaction it objects to. The Obligor's acceptance or retention beyond such period of any original documents presented under the LC, or of any property for which title is conveyed by such documents, shall ratify the LC Bank's honour of the applicable presentation(s).

2.10. Extensions and Modifications; Duties of LC Bank; Waivers of Discrepancies.

This Agreement shall be binding upon the Obligor with respect to any replacement, extension or modification of the LC or waiver of discrepancies authorized by the Obligor. This Agreement and the LC set forth in full the duties of the LC Bank, and the LC Bank shall not be subject to any duties to the Obligor not set forth in this Agreement or LC, including no duty to (a) issue or refrain from issuing notice of (i) its election not to extend the LC, (ii) its election to terminate the LC prior to its stated expiration date, or (iii) its election to reinstate or not to reinstate the amount of any drawing under the LC, or (b) otherwise amend or modify the LC.

2.11. Maximum Interest Rate.

Notwithstanding anything herein to the contrary, if at any time the interest rate payable hereunder, together with any and all fees, charges and other amounts that are treated as interest under applicable law (collectively the "Charges"), shall exceed the maximum lawful rate (the "Maximum Rate") which may be contracted for, charged, taken, received or reserved by the LC Bank in accordance with applicable law, the rate of interest payable hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charges that would have been payable in respect of the LC but were not payable as a result of the operation of this Clause shall be cumulated and the interest and Charges payable to the LC Bank shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at [the Overnight Federal Funds Rate] to the date of repayment, shall have been received by the LC Bank. The LC Bank agrees that if the operation of this Clause 2.11 reduces the amounts otherwise payable to the LC Bank under this Agreement, the LC Bank shall not be entitled to recover such amounts from the Obligor as an increased cost or reduction under Clause 2.6 or as an indemnifiable loss, damage, cost or expense under Clause 7.7.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

3.1. Representations and Warranties.

The Obligor represents and warrants as of the date of this Agreement and also as of the date of issuance of the LC (or of any increase or extension thereof) that:

(a) it has full power and authority to enter into and perform its obligations under this Agreement;

(b) its execution, delivery, and performance of this Agreement and any underlying agreement or transaction, (i) are within its powers, (ii) have been duly authorized, (iii) do not contravene any charter provision, by-law, resolution, contract or other undertaking binding on or affecting it or any of its properties and (iv) do not violate any law, rule or regulation, or any order, writ, judgment, decree, award or permit of any arbitration tribunal, court or other governmental authority applicable to it or any of its properties;

(c) this Agreement is its legal, valid and binding obligation, enforceable against it in accordance with its terms;

(d) there is, to its knowledge, no pending or threatened action or investigation which purports to affect the validity or enforceability of this Agreement or the LC;

(e) neither the LC Bank's issuance of the LC (or any increase or extension thereof), nor the making of any payment thereunder or the use of any proceeds thereof, constitutes or will constitute, or be part of, a fraudulent transfer or conveyance by the Obligor to anyone (including the LC Bank and the LC Beneficiary) under any applicable law;

(f) the statements made in the Recitals to this Agreement are true and correct in all material respects;

(g) no Event of Default has occurred and is continuing or would exist with the giving of notice or lapse of time or both; and

(h) its execution, delivery and performance hereof constitute commercial rather than public or government acts.

ARTICLE 4
CONDITIONS TO ISSUANCE

4.1. Conditions.

The obligation of the LC Bank to issue the LC hereunder shall not become effective until the date, which must be not later than 120 days after the date hereof, or such later date as the LC Bank and the Obligor may agree in writing in their sole discretion, on which all of the following conditions precedent shall have been satisfied:

(a) The LC Bank shall have received, in form and substance satisfactory to it:

(i) a counterpart of this Agreement signed by or on behalf of the Obligor;

(ii) a counterpart of the Guarantee Agreement signed by or on behalf of the Guarantor;

(iii) a counterpart of the Fee Letter signed by or on behalf of the Obligor;

(iv) a legal opinion in form and substance acceptable to the LC Bank (addressed to the LC Bank) of counsel to the Obligor, covering the due

organisation, existence, power and authority, due authorization, execution and delivery, enforceability, and non-contravention, such opinions to be rendered under the laws of India;

- (v) all fees and other amounts due and payable on or prior to the date hereof, and, to the extent invoiced, reimbursement or payment of any and all expenses required to be reimbursed or paid by the Obligor pursuant to the Fee Letter or by the Obligor hereunder or pursuant to another written agreement with the LC Bank;
 - (vi) such documents and certificates as the LC Bank or its counsel may reasonably request relating to the organization and existence of the Obligor, the authorization of the transactions contemplated hereby and the names, titles and signatures of its authorized representatives; and
 - (vii) a notice from the Guarantor as to the satisfaction of all conditions to the effectiveness of the Guarantee Agreement substantially in the form attached to the Guarantee Agreement.
- (b) The representations and warranties set forth in Article 3 are true and correct in all material respects.
- (c) No Event of Default or any event which with notice or lapse of time or both would constitute an Event of Default exists or would exist as a result of the issuance of the LC.

ARTICLE 5 COVENANTS

5.1. Covenants.

- (a) The Obligor shall:
 - (i) comply with all laws, rules and regulations now or hereafter applicable to the LC or transactions related to the LC, except where the failure to do so could not reasonably be expected to have a material adverse effect (“**Material Adverse Effect**”) on (A) the Obligor’s ability to perform any of its payment obligations under this Agreement or (B) the validity or enforceability of this Agreement or the rights of or benefits available to the LC Bank hereunder;
 - (ii) deliver to the LC Bank all information as reasonably requested by the LC Bank, from time to time, relating to the Obligor’s compliance with this Agreement; and
 - (iii) reasonably promptly upon obtaining knowledge of the occurrence of any Event of Default or any event which with notice or lapse of time or both would constitute an Event of Default, notify the LC Bank thereof in writing, specifying the nature thereof and the action the Obligor proposes to take with respect thereto.
- (b) The LC Bank shall:
 - (i) provide the LC Beneficiary with reasonably prompt notice, copied to the Obligor and the Guarantor, if the LC Bank becomes aware of any applicable law or regulation

that would prohibit the LC Bank from effecting payment to the LC Beneficiary under the LC, pursuant to a suspension notice substantially in the form attached to the LC;

- (ii) provide the Obligor and the Guarantor with reasonably prompt notice if the LC Bank becomes aware that the LC Beneficiary has agreed to an amendment to the LC; and
- (iii) at the Obligor's request, in any circumstances covered by the events set out in (i), (ii), (iii) or (iii) of Clause 7.4(a), reasonably cooperate with the Obligor in effecting any such substitution of the LC Bank.

ARTICLE 6 EVENTS OF DEFAULT AND REMEDIES

6.1. Events of Default.

Each of the following shall be an “**Event of Default**” hereunder:

- (a) the Obligor's failure to pay any reimbursement or repayment Obligation in respect of any drawing under the LC not later than the applicable Due Date for such Obligation (it being understood that the LC Bank will endeavor to provide the Obligor with notice of such failure unless prohibited by applicable law, but the LC Bank's rights hereunder shall not be impaired by any failure to give or any delay in giving such notice), unless its failure to pay is caused by administrative or technical error or a material disruption to the payment or communications systems or to the financial markets which are, in each case, required to operate in order for payments to be made in connection with the LC and / or this Agreement, and payment is made within five (5) Business Days of its applicable Due Date;
- (b) the Obligor's failure to pay any other Obligation within ten (10) Business Days after the date when due;
- (c) the Obligor's failure to perform or observe any material term or covenant of this Agreement (not otherwise an Event of Default) for more than thirty (30) days after the LC Bank notifies the Obligor in writing of such failure;
- (d) the Obligor's breach in any material respect of any representation or warranty made in this Agreement or any document delivered by the Obligor under or in connection with this Agreement, unless the circumstances giving rise to such breach:
 - (i) are capable of remedy; and
 - (ii) are remedied within thirty (30) days of the earlier of: (i) the LC Bank giving notice to the Obligor of the breach; and (ii) the Obligor becoming aware of the breach;
- (e) (i) the Obligor's repudiation of this Agreement or (ii) the Obligor's assertion of the unenforceability of this Agreement;
- (f) the Obligor's dissolution or termination;
- (g) the Obligor's inability or admission of its inability to pay its debts as they become due or its being deemed or declared to be unable to pay its debts under applicable law, suspension or threat of suspension of payments on any of its debts or, by reason of actual or anticipated financial difficulties, commencement of negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness;

(h) initiation by the Obligor of any proceeding under any law relating to bankruptcy, insolvency or reorganization or relief of debtors or seeking or consenting to the appointment of a liquidator, conservator, custodian, receiver, rehabilitator, trustee or other similar official for the Obligor or for any substantial part of its property, or consent by the Obligor to the institution of, or failure to contest in a timely and appropriate manner, any proceeding described in Clause 6.1(j), or filing by the Obligor of an answer admitting the material allegations of a petition filed against it in any proceeding described in Clause 6.1(j), or the Obligor taking any action for the purpose of effecting any of the foregoing;

(i) initiation against the Obligor of any proceeding (provided that such proceedings are not frivolous or vexatious) under any law relating to bankruptcy, insolvency or reorganization or relief of debtors or seeking the appointment of a liquidator, conservator, custodian, receiver, rehabilitator, trustee or other similar official for the Obligor or for any substantial part of its property, and any such proceeding or case shall be unstayed and in effect for more than thirty (30) days, or an order for relief shall be entered therein;

(j) declaration of a moratorium in respect of any indebtedness of the Obligor; or

(k) it is or becomes unlawful for the Obligor to perform any of its obligations under this

Agreement.

6.2. Remedies.

If any Event of Default shall have occurred and be continuing: (a) in respect of amounts covered by the Guarantor under the Guarantee Agreement only, the LC Bank shall not make any demand for payment thereof, whether from the Obligor or the Guarantor, except as permitted pursuant to the terms and conditions set forth in the Guarantee Agreement; (b) in respect of amounts not covered by Guarantor in the Guarantee Agreement only, and without any effect on the LC Beneficiary's rights under the LC, the LC Bank may declare the amount of the LC and any other Obligations (including any Loans) then outstanding or accrued due and payable by the Obligor immediately (provided that if the Event of Default is described in Clause 6.1(h), (i), (j), or (k), then such amount shall become due and payable immediately and automatically), in which case the Obligor shall pay such amount to the LC Bank to be applied to pay any matured Obligations; and (c) in respect of amounts not covered by the Guarantor under the Guarantee Agreement only, the LC Bank may exercise any and all other rights and remedies available in the circumstances at law, in equity, or otherwise to secure, collect, enforce or satisfy the Obligations; provided that, (x) unless the Guarantor is in default under the Guarantee Agreement, the LC Bank shall not take any action against the Obligor under the foregoing Clause (b) or (c) of this Clause 6.2 in respect of any undrawn amount of the LC, the principal amount of any Loan or any accrued interest thereon and (y) the exercise of any remedy set out in this Article 6.2 shall not, of itself, affect or impair the effectiveness of the LC once issued, the rights of the LC Beneficiary as LC Beneficiary thereof and / or the obligations of the LC Bank to the LC Beneficiary as LC Beneficiary of the LC once issued.

ARTICLE 7 MISCELLANEOUS

7.1. Notices.

Each communication or notice to be made under this Agreement shall be made in writing in the English language delivered by hand or by mail, facsimile or email to the party to which it is required or permitted to be given or made at the following address set out below or at such other address as the party shall have designated by giving fifteen (15) days' written notice to the other party, and shall be effective only when received by the addressee and then only if the same is expressly marked for the attention of the department or officer identified below (or such other department or officer as the party shall from time to time specify for this purpose to the other party by fifteen (15) days' written notice to the other):

(a) If to Obligor:
National Mission for Clean Ganga (NMCG)
[Address]
Attention: [_____]
Facsimile: [_____]
Email: [_____]

(b) If to LC Bank:
[Name of LC Bank]
[Address]
Attention: [_____]
Facsimile: [_____]
Email: [_____]

(c) If to Guarantor:
International Bank for Reconstruction and Development
1818 H Street NW
Washington, DC 20433
United States of America

Attention: Practice Manager, Water South Asia

Region 1
Facsimile: +1 (202) 522-[●]
Email: [●]@worldbank.org
Ref: Number [Include guarantee number]

with a copy to:

Attention: Practice Manager, Guarantees
Facsimile: +1 (202) 522-0761
Email: guarantees@worldbank.org
Ref: Number [Include guarantee number]

(d) [If to *[insert any other relevant person]*]:
[insert names of additional person, as applicable]
[insert address of additional person]
Attention: [_____]
Fax No.: [_____]
Email Address(es): [_____]

[as applicable, with a copy to:_____]

[This form notice provision is set up to specify different methods of notification for notices to different countries in case reliable delivery methods differ in such countries. This provision can be simplified if all relevant delivery methods are reliable.]

Notices to be sent to places outside India shall be delivered to the applicable persons listed above by (i) regular mail or recognized delivery service (including but not limited to FedEx or DHL) and (ii) by facsimile and/or email as indicated above. Notices to be sent to places in India shall be sent only by

recognized delivery service (including but not limited to FedEx or DHL), except that if a party located in India notifies the LC Bank in writing that it wishes to also receive notices by facsimile and/or email as indicated above then such notices shall also be sent to it by such means. Where a specific provision of this Agreement or an annex to this Agreement provides for notice to a person to a different or additional address than the address listed above for such person, the address(es) provided for such person in such provision of this Agreement or such annex shall be used instead of the address(es) listed above for such person. The parties may change the notice addresses set out above by giving fifteen (15) days' written notice to the other party.

7.2. Modification; No Waiver.

The written consent of the Obligor, the LC Bank and, to the extent required by Clause 10.3 (*Waivers and Amendments*) of the Guarantee Agreement, the Guarantor shall be required to amend or waive any term of this Agreement and the LC; provided, however, that the LC Bank may amend the LC in accordance with Clause 2.9(a)(vii) (*Exculpations*) without the consent of the Obligor or the Guarantor to reflect any change of address or other contact information of the LC Beneficiary. Except as otherwise expressly stated in this Agreement, forbearance, failure or delay by the LC Bank or the Obligor in the exercise of a right or remedy shall not constitute a waiver, nor shall any exercise or partial exercise of any right or remedy preclude any further exercise of that or any other right or remedy. Any waiver or consent by the LC Bank or the Obligor shall be effective only in the specific instance and for the specific purpose for which it is given.

7.3. Successors and Assigns; Etc.

(a) This Agreement shall be binding upon the Obligor and its successors and assigns, and shall inure to the benefit of and be enforceable by the LC Bank and its successors and assigns. Obligor shall not transfer or otherwise assign any of its rights or obligations under this Agreement without the prior written consent of the LC Bank and Guarantor.

(b) Except as provided in Clause 7.4, the LC Bank may transfer or otherwise assign all (but not part) of its rights and obligations under this Agreement or the Fee Letter only with the prior written consent of the Obligor, LC Beneficiary and Guarantor.

7.4. Substitution of LC Bank.

(a) In the event:

- (i) the Guarantor has issued a LC Beneficiary Limitation Notice (as defined in the Guarantee Agreement) to LC Bank;
- (ii) the Guarantor has issued a Withholding Notice (as defined in the Guarantee Agreement) to LC Bank;
- (iii) the LC Bank's credit status has fallen below the Required Rating (as defined in the Guarantee Agreement); or
- (iv) the LC Bank has provided a notice to LC Beneficiary (copied to Obligor and Guarantor) pursuant to Clause 5.1(b)(i) regarding illegality;

and the Obligor (or, if the Obligor fails to issue a Notice of Substitution of LC Bank within ten (10) days following the occurrence of any of the events set forth in subclauses (i) through (iv) of this Clause 7.4(a), the LC Beneficiary) has issued a Notice of Substitution of LC Bank, then the LC Bank shall, following its receipt of such notice, and subject to the consent of the Guarantor (such consent not to be unreasonably withheld) and, if the Obligor has issued the Notice of Substitution of LC Bank, the consent of the LC Beneficiary proceed to take all necessary steps on its part to effect the assignment and transfer of all (but not part) of its rights and obligations under this Agreement, the LC, the Guarantee Agreement and the Fee Letter to the Eligible Financial Institution (as defined in the Guarantee Agreement) that satisfies the Required Rating, at the relevant date, identified in such Notice of Substitution of LC Bank,

with it being a condition to the consummation of such assignment and transfer that the LC Bank shall have been reimbursed or paid any and all accrued and unpaid amounts then owing to it under this Agreement and the Fee Letter (unless waived in writing in whole or in part by the LC Bank as may in the circumstance be reasonable), including reimbursement or repayment of any Loan and accrued interest. The LC Bank shall inform the LC Beneficiary, the Guarantor and the Obligor as promptly as possible once the novation and assumption have been successfully concluded. Upon the effectiveness of such assignment, LC Bank shall automatically be released from all of LC Bank's obligations hereunder and such obligations shall thereafter be solely those of such Eligible Financial Institution and the LC Bank shall no longer have any rights or obligations under this Agreement or the LC.

(b) The LC Bank shall not be responsible for any failure to secure such substitution that is caused in whole or in part by any reason other than the LC Bank's failure to take any required action on its part, including but not limited to (i) the failure of the identified proposed substitute financial institution to be or maintain its status as such an Eligible Financial Institution, (ii) the failure of the Guarantor, the LC Beneficiary or the Obligor to take any action reasonably required on its part to secure such substitution or (iii) any other circumstance beyond the control of LC Bank (including any order or directive by any arbitral tribunal, court or other governmental authority enjoining or otherwise prohibiting such substitution or enjoining or otherwise prohibiting any party from taking any action required on its part to secure such substitution).

(c) The LC Bank may grant participations in its rights and obligations under this Agreement or the LC, in whole or in part, without the consent of the Obligor; provided that (a) the LC Bank's obligations under this Agreement shall remain unchanged, (b) the LC Bank shall remain solely responsible to the Obligor for the performance of such obligations, (c) the Obligor shall continue to deal solely and directly with LC Bank in connection with LC Bank's rights and obligations under this Agreement and (d) the Guarantor's prior written consent is obtained. The Obligor acknowledges that information pertaining to the Obligor as it relates to this Agreement or the LC may be disclosed to actual or prospective participants, transferees or assignees, subject to any recipient of such information entering into a market-standard confidentiality undertaking or otherwise being subject to professional standards to ensure and maintain the confidentiality of such information. This Agreement shall not be construed to confer any right or benefit upon any person other than the LC Bank, the Indemnified Parties and the Obligor and their respective successors and permitted assigns, and no such person shall be deemed a third-party LC Beneficiary hereof.

(d) Unless expressly provided to the contrary in this Agreement, a person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 (as amended or re-enacted from time to time) to enforce or to enjoy the benefit of any term of this Agreement. Notwithstanding any term of this Agreement, the consent of any person who is not a party to this Agreement is not required to rescind or vary this Agreement at any time.

7.5. Currency.

The Obligor's obligation to make payments in any currency (the "**Specified Currency**") shall not be discharged or satisfied by any tender, or any recovery pursuant to any judgment or otherwise, which is expressed in or converted into any currency other than the Specified Currency, except to the extent that such tender or recovery results in the actual receipt by the LC Bank at the LC Bank's Office of the full amount of the Specified Currency payable under this Agreement. The Obligor shall indemnify the LC Bank for any shortfall, and the Obligor's obligation to make payments in the Specified Currency shall be enforceable as an alternative or additional cause of action to the extent that such actual receipt is less than the full amount of the Specified Currency expressed to be payable hereunder, and shall not be affected by judgment being obtained for other sums due hereunder.

7.6. Limitations of Liability.

Without limiting the Obligor's obligations under Clause 7.7 in respect of any punitive, exemplary, consequential, indirect or special damages for which the LC Bank is found liable to a third party, neither the LC Bank nor the Obligor shall be liable in contract, tort, or otherwise to the other for any punitive,

exemplary, consequential, indirect or special damages arising out of or in connection with this Agreement, the Fee Letter or the LC.

7.7. Indemnification.

The Obligor will indemnify and hold harmless each Indemnified Party from and against any and all claims, liabilities, losses, damages, costs and expenses (including reasonable attorney's fees and disbursements) that arise out of or in connection with: (a) the LC, any demand for payment, other presentation or request under the LC, or the transaction(s) supported by the LC, (b) any payment or other action taken or omitted to be taken in connection with the LC, the Fee Letter, or this Agreement (including the amount of any reimbursement or repayment for any drawing that is avoided or must be restored in any insolvency, liquidation, administration or otherwise, without limitation) or (c) any act or omission, whether rightful or wrongful, of any present or future de jure or de facto government or governmental authority of India prohibiting or restricting performance, in whole or in part, of this Agreement, the Fee Letter or the LC, except in each case to the extent such liability, loss, damage, cost or expense resulted directly from such Indemnified Party's gross negligence or wilful misconduct. The Obligor will pay within [thirty] Business Days after demand from time to time all amounts owing under this Clause 7.7.

7.8. Calculation and Certification.

The LC Bank shall use reasonable efforts in making a claim under Clause 2.3, 2.4, 2.6, 2.11 or 7.7 to support such claim with evidence of the amount claimed and, where practicable, invoices and any reasonable supporting documents; provided that nothing shall oblige LC Bank to disclose such information to the extent that such information is tax sensitive, legally privileged, confidential or where such disclosure is, or may reasonably be expected to be, actionable by suit by any other person; provided, further, that (a) unless prohibited by applicable law or contract, the LC Bank shall redact the sensitive, privileged, confidential or actionable information so as to permit the disclosure of the balance of the information and (b) in the event the LC Bank asserts that it is unable or unwilling to disclose such information, the LC Bank will inform the Obligor as to the reason why such information cannot or will not be disclosed (unless the LC Bank is prohibited from disclosing such reason by applicable law or court order).

7.9. Obligor Status.

The LC Bank may treat each person that signs this Agreement and each other person authorized to act generally for Obligor or specifically in the matter as actually authorized to act for the Obligor in amending this Agreement, in authorizing the LC Bank to issue or amend the LC, waive any discrepancy, pay or otherwise act under the LC, in receiving any notice (including service of process) in connection with this Agreement, and in agreeing to indemnify the LC Bank for any action or inaction taken or proposed. Any change in the identity of persons authorized to act for the Obligor shall be ineffective until notified in writing to the LC Bank. Each person identified in this Agreement as the Obligor represents and warrants that (a) it acts for itself in requesting issuance of the LC for its account, and (b) it may be identified in the LC as the "Obligor", "account party", "client", "customer" or "instructing party" at whose request and on whose behalf or for whose account the LC is issued.

7.10. Severability.

If any provision of this Agreement is held illegal or unenforceable, the validity of the remaining provisions shall not be affected.

7.11. Multiple Roles.

Obligor acknowledges and agrees that (a) the LC Bank and its affiliates offer a wide range of financial and related services, which may at any time include back-office processing services on behalf of financial institutions, letter of credit beneficiaries, and other customers; (b) some of these customers may be the Obligor's counterparties or competitors; and (c) the LC Bank and its affiliates may perform more than one role in relation to the LC.

7.12. Entire Agreement; Remedies Cumulative.

This Agreement constitutes the entire agreement between the parties hereto concerning the subject matter hereof and supersedes all prior or simultaneous agreements, written or oral, with respect to the subject matter hereof. All rights and remedies of the LC Bank and all obligations of the Obligor under or in connection with this Agreement and any other documents delivered in connection with this Agreement are cumulative and in addition to those provided or available at equity or under any applicable law.

7.13. Continuing Agreement; Termination.

This is a continuing agreement and shall remain in full effect until the expiration of the LC, unless otherwise terminated in accordance with the terms and conditions of this Agreement. Termination shall not release the Obligor from any liability for Obligations existing on the date of such receipt or delivery of the termination notice, as applicable, or resulting from or incidental to the LC. Upon termination of this Agreement, (i) the Obligor shall cease to request any increase or extension of the LC and (ii) the LC Bank shall have all the rights and remedies provided in Clause 6.2. Provisions of this Agreement relating to Taxes, indemnities, payment of costs and expenses, exculpations and limitations on liability, waivers of immunity, and jurisdiction shall survive any termination of this Agreement, expiration of the LC, and irrevocable and final payment of all the Obligations.

7.14. Obligor Responsibility, Etc.

The Obligor's ultimate responsibility for the final text of the LC shall not be affected by any assistance LC Bank may provide such as drafting or recommending text. LC Bank may, without incurring any liability to the Obligor or impairing its entitlement to payment under this Agreement, honor the LC despite notice from Obligor of, and without any duty to inquire into, any purported defense to honor or any claim against the LC Beneficiary or any other person. The Obligor acknowledges that if it ever wishes to prevent any drawing or payment under the LC, it may have to obtain the LC Beneficiary's agreement or it may have to seek an injunction or other court order from a court of competent jurisdiction (and satisfy all the prerequisites for the issuance of such injunction or court order).

7.15. Transfers.

LC Bank shall have no duty to determine the identity of anyone appearing in any transfer request, draft or other document as transferee, or the validity or correctness of any transfer made pursuant to documents that appear on their face to be substantially in accordance with the terms and conditions of the LC.

7.16. Further Assurances; Subrogation.

During the continuance of any Event of Default, Obligor will, at its expense, sign any document and take any other action as LC Bank may reasonably request to realize upon LC Bank's rights and remedies following any unreimbursed honour.

7.17. Waiver of Immunity.

Obligor acknowledges that this Agreement is, and the LC will be, entered into for commercial purposes of Obligor. To the extent that Obligor or any of its assets has or hereafter acquires any right of sovereign or other immunity from or in respect of any legal proceedings to enforce or collect upon any

Obligation, Obligor hereby irrevocably waives any such immunity and agrees not to assert any such right or claim in any such proceeding, to the extent permitted by law.

7.18. Counterparts; Effectiveness.

This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of this Agreement by customary electrical transmission shall be effective as delivery of a manually executed counterpart of this Agreement.

7.19. [USA PATRIOT Act Notice.]¹⁰

LC Bank hereby notifies Obligor that pursuant to the requirements of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, as amended (the “**USA PATRIOT Act**”), it is required to obtain, verify and record information that identifies Obligor, which information includes the name and address of Obligor and other information that will allow LC Bank to identify Obligor in accordance with the USA PATRIOT Act.]

7.20. [Foreign Asset Control Regulations.]¹¹

Neither the issuance of the LC nor the use of the proceeds of any thereof will violate the Trading With the Enemy Act (50 U.S.C. § 1 et seq., as amended) (the “**Trading With the Enemy Act**”) or any of the foreign assets control regulations of the United States Treasury Department (31 C.F.R., Subtitle B, Chapter V, as amended) (the “**Foreign Assets Control Regulations**”) or any enabling legislation or executive order relating thereto, (which for the avoidance of doubt shall include, but shall not be limited to (a) Executive Order 13224 of September 21, 2001 Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism (66 Fed. Reg. 49079 (2001)) (the “**Executive Order**”) and (b) the USA PATRIOT Act). Furthermore, neither Obligor nor any of its affiliates (a) is or will become a “blocked person” as described in the Executive Order, the Trading With the Enemy Act or the Foreign Assets Control Regulations or (b) engages or will engage in any dealings or transactions, or be otherwise associated, with any such “blocked person”.]

7.21. Anti-Corruption Laws.

Each of the Obligor and the LC Bank has conducted its businesses in compliance with applicable anti-corruption laws and has instituted and maintained policies and procedures designed to promote and achieve compliance with such laws. Each of Obligor and LC Bank shall continue to conduct its businesses in compliance with applicable anti-corruption laws and institute and maintain policies and procedures designed to promote and achieve compliance with such laws.

7.22. Governing Law; Practice; ISP.

(a) This Agreement and the rights and obligations of the parties arising out of or in connection with this Agreement, including any non-contractual obligations, shall be governed by and subject to the laws of England and Wales.

(b) The LC shall by its terms be subject to the ISP, except to the extent that the ISP is inconsistent with the express terms of the LC.

(c) To the extent permitted by applicable law, this Agreement shall prevail in case of conflict with the ISP or the laws of England and Wales.

¹⁰ **Drafting Note:** USA PATRIOT Act to be considered if LC Bank is subject to U.S. law.

¹¹ **Drafting Note:** LC Bank may wish to insert or adapt its standard provisions as to anti-terrorism, anti-money laundering, anti-corrupt practices and similar laws or regulations.

7.23. Arbitration; Service of Process; Enforcement.

(a) Any dispute arising out of or in connection with this Agreement which cannot be amicably settled within thirty (30) calendar days after one party gives the other party written notice of the dispute, shall be finally settled by arbitration as follows:

- (i) The dispute shall be finally and exclusively settled by arbitration before a tribunal (the "*Arbitral Tribunal*") conducted in accordance with the United Nations Commission on International Trade Law as in force as at the date of any written notice of dispute provided pursuant to this Article 7.23 (the "*UNCITRAL Arbitration Rules*"). The seat of arbitration shall be London, England, and the language to be used in the arbitral proceedings shall be English. The UNCITRAL Arbitration Rules are incorporated by reference into this Clause 7.23 and capitalized terms used in this Clause 7.23 which are not otherwise defined in this Agreement have the meaning given to them in the UNCITRAL Arbitration Rules. In the event of a conflict or difference between the UNCITRAL Arbitration Rules and the terms of this Agreement, the terms of this Agreement shall prevail.
- (ii) Unless the parties otherwise agree, the number of arbitrators shall be three (3). Each party shall select one arbitrator within thirty (30) calendar days of a request by a party for arbitration pursuant to this Clause 7.23. Any party-appointed arbitrator shall be independent and impartial and shall not be a present or former employee or agent of, or consultant or counsel to, either party or any affiliate of either party or have any interest in the outcome of the proceedings. The two arbitrators thus appointed shall, within thirty (30) calendar days of the selection of the second arbitrator, select a third arbitrator to serve as the chairperson of the Arbitral Tribunal for resolution of the dispute. If the two arbitrators so appointed fail to timely select a third arbitrator to serve as a chairperson, such arbitrator shall be appointed by the Secretary-General of the Permanent Court of Arbitration at The Hague.
- (iii) This Agreement and the rights and obligations of the parties hereunder shall remain in full force and effect pending the award in any arbitration proceeding instituted hereunder.
- (iv) The arbitration agreement set forth in this Clause 7.23 shall be treated as an agreement independent of and separable from the other terms of this Agreement and, accordingly, any claim that this Agreement or any provision (other than this Clause 7.23) is invalid, illegal, or unenforceable shall not invalidate the arbitration agreement set forth in this Clause 7.23. For the avoidance of doubt, the arbitration agreement set out in this Clause 7.23 shall be governed by and construed in accordance with the laws of England and Wales.

(b) The Obligor irrevocably appoints [name of *Obligor's agent for service in England*] as its agent under this Agreement for service of process in the event that recourse is sought to the English courts in relation to any arbitral proceedings contemplated by Clause 7.23. If any person appointed as process agent under this Clause is unable for any reason to so act, the appointing party must immediately (and in any event within five (5) days of the event taking place) appoint another agent. Failing this, the LC Bank may appoint another process agent for this purpose. Each of Obligor and LC Bank agrees that failure by a

process agent to notify it of any process will not invalidate the relevant proceedings. This Clause does not affect any other method of service allowed by law.

7.24. Third Party Rights.

The LC Bank and the Obligor do not intend any third party to have the right to enforce any provision of this Agreement under the Contracts (Rights of Third Parties) Act 1999.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Reimbursement and Credit Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

OBLIGOR:

**[Obligor's Authorized Agent
(for service of process per
Clause 7.23(b)):**

National
Mission for
Clean Ganga
(NMCG)

[Name of agent]

[Address]

Attention: [_____]

Facsimile: [_____]

Email: [_____]]¹²

By: _____

Name:

Title:

¹² **Drafting Note:** Include if required under Article 7.22.

LC BANK:

[*NAME OF LC BANK*]

By: _____
Name:
Title

By: _____
Name:
Title

ANNEX A

FORM OF LC

[See attached]

* * *

ANNEX B

REPAYMENT NOTICE

[Letterhead of LC Bank]

[Date]

To: National Mission for Clean Ganga
(NMCG)
[Address]
Attention: [_____]]
Facsimile: [_____]]
Email: [_____]]

cc: Department of Economic Affairs
Ministry of Finance
[Address]
Attention: [_____]]
Facsimile: [_____]]
Email: [_____]]

International Bank for Reconstruction and Development
1818 H Street NW
Washington, DC 20433
United States of America

Attention: Practice Manager, Water South Asia Region 1
Facsimile: +1 (202) 522-[●]
Email: [●]@worldbank.org
Ref: Guarantee Number G-[●]

with a copy to:

Attention: Practice Manager, Guarantees
Facsimile: +1 (202) 522-0761
Email: guarantees@worldbank.org
Ref: Guarantee Number G-[●]

Dear Sirs:

Re: Reimbursement and Credit Agreement between National Mission for Clean Ganga and [name of LC Bank] dated as of [●] – Guarantee No. G-[●] in support of the Second National Ganga River Basin Project, Republic of India

We refer to the Reimbursement and Credit Agreement between [name of LC Bank] and National Mission for Clean Ganga (“**Obligor**”) dated as of [●] (as amended, supplemented, or otherwise modified from time to time, the “**Reimbursement and Credit Agreement**”). Capitalized terms used but not otherwise defined herein shall have the meaning given to them in the Reimbursement and Credit Agreement.

On [date], a Loan was made and has not yet been reimbursed or repaid in full by the Obligor. The outstanding amount of such Loan is [●] Dollars (\$[●]). This amount has been outstanding for [eleven (11)] months. We hereby demand that you make payment of such amount together with accrued interest thereon on or prior to [date], which is the one-year anniversary of the date of making such Loan. Nothing contained in this notice shall limit our rights or remedies under the Reimbursement and Credit Agreement.

[NAME OF LC BANK]

By: _____
Name: _____

By: _____
Name: _____

Title: _____

Title: _____

* * *

**India: Second National Ganga River Basin Project
Form Guarantee Agreement
(LC RFP Version – 19 July 2024)
CONFIDENTIAL AND SUBJECT TO CHANGE**

These form legal documents included with the Request for Proposals represent the commercial, legal, and other arrangements applicable across IBRD's letter of credit-based payment guarantee transactions worldwide, subject to negotiation in individual transactions as appropriate.

NUMBER G-[●]

Guarantee Agreement

(India: Second National Ganga River Basin Project)

between

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

as Guarantor

and

XXXX

as LC Bank or Guarantee Beneficiary

Dated XXXX, 20XX

CONTENTS

CLAUSE/SCHEDULE	Page
1. Definitions, interpretation and construction	- 2 -
2. The Guarantee	- 9 -
3. Conditions Precedent.....	- 10 -
4. [Fees	- 10 -
5. Limitation of Guarantor's Liability.....	- 11 -
6. Termination; Withholding.....	- 13 -
7. Demand Notices	- 15 -
8. Payments	- 16 -
9. Guarantor's Rights of Subrogation	- 16 -
10. Guarantee Beneficiary representations and Warranties and Covenants	- 16 -
11. Assignments	- 19 -
12. Protection of Guarantee Beneficiary	- 20 -
13. Guarantor: Capacity and No Implied Obligations.....	- 21 -
14. Notices.....	- 23 -
15. Governing Law and Dispute Resolution	- 24 -
16. Successors and Assigns	- 25 -
17. Counterparts	- 25 -
Schedule 1 (Form of Demand Notice)	- 26 -
Schedule 2 (Form of Guaranteed Letter of Credit)	- 29 -
Schedule 3 (Form of Request for Substitution).....	- 30 -
Schedule 4 (Anti-Corruption Guidelines for World Bank Guarantee and Carbon Finance Transactions)	- 34 -
Schedule 5 (Form of Semi-Annual Notice of Available Guaranteed L/C Amount)	- 37 -
Schedule 6 (Form of Reduction Notice for Maximum Guaranteed Loan Principal Amount)-	39-
Schedule 7 (Form of Confirmation of Reduction Notice for Maximum Guaranteed Loan Principal Amount)	- 40 -
Schedule 8 (Conditions Precedent to the Effectiveness of the Guarantee Agreement).....	- 41 -
Schedule 9 (Form of Notice of Effectiveness of Guarantee Agreement).....	- 43 -
Schedule 9 (Form of Limitation Notice)	- 44 -
Schedule 10 (Form of Limitation Revocation Notice)	- 46 -
Schedule 11 (Form of Permanent Limitation Notice)	- 47 -
Schedule 12 (Form of Withholding Notice).....	- 48 -
Schedule 13 (Form of Withholding Revocation Notice).....	- 50 -
Schedule 14 (Form of Termination Notice)	- 51 -
Schedule 15 (Form of Guarantee Beneficiary Termination Notice).....	- 52 -
Execution Page of Guarantee Agreement	- 53 -

THIS GUARANTEE AGREEMENT (the “*Agreement*” or the “*Guarantee Agreement*”) is dated XXX, 20XX.

BETWEEN:

1. **INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT** (the “*Guarantor*”) of 1818 H Street NW, Washington, DC 20433; and
2. **XXXX** (the “*L/C Bank*” or the “*Guarantee Beneficiary*”).

RECITALS:

- A. Pursuant to a Concession Agreement, dated [●] [on or about the date hereof], among National Mission for Clean Ganga, a statutory body incorporated under the laws of the Republic of India (“*India*” or the “*Member Country*”) under the Ministry of Jal Shakti¹ of India (“*NMCG*” or the “*Obligor*”), Uttar Pradesh Jal Nigam, a statutory body incorporated under the laws of India (“*UPJN*” or the “*Contracting Party*”), and [name of concessionaire], a company incorporated under the laws of India (the “[*Agra*] *Concessionaire*”), the [Agra] Concessionaire has the exclusive right and intends to design, finance, construct, install, commission, operate, and maintain a sewerage treatment facility on the site of [●] in the city of [Agra] in the state of Uttar Pradesh in India (the “[*Agra*] *Subproject*”) (the “[*Agra*] *Concession Agreement*”).
- B. Pursuant to the [Agra] Concession Agreement, the [Agra] Concessionaire has agreed to sell to the Contracting Party, and the Contracting Party has agreed to purchase from the [Agra] Concessionaire, the sewerage treatment services to be generated by the [Agra] Concessionaire from the [Agra] Subproject.
- C. Pursuant to Concession Agreements to be entered into among the Obligor, the Contracting Party, and the concessionaires to be selected, the latter will have the exclusive right to design, finance, construct, install, commission, operate, and maintain sewerage treatment facilities on the site of [●] in the city of [Meerut] and on the site of [●] in the city of [Saharanpur], both in the state of Uttar Pradesh in India (the “[*Meerut*] *Subproject*”) (the “[*Saharanpur*] *Subproject*”) (the “[*Meerut*] *Concessionaire*”) (the “[*Saharanpur*] *Concessionaire*”) (the “[*Meerut*] *Concession Agreement*”) (the “[*Saharanpur*] *Concession Agreement*”) (the [Agra] Concession Agreement, the [Meerut] Concession Agreement, and the [Saharanpur] Agreement, collectively, the “*Concession Agreements*”).
- D. Pursuant to the [Meerut] and [Saharanpur] Concession Agreements, the [Meerut] and [Saharanpur] Concessionaires will agree to sell to the Contracting Party, and the Contracting Party will agree to purchase from the [Meerut] and [Saharanpur] Concessionaires, the sewerage treatment services to be generated by the [Meerut] and [Saharanpur] Concessionaires from the [Meerut] and [Saharanpur] Subprojects, respectively.
- E. Pursuant to the Concession Agreements, the Obligor has agreed to provide certain undertakings to the Contracting Party in connection with the Obligor’s payment obligations under the said Agreements and, *inter alia*, to provide a letter of credit to secure its payment obligations under the said Agreements.

¹ Jal Shakti means “waterpower” in Hindi.

- F. The Guarantee Beneficiary, at the request of the Obligor, will issue the Guaranteed LC (as defined below) for the purpose of securing the Obligor's payment obligations under the Concession Agreements (the "***Guaranteed Obligations***").
- G. Pursuant to a Reimbursement and Credit Agreement, [dated on or about the date hereof] [to be entered into] between the Obligor and the Guarantee Beneficiary (the "***Reimbursement and Credit Agreement***"), the Obligor [has agreed] [will agree] to repay each Advance (as defined below) under the Guaranteed LC in accordance with the terms of the Reimbursement and Credit Agreement.
- H. Pursuant to an Indemnity Agreement, dated on or about the date hereof (the "***Indemnity Agreement***"), between the Guarantor and the Member Country, the Member Country has agreed to reimburse the Guarantor for any amount paid by the Guarantor under this Agreement and to indemnify the Guarantor in respect of all claims, losses, damages, costs, and expenses incurred brought against or incurred by the Guarantor in connection with this Agreement.
- I. The Guarantor, at the request of the Obligor, has agreed to provide a guarantee to the Guarantee Beneficiary for payments due under the Reimbursement and Credit Agreement on the conditions hereinafter set forth.

NOW THEREFORE the parties hereto agree as follows:

1. DEFINITIONS, INTERPRETATION, AND CONSTRUCTION

1.1 Terms defined in this Guarantee Agreement

The following terms shall have the following meanings in this Agreement:

Accrued Interest means accrued and unpaid interest calculated at the Interest Rate on the Guaranteed Loan Principal Amount outstanding from time to time, during the period commencing on the date of the making of the relevant Advance and ending on the date preceding the date the Obligor or the Guarantor makes payment in full of such Guaranteed Loan Principal Amount.

Advance means each payment made by the Guarantee Beneficiary to the Escrow Bank pursuant to a drawing made under the Guaranteed L/C.

Affiliate of another Person means any Person who directly or indirectly Controls, is Controlled by or is under common Control with, the other Person.

Available Guaranteed L/C Amount means at any time during the Guaranteed LC Validity Period, the maximum amount available for drawing by the Escrow Bank under the Guaranteed LC at such time, which shall be equal to the Maximum Guaranteed Loan Principal Amount at such time less any Outstanding Guaranteed Loan Amount at such time.

Business Day means a day (other than a Saturday or Sunday) when banks are generally open for business in [Paris, France,] [London, England] and on which the Guarantor is open for business in Washington, DC.

“**Commercial Operation Date**” means the [Actual] Commercial Operation Date (as defined in the Concession Agreements) of each of the Subprojects as notified to the Guarantee Beneficiary by the [Escrow Bank] pursuant to the Guaranteed LC.

“**Concession Agreement**” has the meaning provided in the recitals.

“**Concessionaire**” has the meaning provided in the recitals.

“**Control**” means the ability to direct or to cause the directions of the policies or operations of a Person, or composition of board of directors (or equivalent body) whether through the ownership of issued voting share capital, by contract or otherwise.

“**Demand**” means an application made by the Guarantee Beneficiary and delivered to the Guarantor, by means of a Demand Notice for payment of a Guaranteed Loan Principal Amount plus Accrued Interest.

“**Demand Notice**” means a notice from the Guarantee Beneficiary to the Guarantor (completed as appropriate) substantially in the form of Schedule 1 (*Form of Demand Notice*) making a Demand in accordance with Clause 7.3.

“**Dollars**” or “**US\$**” means the lawful currency of the United States of America.

“**Effective Date**” has the meaning provided in Clause 3.

“**Eligible Financial Institution**” means a financial institution, bank, trust, fund, or other entity (but not an export credit agency or other governmental, quasi-governmental, or multilateral agency) that is regularly engaged in or established for the purpose of making, purchasing, or investing in loans or other financial assets and that (i) is commercially operated; (ii) has not been listed as ineligible to be awarded an IBRD or IDA-financed contract in the World Bank Group Listing of Ineligible Firms and Individuals; and (iii) is not sanctioned pursuant to a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations.

“**Escrow Account**” means the interest-bearing account established by the Obligor with the Escrow Bank pursuant to the Escrow Agreements and which is required under the Concession Agreements in connection with the Obligor’s payment obligations to the Contracting Party under the Concession Agreements.

“**Escrow Agreements**” means the [name of city] Escrow Agreement dated [●] among the Obligor, the Contracting Party, the [name of city] Concessionaire, and the Escrow Bank, pursuant to which the Obligor has agreed to establish the Escrow Account, and the Escrow Agreements to be entered into among the Obligor, the Contracting Party, the concessionaires to be selected, and the Escrow Bank, pursuant to which the Obligor will agree to [●].

“**Escrow Bank**” means the Eligible Financial Institution with which the Obligor has established the Escrow Account required under the Concession Agreements.

“**Escrow Bank Limitation Event**” has the meaning provided in Clause 5.2(b).

“**Escrow Bank Limitation Notice**” has the meaning provided in Clause 5.2(b).

“**Final Demand Date**” means the earlier of (i) the date that is 14 months after the end of the

Guaranteed L/C Validity Period and (ii) the date on which the long-term debt of the Member Country in foreign currency obtains a rating of [investment grade].

“**Guarantee**” means the guarantee provided by the Guarantor to the Guarantee Beneficiary in Clause 2.1, subject to the terms and conditions of this Agreement.

“**Guarantee Beneficiary Limitation Event**” has the meaning provided in Clause 5.2(a).

“**Guarantee Beneficiary Limitation Notice**” has the meaning provided in Clause 5.2(a).

“**Guarantee Beneficiary Termination Notice**” has the meaning provided in Clause 6.2(b).

“**Guaranteed LC**” means the letter of credit substantially in the form of Schedule 2 (*Form of Guaranteed Letter of Credit*) issued by the Guarantee Beneficiary in the Maximum Guaranteed Loan Principal Amount for the purpose of securing the Obligor’s payment obligations under the Concession Agreement.

“**Guaranteed LC Effective Date**” means the effective date of the Guaranteed LC for drawing, as defined in the Guaranteed LC, being the date of occurrence of the Commercial Operation Date of any one (1) Subproject as notified by the Escrow Bank to the Guarantor pursuant to the Guaranteed LC and after which the Guarantor provides confirmation to the Guarantee Beneficiary of the continued effectiveness of this Agreement.

“**Guaranteed LC Effective Year**” means the period starting on:

- (a) for the first Guaranteed LC Effective Year, the Guaranteed LC Effective Date; and
- (b) for each subsequent Guaranteed LC Effective Year, January 1 immediately following the end of the preceding Guaranteed LC Effective Year,

and ending on:

- (i) for the first and each subsequent Guaranteed LC Effective Year (other than the last Guaranteed LC Effective Year), 31 December of the same calendar year in which the relevant Guaranteed LC Effective Year commenced; and
- (ii) for the last Guaranteed LC Effective Year, the Guaranteed LC Termination Date.

“**Guaranteed LC Expiry Date**” means the date that is fifteen (15) years and three (3) months after the Guaranteed LC Effective Date.

“**Guaranteed LC Issue Date**” means the date of issuance of the Guaranteed LC.

“**Guaranteed LC Termination Date**” means the Guaranteed LC Expiry Date or any such other date on which the Guaranteed L/C is terminated, expires, or is otherwise cancelled prior to the LC Expiry Date in accordance with its terms (including in the circumstances set out in Clause 6.2(b)).

“**Guaranteed L/C Validity Period**” means the period commencing on the Guaranteed LC Effective Date and ending on the Guaranteed LC Termination Date.

“**Guaranteed Loan Principal Amount**” means, with respect to any Loan, the principal amount of such Loan less any amount of principal in respect of such Loan paid by the Obligor pursuant to the Reimbursement and Credit Agreement.

“**Guaranteed Obligations**” has the meaning provided in the recitals.

“**Guarantor**” has the meaning provided in the recitals.

“**IBRD**” means the International Bank for Reconstruction and Development.

“**IDA**” means the International Development Association.

“**Indemnity Agreement**” has the meaning provided in the recitals.

“**Insolvency Event**” means, in respect of the LC Bank, a determination of a court that the LC Bank is in bankruptcy, dissolution, or liquidation under the laws of its jurisdiction of incorporation.

“**Interest Rate**” means the percentage rate per annum that, in relation to any Advance, is the aggregate of (i) a margin of [0.xx]%³ and (ii) [SOFR] for the relevant period for any Loan as determined pursuant to the Reimbursement and Credit Agreement.

“**Limitation Event**” means any of Guarantee Beneficiary Limitation Event, an Escrow Bank Limitation Event, and a Member Country Limitation Event.

“**Limitation Effective Date**” means the 3rd Business Day after the Guarantee Beneficiary’s receipt of a Limitation Notice.

“**Limitation Notice**” means any of a Guarantee Beneficiary Limitation Notice, an Escrow Bank Limitation Notice, and a Member Country Limitation Notice.

“**Limitation Revocation Notice**” means a written notice by the Guarantor to the Guarantee Beneficiary, copied to the Obligor and the Escrow Bank, substantially in the form of Schedule 11 (*Form of Limitation Revocation Notice*), issued with respect to a Limitation Event.

“**Loan**” means each Advance converted into a loan pursuant to the Reimbursement and Credit Agreement.

“**Loan Repayment Period**” means, with respect to any Loan, the period from (i) the date the relevant Advance was converted to that Loan pursuant to the Reimbursement and Credit Agreement and (ii) the date falling 12 months after such date.

“**Maximum Guaranteed Loan Principal Amount**” means [nine] million Dollars (US\$[9,000,000])⁴, as such amount may be reduced pursuant to Clause 2.2 and Clause 5.3(b).

³ An appropriate spread above [SOFR] acceptable to the LC Bank and NMCG and agreed by IBRD (The maturity of the selected [SOFR] base rate should ideally be one month). Since the LC is guaranteed by IBRD, the spread should reflect IBRD’s AAA credit rating in the international market.

⁴ This amount represents a maximum of the sum of up to one quarters of payments by the Obligor under the Concession Agreements during the operation and maintenance periods (i.e., the periods following the commercial operations dates) of the Subprojects.

“Maximum Guarantor Liability” means, at any time, subject to Clause 5.1 and Clause 5, the sum of (i) the Maximum Guaranteed Loan Principal Amount and (ii) Accrued Interest.

“Member Country” has the meaning provided in the recitals.

“Member Country Limitation Event” has the meaning provided in Clause 5.2(c).

“Member Country Limitation Notice” has the meaning provided in Clause 5.2(c).

“NMCG” has the meaning provided in the recitals.

“Notice of Identification of Substitute LC Bank” means a notice issued by the Escrow Bank and / or the Obligor, substantially in the form of the attachment entitled *“Form of Notice of Identification of Substitute LC Bank”* to Schedule 3 (*Form of Request for Substitution*), notifying the selection of an Eligible Financial Institution to substitute the LC Bank.

“Obligor” has the meaning provided in the recitals.

“Outstanding Guaranteed Loan Amount” means the aggregate amount from time to time of any and all Loans in relation to drawings made under the Guaranteed LC that have not yet been repaid or reimbursed to the Guarantee Beneficiary.

“Permanent Limitation Notice” means a written notice from the Guarantor to the Guarantee Beneficiary, copied to the Obligor and the Escrow Bank, in the form of Schedule 12 (*Form of Permanent Limitation Notice*).

“Person” means any natural person, company, corporation, partnership (whether or not having separate legal personality), firm, voluntary association, joint venture, trust, unincorporated organization, or any other entity whether acting in an individual, fiduciary, or other capacity.

“Project” has the meaning provided in the recitals.

“Public Sector Entity” means:

- (a) the Member Country or the government, any department, authority, regulatory agency, instrumentality, agency, body or corporation subject to the overall Control or direction as to matters of policy of the Member Country or which is otherwise under and Controlled by the Member Country;
- (b) any regional, state, provincial, or local governmental authority or any subdivision of any of the foregoing;
- (c) any court of law or similar judicial forum in the Member Country with jurisdiction over the Escrow Bank, the Guarantee Beneficiary, or the Project or any part thereof; or
- (d) any department, authority, regulatory agency, instrumentality, agency, body, or corporation, or other entity Controlled by any of the foregoing.

“**Reduction Notice**” has the meaning provided in Clause 2.2(b).⁵

“**Reimbursement and Credit Agreement**” has the meaning provided in the recitals.

“**Repackaging Arrangement**” means any arrangement pursuant to which any security or other similar obligation is created or issued, the economic effect of which is the separation of rights to payment under this Agreement from the rights to payment under the Reimbursement and Credit Agreement.

“**Request for Substitution**” means a request sent by the Escrow Bank and / or the Obligor to the Guarantee Beneficiary in relation to any LC Bank in accordance with Clause 13.6 of this Agreement together with a copy of the Notice of Identification of Substitute LC Bank, requesting substitution of the LC Bank, substantially in the form of Schedule 3 (*Form of Request for Substitution*).

“**Required Rating**” means a long-term unsecured debt rating no worse than BBB from Standard & Poor’s (or an equivalent rating from Moody’s or Fitch Ratings), no worse than A from an Indian credit rating agency acceptable to the Escrow Bank, or such other lower long-term unsecured debt rating as may be agreed by the Escrow Bank.

“**Revocation Notice**” has the meaning provided in Clause 5.3.

“**Sanctionable Practice**” means any Coercive Practice, Corrupt Practice, Collusive Practice, Obstructive Practice, or Fraudulent Practice (as those terms are defined and interpreted in accordance with Schedule 4 (*Anti-Corruption Guidelines for World Bank Guarantee and Carbon Finance Transactions*)) that is in any way connected to the Project or any transaction contemplated by this Agreement.

“**Semi-Annual Notice Deadline**” means December 1 and June 1 of each calendar year following the Guaranteed L/C Effective Date and if that date is not a Business Day (as defined in the Guaranteed L/C), the next Business Day (as defined in the Guaranteed LC).

“**Semi-Annual Notice of Guaranteed LC**” means a written notice delivered by the LC Bank to the Escrow Bank (with copies to the Guarantor and the Obligor), substantially in the form of Schedule 5 (*Form of Semi-Annual Notice of Available Guaranteed LC Amount*), confirming (i) the Available Guaranteed LC Amount and (ii) the Outstanding Guaranteed Loan Amount, all in accordance with the Guaranteed LC.

“**Subsidiary**” means in relation to the Escrow Bank or a corporation, an Escrow Bank or corporation:

- (a) which is Controlled, directly or indirectly, by the first mentioned Escrow Bank or corporation; or
- (b) of which fifty per cent (50%) or more of the issued and fully paid-up voting-share capital is beneficially owned, directly or indirectly, by the first mentioned Escrow Bank or corporation.

“**Substitution Failure**” has the meaning provided in Clause 13.6.

⁵ Include where the Escrow Bank will have the right to reduce the amount of the Guaranteed LC.

“Termination Effective Date” means the 3rd Business Day after the Guarantee Beneficiary’s receipt of a Termination Notice.

“Termination Notice” means a notice from the Guarantor to the Guarantee Beneficiary, copied to the Escrow Bank and the Obligor, in the form of Schedule 15 (*Form of Termination Notice*).

“Withholding Event” has the meaning provided in Clause 6.2(a).

“Withholding Notice” has the meaning provided in Clause 6.2(a).

“Withholding Effective Date” has the meaning provided in Clause 6.2(a).

“Withholding Effective Date” has the meaning provided in Clause 6.2(a).

“Withholding Revocation Notice” means a written notice from the Guarantor to the Guarantee Beneficiary, copied to the Escrow Bank and the Obligor, substantially in the form of Schedule 14 (*Form of Withholding Revocation Notice*).

“World Bank Listing of Ineligible Firms and Individuals” means the list, as updated from time to time, of persons or entities ineligible to be awarded a World Bank Group-financed contract because they were found to have violated the World Bank Group anticorruption guidelines and policies. The list may be found at <http://www.worldbank.org/debar> or any successor website or location.

“World Bank Sanctions Procedures” means the World Bank Private Sector Sanctions Procedures as adopted by IBRD and IDA as of September 24, 2013, and as such sanctions procedures may be amended from time to time.

1.2 Interpretation and Construction

In this Agreement:

- (a) headings are inserted for convenience of reference only and shall not be taken into account in the application or interpretation of this Agreement;
- (b) words importing the singular include the plural and vice versa;
- (c) the terms “include” and “including” mean without limitation;
- (d) the terms “Front-end Fee”, “Initiation Fee”, “Processing Fee”, “Guarantee Fee”, and “Standby Fee” shall be construed to have the meanings given to such terms in the Cooperation Agreement;
- (e) A reference to a preamble, recital, clause, or schedule is, unless the context requires otherwise, a reference to a preamble, recital, clause, or schedule to this Agreement;
- (f) All schedules to this Agreement are an integral part of this Agreement with the same force and effect as if they were fully set out herein; and references to this Agreement shall include references to both this Agreement and the schedules; and

- (g) references to an agreement (other than this Agreement) or an instrument include that agreement or instrument as amended, supplemented, novated, or replaced from time to time (provided that, where consent is required by this Agreement to amend, supplement, novate, or replace, such consent has been obtained), and shall include any document that amends, supplements, or replaces it; provided, however, that any term in this Agreement defined by reference to another agreement shall refer to that agreement as of its date of execution without regard to any subsequent amendments; and unless a contrary indication appears, a reference in this Agreement to the Guarantor, the Obligor, the Guarantee Beneficiary, the Escrow Bank, the Concessionaire, or any other Person shall be construed so as to include its successors in title and its permitted assigns and permitted transferees.

2. THE GUARANTEE

2.1 The Guarantee

Subject to the provisions of this Agreement, the Guarantor agrees that if a Loan is outstanding pursuant to the Reimbursement and Credit Agreement and remains unpaid upon the expiry of the Loan Repayment Period, the Guarantor shall pay to the Guarantee Beneficiary the Guaranteed Loan Principal Amount plus Accrued Interest.

2.2 Maximum Guaranteed Loan Principal Amount

- (a) The Maximum Guaranteed Loan Principal Amount shall be permanently reduced by the amount of any payment made by the Guarantor to the Guarantee Beneficiary in respect of any Guaranteed Loan Principal Amount pursuant to the terms of this Guarantee Agreement as a result of the failure by the Obligor to repay a Loan pursuant to the terms of the Reimbursement and Credit Agreement. Such reduced Maximum Guaranteed Loan Principal Amount shall remain in effect until any further reduction under this Clause 2.2.
- (b) The Maximum Guaranteed Loan Principal Amount may also be permanently reduced by notice from the Escrow Bank to the Guarantor and the Guarantee Beneficiary [(with a copy to the Obligor)]⁶ substantially in the form of Schedule 6 (*Form of Reduction Notice for Maximum Guaranteed Loan Principal Amount*) (a “**Reduction Notice**”). A Reduction Notice may not be issued more than once every six (6) months, and on each occasion the requested amount of reduction of the Maximum Guaranteed Loan Principal Amount must be [a minimum of \$ [●]]⁷ in multiples of \$100,000 with respect to the Maximum Guaranteed Loan Principal Amount, provided that the Maximum Guaranteed Loan Principal Amount may not be reduced to an amount which is less than the then Outstanding Guaranteed Loan Amount at such time. Upon receipt of a Reduction Notice, the Guarantee Beneficiary shall confirm to the Escrow Bank and the Guarantor (with a copy to the Obligor) the receipt of the Reduction Notice (a “**Confirmation of Reduction Notice**”), substantially in the form of Schedule 7 (*Form of Confirmation of Reduction Notice for Maximum Guaranteed Loan Principal Amount*), and make any

⁶ Drafting Note: Section IV (*Reinstatement; Changes in Maximum LC Amount*) and Annex [7] (*Guarantee Beneficiary Reduction Notice of the Maximum LC Amount*) of the form of Guaranteed L/C require the Obligor’s countersignature to the reduction notice, not just a copy. Provisions to be harmonized.

⁷ Drafting Note: Section IV (*Reinstatement; Changes in Maximum LC Amount*) of the form of Guaranteed L/C only has the \$100,000 increment requirement, not the minimum \$ requirement. Provisions to be harmonized.

amendments to the Guaranteed L/C to reflect the new Maximum Guaranteed Loan Principal Amount, which shall become effective upon delivery by the Guarantee Beneficiary of the Confirmation of Reduction Notice to the Escrow Bank and the Guarantor to the addresses and in the manner specified in Schedule 7 (*Form of Confirmation of Reduction Notice for Maximum Guaranteed Loan Principal Amount*).

- (c) The Maximum Guaranteed Loan Principal Amount shall also be permanently reduced as a result of a Permanent Limitation Notice pursuant to Clause 5.3. Such reduced Maximum Guaranteed Loan Principal Amount shall remain in effect until any further reduction under this Clause 2.2.
- (d) Any amounts reduced pursuant to Clauses 2.2(a), (b) and/or (c) shall not be reinstated.

2.3 Maximum Guarantor Liability

In no event will the amounts payable by the Guarantor to the Guarantee Beneficiary under this Agreement exceed, in aggregate, the Maximum Guarantor Liability. In no event will the amounts payable by the Guarantor to the Guarantee Beneficiary under this Agreement include any amounts in respect of default interest, penalty interest, breakage costs, or any other amounts payable by the Obligor to the Guarantee Beneficiary under the Reimbursement and Credit Agreement or otherwise in respect of late payments by the Obligor under the Reimbursement and Credit Agreement.

2.4 Guarantee Period

The period during which a Demand Notice may be submitted by the Guarantee Beneficiary pursuant to this Guarantee Agreement shall begin on the Guaranteed L/C Effective Date and end on the Final Demand Date.

3. CONDITIONS PRECEDENT

The Guarantor's obligations under this Agreement are subject to the conditions precedent that the Guarantor has received (or waived receipt of): (i) payment in full of the Front-end Fee and, if invoiced by the Guarantor as due and payable on or prior to the effectiveness of this Agreement pursuant to the Cooperation Agreement, the Initiation Fee, the Processing Fee, and the first instalment of the Guarantee Fee and/or Standby Fee; (ii) payment in full of all outstanding fees and expenses of the Guarantor's external counsel; and (iii) all of the documents and other items set out in Schedule 8 (*Conditions Precedent to the Effectiveness of the Guarantee Agreement*), and each is, in form and substance, satisfactory to the Guarantor. The Guarantor shall notify the Guarantee Beneficiary in writing upon the satisfaction (or waiver) of all such conditions precedent by means of a notice substantially in the form of Schedule 9 (*Form of Notice of Effectiveness of Guarantee Agreement*), and the date of such notice shall be the "**Effective Date**" of this Agreement.

4. FEES

If the Obligor, or any other party, as may be agreed between the Obligor and the Guarantor, fails to pay any instalment of the Guarantee Fee or Standby Fee and/or the Initiation Fee or

Processing Fee, if invoiced as due and payable after the effectiveness of the Agreement due and payable to the Guarantor in accordance with the Cooperation Agreement, then, prior to exercising its rights pursuant to Clause 5, the Guarantor shall promptly notify the Guarantee Beneficiary of such failure, with a copy to the Escrow Bank, the Contracting Party, and the Obligor.

5. LIMITATION OF GUARANTOR'S LIABILITY

5.1 Exclusions

Notwithstanding Clause 2.1, the Guarantor shall have no obligation to make any payment of any amount where:

- (a) an Advance is made other than in accordance with the Guaranteed L/C or the Reimbursement and Credit Agreement, including: (i) against a non-conforming demand notice under the Guaranteed L/C; (ii) prior to the Guaranteed L/C Effective Date; or (iii) in excess of the then applicable Available Guaranteed L/C Amount; or
- (b) a non-conforming Demand is made under this Agreement for payment of any Guaranteed Loan Principal Amount and/or Accrued Interest (but without prejudice to the Guarantee Beneficiary's right to re-submit a conforming Demand in such circumstances).

5.2 Guarantor's Notice of No Further Coverage

- (a) **Guarantee Beneficiary Limitation Events.** If the Guarantee Beneficiary:
 - (i) has engaged (or is engaging) in any Sanctionable Practice;
 - (ii) breaches either Clause 10.6 (*Repackaging Arrangements*) or Clause 11 (*Assignments*);
 - (iii) breaches any other material obligation under this Agreement and has not remedied such breach within [60] days after notice of such breach by the Guarantor; or
 - (iv) experiences an Insolvency Event,

(each a "**Guarantee Beneficiary Limitation Event**"), then the Guarantor may issue a notice to the Guarantee Beneficiary substantially in the form of Schedule 10 (*Form of Limitation Notice*) (a "**Guarantee Beneficiary Limitation Notice**"), with a copy to the Obligor and the Escrow Bank, whereupon, on and from the relevant Limitation Effective Date and until the relevant Revocation Effective Date, no draws made on the Guaranteed L/C on or after the relevant Limitation Effective Date and prior to the Revocation Effective Date will be covered by the Guarantee.

- (b) **Escrow Bank Limitation Events.** If:
 - (i) the Escrow Bank has breached any of its material obligations to the [Guarantor] under the [●] Agreement and such breach is continuing after the expiry of the relevant cure period (if any) specified under the said Agreement; or

- (ii) an Affiliate of the Escrow Bank has engaged in a Sanctionable Practice,

(each an “*Escrow Bank Limitation Event*”), then the Guarantor may issue a notice to the Escrow Bank substantially in the form of Schedule 10 (*Form of Limitation Notice*) (an “*Escrow Bank Limitation Notice*”), with a copy to the Guarantee Beneficiary and the Obligor, whereupon, on and from the relevant Limitation Effective Date and until the relevant Revocation Effective Date, no further draws made on the Guaranteed LC on or after the relevant Limitation Effective Date and prior to the Revocation Effective Date will be covered by the Guarantee.

- (c) **Obligor Limitation Event.** If any portion of the Initiation Fee or the Processing Fee, as invoiced, or any portion of the Guarantee Fee or Standby Fee remains unpaid by the Obligor under the Cooperation Agreement (an “*Obligor Limitation Event*”), then the Guarantor may issue a notice to the Obligor substantially in the form of Schedule 10 (*Form of Limitation Notice*) (an “*Obligor Limitation Notice*”), with a copy to the Guarantee Beneficiary, the Escrow Bank, and the Contracting Party, whereupon, on and from the relevant Limitation Effective Date and until the relevant Revocation Effective Date, no further draws made on the Guaranteed LC on or after the relevant Limitation Effective Date and prior to the Revocation Effective Date will be covered by the Guarantee.
- (d) **Member Country Limitation Event.** If the Member Country is suspended from membership in, or ceases to be a member of, IBRD, IDA, or the International Monetary Fund (a “*Member Country Limitation Event*”), and the Guarantor has delivered to Guarantee Beneficiary a notice to such effect substantially in the form of Schedule 10 (*Form of Limitation Notice*) (a “*Member Country Limitation Notice*”), with a copy to the Obligor and the Escrow Bank, then, on and from the relevant Limitation Effective Date and until the relevant Revocation Effective Date, no further draws made on the Guaranteed LC on or after the relevant Limitation Effective Date and prior to the Revocation Effective Date will be covered by the Guarantee.

5.3 Revocation

- (a) If a Limitation Event giving rise to a Limitation Notice occurs but is capable of being remedied and, prior to the issuance of a related Permanent Limitation Notice pursuant to Clause 5.3(c) below, has been remedied (in the reasonable opinion of the Guarantor), or if such Limitation Event has been waived by the Guarantor, then the Guarantor will promptly revoke such Limitation Notice by issuing a Limitation Revocation Notice to the Guarantee Beneficiary, with a copy to the Obligor and the Escrow Bank, stating that, (i) effective on the 3rd Business Day after the Guarantee Beneficiary’s receipt of such Limitation Revocation Notice (the “*Revocation Effective Date*”), the Escrow Bank will have the right to make a demand under the Guaranteed LC in respect of any unpaid and outstanding Guaranteed Obligations that occurred while the Limitation Notice was in effect and (ii) any Advances made by the LC Bank under the Guaranteed LC after the date of the Revocation Notice and in connection with such unpaid and outstanding Guaranteed Obligations will be covered under this Agreement.
- (b) If a Limitation Notice (other than a Guarantee Beneficiary Limitation Notice) is issued based on circumstances not capable of remedy or that are capable of being remedied but have not been remedied (in each case in the reasonable opinion of the Guarantor)

within six months after the relevant Limitation Effective Date, and such Limitation Event has not been waived by the Guarantor, then the Guarantor may further notify the Guarantee Beneficiary, by delivery of a Permanent Limitation Notice with a copy to the Obligor and the Escrow Bank, that such limitation will become permanent on the 3rd Business Day after the Guarantee Beneficiary's receipt of such Permanent Limitation Notice, whereupon the Maximum Guaranteed Loan Principal Amount will be permanently reduced by the amount of the undrawn portion of the Guaranteed LC as of the relevant Limitation Effective Date.

- (c) Non-payment of all or any portion of any of the Initiation Fee, the Processing Fee, the Standby Fee, or the Guarantee Fee when due and payable under the Cooperation Agreement as referenced in Clause 5.2(b)(iii) is not an event capable of remedy.

5.4 Guarantor's Liability

If a Limitation Notice is delivered under Clause 5.2 (*Guarantor's Notice of No Further Coverage*), the Maximum Guaranteed Loan Principal Amount under this Agreement shall, unless and until such Limitation Notice has been revoked in accordance with Clause 5.3(a) (*Revocation*), be the amount of the Loans outstanding resulting from Advances made on or prior to the relevant Limitation Effective Date.

6. TERMINATION; WITHHOLDING

6.1 Termination Events

- (a) The Guarantor may terminate this Agreement by delivering a Termination Notice to the Guarantee Beneficiary, effective as of the 3rd Business Day after the Guarantee Beneficiary's receipt of that Termination Notice, if:
 - (i) the conditions precedent to the Guarantor's obligations under this Agreement set forth in Clause 3 have not been satisfied (or waived) by the Guarantor by the first anniversary of the date of this Agreement;
 - (ii) the Guaranteed L/C Effective Date has not occurred by [_____];⁹ or
 - (iii) subject to Clause 13.6 (*Substitution*), a Substitution Failure has occurred.
- (b) In addition, this Agreement shall terminate on the earlier of:
 - (i) subject to Clause 7.1 (*Demand Notices after Final Demand Date are void*), the day immediately following the Final Demand Date;
 - (ii) if no Loans are outstanding on the Guaranteed L/C Termination Date and no Accrued Interest thereon is unpaid, then on the day immediately following the Guaranteed L/C Termination Date;
 - (iii) if a Permanent Limitation Notice has been issued (and is effective) pursuant to Clause 5.3(b) (*Revocation*), and there are no Outstanding Guaranteed Loan Amounts; or

⁹ The deadline for achieving effectiveness should be set by reference to the time reasonably expected to be needed to accomplish the actions necessary for effectiveness of the Guaranteed L/C (e.g., the expected Commercial Operation Date of the Subproject first expected to reach COD).

- (iv) if a Guarantee Beneficiary Termination Notice has been issued (and is effective) pursuant to Clause 6.2(b) (*Withholding*).

6.2 Withholding

- (a) If:
 - (i) the Guarantee Beneficiary has engaged (or is engaging) in a Sanctionable Practice that
 - (A) was not disclosed by it to the Guarantor promptly upon becoming known to it, or (B) could reasonably have been expected to have been discovered by it through the exercise of such diligence as could reasonably have been expected of it; or
 - (ii) a Guarantee Beneficiary Limitation Event arising under Clause 5.2(a)(ii) or Clause 5.2(a)(iii) has occurred and is continuing;

(each a “**Withholding Event**”), then the Guarantor may issue a notice to the Guarantee Beneficiary, substantially in the form of Schedule 13 (*Form of Withholding Notice*) (a “**Withholding Notice**”), with a copy to the Escrow Bank and the Obligor, whereupon, on and from the 3rd Business Day after the Guarantee Beneficiary’s receipt of such Withholding Notice (the “**Withholding Effective Date**”) and until the relevant Withholding Revocation Effective Date, the Guarantor shall be entitled to withhold payment of all amounts otherwise due and payable by the Guarantor to the Guarantee Beneficiary under this Agreement. If, following the issuance of a Withholding Notice, a successor Guarantee Beneficiary satisfactory to the Guarantor has been appointed in accordance with the Reimbursement and Credit Agreement and Clause 13.6 (*Substitution*), or the relevant Withholding Event has been remedied (in the reasonable opinion of the Guarantor) or has been waived by the Guarantor, then the Guarantor will promptly revoke such Withholding Notice by issuing a written notice to the Guarantee Beneficiary substantially in the form of Schedule 14 (*Form of Withholding Revocation Notice*) (a “**Withholding Revocation Notice**”), with a copy to the Escrow Bank and the Obligor, stating that, effective on the 3rd Business Day after the Guarantee Beneficiary’s receipt of such Withholding Revocation Notice (the “**Withholding Revocation Effective Date**”), the Guarantor will no longer withhold payment of amounts otherwise due and payable by the Guarantor under this Agreement.

- (b) If within 12 months of a Withholding Effective Date, no Withholding Revocation Notice has been issued in relation thereto and no successor Guarantee Beneficiary has been appointed, then the Guarantor may terminate the Guarantee by written notice to the Guarantee Beneficiary, copied to the Obligor and the Escrow Bank, substantially in the form of Schedule 16 (*Form of Guarantee Beneficiary Termination Notice*) (a “**Guarantee Beneficiary Termination Notice**”), effective as of the 3rd Business Day after the Guarantee Beneficiary’s receipt of the Guarantee Beneficiary Termination Notice, whereupon this Agreement shall terminate and the Guarantee Beneficiary shall have no further rights under this Agreement and the Guarantor shall have no further liability under this Agreement to the Guarantee Beneficiary, including in respect of

amounts previously withheld under this Clause 6.2 but excluding in respect of any amounts payable by the Guarantor in accordance with Demand Notices submitted in accordance with Clause 7 prior to the relevant Withholding Effective Date.

7. DEMAND NOTICES

7.1 Demand Notices after Final Demand Date are void

Any Demand Notice received by the Guarantor after 5:00 p.m. (Washington, DC time) on the Final Demand Date shall be void and of no effect and, save for accrued obligations, the Guarantor's obligations under this Agreement shall automatically terminate at such time on the Final Demand Date (unless such date is not a Business Day, in which case a Demand Notice may be delivered on or prior to 5:00 p.m. (Washington, DC time) on the immediately following Business Day.

7.2 No Demand Notices after due date

A Demand Notice in respect of the Obligor's failure to pay any Loan must be received by the Guarantor no more than 30 days after the Loan Repayment Period for such Loan.

7.3 Demand for Payment

Each Demand Notice shall be substantially in the form of Schedule 1 (*Form of Demand Notice*) and shall be:

- (a) signed by or on behalf of the Guarantee Beneficiary;
- (b) accompanied by copies of the Guarantee Beneficiary's demands made on the Obligor pursuant to the Reimbursement and Credit Agreement with respect to the relevant Loan as to which payment is demanded, with supporting calculations of the amount due;
- (c) accompanied by copies of (i) the Guarantee Beneficiary's records showing any payments made to the Guarantee Beneficiary by or on behalf of the Obligor with respect to the relevant Loan and (ii) the documentation submitted by the Escrow Bank to the Guarantee Beneficiary when requesting the Advance that was converted into the relevant Loan pursuant to the Reimbursement and Credit Agreement, including the drawing certificate received from the Escrow Bank in respect to such Advance and all supporting documentation accompanying such drawing certificate;
- (d) accompanied by evidence reasonably satisfactory to the Guarantor of the authority of the signatory to sign such Demand Notice on behalf of the Guarantee Beneficiary (a copy of the Guarantee Beneficiary's most recent official signature book which shows the authority of the signatory or an official incumbency certificate signed or sealed by an officer of the Guarantee Beneficiary showing the authority of the signatory shall, for these purposes, be such reasonable evidence);
- (e) effective only when the Demand Notice is actually received by the Guarantor at its address specified in this Agreement; and
- (f) in the absence of manifest error, conclusive and binding on all parties to this Agreement in respect of all information set out in such Demand Notice.

8. PAYMENTS

8.1 Payments by the Guarantor

Subject to Clause 2, Clause 7, this Clause 8, and other relevant provisions of this Agreement, the Guarantor shall pay to the Guarantee Beneficiary the amounts demanded in any Demand Notice on or before the 60th day following the Guarantor's receipt of the Demand Notice or, if such 60th day is not a Business Day, the immediately-following Business Day, in immediately available funds in [Dollars] to such account of the Guarantee Beneficiary as the Guarantee Beneficiary has specified in the Demand Notice.

8.2 Repayment by the Obligor

If, after the Guarantee Beneficiary has served a Demand Notice on the Guarantor pursuant to this Agreement, the Obligor pays to the Guarantee Beneficiary, or the Guarantee Beneficiary recovers otherwise than from the Guarantor, the whole or any part of any amount demanded in the Demand Notice:

- (a) the Guarantee Beneficiary shall promptly notify the Guarantor of such fact;
- (b) the Guarantor's liability under this Agreement in respect of such Demand Notice shall be reduced by an amount so paid by the Obligor or recovered by the Guarantee Beneficiary, as certified by the Guarantee Beneficiary; and
- (c) in the event the Guarantor has already paid to the Guarantee Beneficiary the whole or any part of the amount demanded in such Demand Notice, the Guarantee Beneficiary shall promptly refund to the Guarantor the amount so paid by the Obligor or recovered by the Guarantee Beneficiary.

8.3 Set-off

All payments to be made by the Guarantor under this Agreement shall be made without deduction for or on account of set-off, counterclaim, or any other reduction except that the Guarantor may make deductions from payments to the Guarantee Beneficiary under this Agreement on account of any monies owing to the Guarantor by the Guarantee Beneficiary pursuant to this Agreement.

9. GUARANTOR'S RIGHTS OF SUBROGATION

If, and to the extent that, the Guarantor makes any payment under this Agreement pursuant to a Demand Notice, the Guarantor shall be subrogated immediately to the extent of such payment to the rights, claims, and security held, recovered, or receivable by the Guarantee Beneficiary under the Guaranteed L/C or the Reimbursement and Credit Agreement, *provided that* the Guarantor shall not exercise such rights to the extent the Guarantor is reimbursed for such payment by the Member Country under the Indemnity Agreement.

10. GUARANTEE BENEFICIARY REPRESENTATIONS AND WARRANTIES AND COVENANTS

10.1 Representations and Warranties

- (a) The Guarantee Beneficiary represents and warrants that:
 - (i) it has the power, authority, and legal right to (x) execute and deliver this Agreement and (y) comply with the provisions of this Agreement;
 - (ii) this Agreement constitutes its legal, valid, and binding obligation in accordance with the terms of this Agreement subject to the effect of any applicable bankruptcy, insolvency, reorganization, moratorium, or similar law affecting creditors' rights generally, and general principles of equity;
 - (iii) all authorizations and consents required in connection with the execution and delivery of this Agreement and the performance of its obligations hereunder (including any internal authorizations and consents) have been obtained and are in full force and effect, and such execution, delivery, and performance do not and will not (x) require any further authorization under present laws, or (y) violate any provision of its constitutive documents or any law or any order, judgment, injunction, decree, resolution, determination, or award of any court or arbitrator or any judicial, administrative, or governmental authority or organization, in each case presently in effect having applicability over it;
 - (iv) it has not committed or engaged in any Sanctionable Practice;
 - (v) it has in place procedures relating to the prevention of corrupt activity that comply with applicable law and require the reporting of suspicious activity; and
 - (vi) after exercising due diligence, it is not aware that the Escrow Bank, any Affiliate of the Escrow Bank, the Concessionaire, or any Affiliate of the Concessionaire has committed or engaged in any Sanctionable Practice.
- (b) Each of the representations and warranties made in Clause 10.1(a) shall be made on the date of this Agreement and shall be deemed to be repeated on the date each Loan is made. The representation and warranty made in Clause 10.1(a)(iv) shall also be deemed to be repeated upon the making of any Demand Notice.

10.2 Information

- (a) As soon as practicable after receipt or actual knowledge of the occurrence thereof, the Guarantee Beneficiary will inform and provide to the Guarantor relevant copies of, or information relating to:
 - (i) the date and amount of each Loan made by the Guarantee Beneficiary under the Reimbursement and Credit Agreement;
 - (ii) each Loan which remains unpaid 60 days prior to the expiry of the Loan Repayment Period for such Loan under the Reimbursement and Credit Agreement and receipt of each payment of a Guaranteed Loan Principal Amount and Accrued Interest under the Reimbursement and Credit Agreement;
 - (iii) each default in payment of a Guaranteed Loan Principal Amount or Accrued Interest at the expiry of the relevant Loan Repayment Period;

- (iv) any material notice received from the Escrow Bank, or the Obligor in connection with the Guaranteed LC or the Reimbursement and Credit Agreement, including each drawing certificate received by the Guarantee Beneficiary from the Escrow Bank pursuant to the Guaranteed LC, including all supporting documentation accompanying such drawing certificate;
 - (v) any notice of assignment, transfer, novation, or other disposition by the Guarantee Beneficiary, the Escrow Bank, or the Obligor of its rights or interests under the Guaranteed LC, the Reimbursement and Credit Agreement, or this Agreement;
 - (vi) any circumstance, event, or situation that interferes, or threatens to interfere, with the performance by the Guarantee Beneficiary or the Obligor of their respective obligations pursuant to the Guaranteed LC or the Reimbursement and Credit Agreement; and
 - (vii) any other notices or information required to be provided to the Guarantor pursuant to the Guaranteed LC or the Reimbursement and Credit Agreement.
- (b) As soon as practicable after receipt of a written request from the Guarantor, the Guarantee Beneficiary shall provide such information as the Guarantor may reasonably request relating to any Advance, the status of any Loan not fully repaid and any Demand (including the circumstances of such Advance, Loan, and Demand and the calculation of the amount of such Advance or Loan or the amount claimed in such Demand).
- (c) As soon as possible after calculating the same, and in any event not later than [January 15] and [July 15] of each Guaranteed L/C Effective Year, the Guarantee Beneficiary shall notify the Guarantor, the Escrow Bank, and the Obligor, by delivery of a Semi-Annual notice of Available Guaranteed L/C Amount, of the Available Guaranteed L/C Amount and any Outstanding Guaranteed Loan Amount, both calculated no earlier than five Business Days before [January 15] and [July 15] (as the case may be) of such Guaranteed L/C Effective Year, by delivering notices substantially in the form set out in Schedule 5 (*Form of Semi-Annual Notice of Available Guaranteed L/C Amount*).

10.3 Waivers and Amendments

The Guarantee Beneficiary shall notify the Guarantor of any proposed change, variation, modification, or amendment to, or waiver of a breach under, the Guaranteed L/C or the Reimbursement and Credit Agreement. The Guarantee Beneficiary shall not agree to any such proposed change, variation, modification, amendment to, or waiver under, the Guaranteed L/C or the Reimbursement and Credit Agreement (other than with respect to any immaterial or purely administrative matters), including any transfer of the Obligor's obligations under the Reimbursement and Credit Agreement to another entity, without the Guarantor's prior written consent (not to be unreasonably withheld or delayed); provided that the Guarantor's consent shall not be required for (i) any reinstatement of the Guaranteed L/C as a result of any payment made by the Obligor in respect of a Loan; (ii) any reduction in the available amount of the Guaranteed L/C as a result of an Advance; or (iii) the cancellation of the Guaranteed L/C at the request of [the Escrow Bank].

10.4 Disclosure

- (a) To the extent the same are not subject to any obligation of confidentiality pursuant to or in connection with the Guaranteed LC or the Reimbursement and Credit Agreement, the Guarantee Beneficiary waives any rights it may have to prevent or restrict the Guarantor from disclosing (and confirms that, as between the Guarantee Beneficiary and the Guarantor, the Guarantor may disclose) to any other person that in accordance with the Guarantor's policies and practices is entitled to receive it, this Agreement, the Guaranteed L/C, the Reimbursement and Credit Agreement, any other agreement related hereto or thereto, the transactions contemplated hereby or thereby, or any other information related to the subject matter hereof or thereof.
- (b) The Guarantor waives any right it may have to prevent or restrict the Guarantee Beneficiary disclosing (and confirms that, as between the Guarantee Beneficiary and the Guarantor, the Guarantee Beneficiary may disclose) this Agreement and the information related to the subject matter of this Agreement, the Guaranteed L/C, and the Reimbursement and Credit Agreement to: (i) its external counsel, internal or external auditors, or rating agencies; (ii) its Affiliates, Subsidiaries, directors, or officers; (iii) any court, arbitral body, or governmental entity to the extent required to comply with any applicable law or regulation, the rules of any applicable stock exchange, or any court order or legal process or in relation to the exercise of its remedies hereunder; or (iv) any actual or prospective assignee, transferee, or participant of the Guarantee Beneficiary's obligations and provided that that Guarantee Beneficiary obtains the Guarantor's written consent prior to such disclosure in the event of an assignment or transfer made in accordance with Clause 11 (*Assignments*) of this Agreement except where such actual or prospective assignee, transferee, or participant has executed a confidentiality agreement in a form acceptable to the Guarantor. For the avoidance of doubt, the Guarantor is authorized to disclose and provide a copy of this Agreement to the Escrow Bank, the Obligor, the Contracting Party, and the Concessionaires.

10.5 No Set-off

The Guarantee Beneficiary irrevocably waives any right of set-off or counterclaim it may have in respect of any obligation owed by the Guarantor under this Agreement against any obligation (whether or not matured) owed by the Guarantee Beneficiary to the Guarantor (regardless of the place of payment, booking branch, or currency of such obligation owed to the Guarantor) except in respect of obligations owed by the Guarantee Beneficiary under this Agreement.

10.6 Repackaging Arrangements

The Guarantee Beneficiary agrees not to enter into any Repackaging Arrangement without the Guarantor's prior written consent.

11. ASSIGNMENTS

The Guarantee Beneficiary shall not, without the Guarantor's prior written consent, which consent shall not be unreasonably withheld or delayed, assign, transfer, or encumber:

- (a) any right or obligation under this Agreement; or
- (b) any right or obligation under the Guaranteed L/C or the Reimbursement and Credit Agreement, including any right, demand, security, or other interest related to the

Guaranteed Liability;

except for any assignment or transfer to a Subsidiary or Affiliate of the Guarantee Beneficiary or to an Eligible Financial Institution, provided that the Guarantor is given prior written notice of such assignment or transfer.

12. PROTECTION OF GUARANTEE BENEFICIARY

12.1 Waivers, Remedies Cumulative

The rights and remedies of the Guarantee Beneficiary under this Agreement:

- (a) are cumulative and in addition to and not exclusive of its rights under general law; and
- (b) may be waived only in writing and specifically.

Delay in the exercise or non-exercise of any such right or remedy is not a waiver of that right or remedy.

12.2 Waiver of defences

Except as expressly provided in Clause 5 (*Limitation of Guarantor's Liability*) and Clause 6 (*Termination; Withholding*) or any other provision of this Agreement, the Guarantor's obligations under this Agreement are irrevocable, unconditional, and absolute regardless of the unenforceability, invalidity, illegality, or voidability of the Reimbursement and Credit Agreement and neither the rights, powers, or remedies conferred on the Guarantee Beneficiary by this Agreement or by law nor the liability of the Guarantor under this Agreement shall be discharged, impaired, or otherwise affected by any act, omission, circumstance, matter, or thing which, but for this provision, might operate to release or prejudice any of the Guarantor's obligations under this Agreement or discharge, impair, or diminish or otherwise affect such rights, remedies, or obligations in whole or in part, or any other circumstances which might constitute a legal or equitable discharge or a defence of a surety or guarantor including, and whether or not known to any party to this Agreement:

- (a) any time or waiver granted to or composition with the Escrow Bank, the Obligor, or any other Person;
- (b) the taking, variation, compromise, exchange, renewal, or release of any rights against, or security over assets of, the Escrow Bank, the Obligor, or any other Person;
- (c) any rights which the Guarantee Beneficiary may have against the Escrow Bank, the Obligor, or any other Person pursuant to the Guaranteed LC or the Reimbursement and Credit Agreement; or
- (d) any action which the Guarantee Beneficiary may take, or fail to take, due to the operation of the Guaranteed LC or the Reimbursement and Credit Agreement;

provided, that nothing in this Clause 12.2 shall in any way increase, expand, or create any obligations of the Guarantor under this Agreement that would not otherwise have existed under Clause 2.1 (*The Guarantee*).

12.3 Additional security

Subject to Clause 2.3 (*Maximum Guarantor Liability*), the Guarantor's obligations under this Agreement shall be in addition to, and shall not in any way be prejudiced by, any other security or guarantee now or hereafter held by, or for the benefit of, the Guarantee Beneficiary for the obligations of the Escrow Bank, the Obligor, or any other Person.

12.4 Immediate recourse

Except as expressly provided in Clause 2.1 (*The Guarantee*), Clause 7 (*Demand Notices*) or any other provision of this Guarantee Agreement, the Guarantor waives any right it may have of first requiring the Guarantee Beneficiary to proceed against or to enforce (or seek to enforce) any other rights or claim payment from any other Person before claiming from the Guarantor hereunder, *provided that* prior to serving any Demand Notice the Guarantee Beneficiary shall have first made a demand in writing for the amount set out in paragraph 3 of the Demand Notice against the Obligor, which demand shall not have been satisfied by the date upon which the Guarantee Beneficiary is entitled to issue a Demand Notice pursuant to Clause 7.3 (*Demand for Payment*).

12.5 Certificates and determinations of the Guarantee Beneficiary

Where this Agreement refers to, or requires, any determination or certification of any amount or fact to be made by the Guarantee Beneficiary, the Guarantee Beneficiary's determinations or certificates shall, in the absence of manifest error, be conclusive and binding for all purposes of this Agreement.

12.6 Severability of Provisions

If any provision of this Agreement is or becomes prohibited, illegal, invalid, or unenforceable in any jurisdiction, such prohibition, illegality, invalidity, or unenforceability shall not affect or impair the legality, validity, or enforceability of the remaining provisions of this Agreement nor the legality, validity, or enforceability of such provision in any other jurisdiction.

13. GUARANTOR: CAPACITY AND NO IMPLIED OBLIGATIONS

13.1 Capacity

The Guarantor is acting under this Agreement solely in the capacity of guarantor and in no other capacity. This Agreement establishes a guarantee of payment only and not a guarantee of collection or performance.

13.2 No obligations of Members

The obligations of the Guarantor under this Agreement are not the obligations of any government or member of the Guarantor.

13.3 Express obligations only

The Guarantor shall have no liability, duties, or obligations under this Agreement except to the extent expressly stated in this Agreement.

13.4 Guarantor's rights

Nothing in this Agreement shall:

- (a) prejudice the rights of the Guarantor as between the Guarantor and the Member Country or any other Public Sector Entity pursuant to the Indemnity Agreement or any other agreement between the Guarantor and the Member Country or any other Public Sector Entity (whether in relation to the Project specifically or more generally); or
- (b) give the Guarantee Beneficiary any rights (by way of subrogation or otherwise) in respect of the Guarantor's rights (or the way in which the Guarantor exercises or does not exercise its rights) under the Indemnity Agreement or any other agreement between the Guarantor and the Member Country or any other Public Sector Entity.

The Guarantor shall be entitled to exercise such rights (set forth in paragraphs (a) and (b) above) as it may have against the Member Country or any other Public Sector Entity as and when and in the manner it sees fit and without any obligation to account to the Guarantee Beneficiary for any monies, security interests, or other proceeds so realized.

13.5 No Third-Party Rights

A Person who is not party to this Agreement shall not have any right under the Contract (Rights of Third Parties) Act 1999 to enforce any provision of this ~~Agreement~~

13.6 Substitution

If the Escrow Bank or the Obligor sends a Request for Substitution to the Guarantee Beneficiary prior to the Guaranteed L/C Termination Date, together with a copy of the Notice of Identification of Substitute L/C Bank, in accordance with the [Concession Agreement] [Escrow Agreement], notifying the selection of an Eligible Financial Institution as a substitute L/C Bank and requesting a substitution of the L/C Bank, then, upon receipt of Guarantor's consent (not to be unreasonably withheld), the L/C Bank shall promptly undertake all actions reasonably necessary to novate all of the Guarantee Beneficiary's rights and obligations under the Guaranteed L/C, the Reimbursement and Credit Agreement, and this Agreement to the substitute L/C Bank for a purchase price in cash payable at the time of the transfer equal to all amounts due and payable to the L/C Bank being replaced through the date of novation. The Guarantee Beneficiary shall promptly inform the Guarantor, the Escrow Bank, and the Obligor once such novation is successfully completed. If the Guarantee Beneficiary and the relevant Eligible Financial Institution fail to complete such novation within 60 days after the Guarantee Beneficiary's receipt of the Request for Substitution (or such longer period as the Escrow Bank and the Obligor may agree), and if so requested by the Escrow Bank (a "**Substitution Failure**") and not withdrawn in writing, and provided there are no outstanding Loans or Accrued Interest, then the Guarantor may terminate the rights of the Guarantee Beneficiary under this Agreement in accordance with Clause 6.1(a) (*Termination Events*).

13.7 Mitigation

The Guarantee Beneficiary shall, in consultation with the Guarantor, take all reasonable steps to mitigate any circumstances which arise and which would result in an Insolvency Event or the Guarantee Beneficiary issuing a notice of illegality pursuant to Clause [●] of the Reimbursement and Credit Agreement including transferring its rights and obligations under this Agreement, the Guaranteed L/C, and the Reimbursement and Credit Agreement to another Affiliate or facility office.

14. NOTICES

Each communication or notice to be made under this Agreement shall be made in writing in the English language delivered by hand or by mail, facsimile, or email to the party to which it is required or permitted to be given or made at the following address set out below or at such other address as the party shall have designated by giving 15 days' written notice to the other party, and shall be effective only when received by the addressee and then only if the same is expressly marked for the attention of the department or officer identified below (or such other department or officer as the party shall from time to time specify for this purpose to the other party by 15 days' written notice to the other):

(a) The Guarantor's notice details are:

Address: International Bank for Reconstruction and Development
1818 H Street NW
Washington, DC 20433
United States of America

Attention: Practice Manager, Water South Asia Region 1
Facsimile: +1 (202) 522-[●]
Email: [\[●\]@worldbank.org](mailto:[●]@worldbank.org)
Ref: Guarantee Number G-[*guarantee number*]

with a copy to:

Address: International Bank for Reconstruction and Development
1818 H Street NW
Washington, DC 20433
United States of America

Attention: Practice Manager, Infrastructure Finance and
Guarantees
Facsimile: +1 (202) 522-0761
Email: guarantees@worldbank.org
Ref: Guarantee Number G-[*guarantee number*]

(b) The Guarantee Beneficiary's notice

details are:

Address: XXXX

Attention: XXX

Facsimile: XXX

with a copy to:

Attention: XXX

Facsimile: XXX

Email: XXX

15. GOVERNING LAW AND DISPUTE RESOLUTION

15.1 Governing Law

This Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with the laws of England and Wales, without reference to conflicts of laws principles.

15.2 Dispute Resolution

Any dispute arising out of or in connection with this Agreement which cannot be amicably settled within 30 days after one party gives the other party written notice of the dispute, shall be finally settled by arbitration as follows:

- (a) The dispute shall be finally and exclusively settled by arbitration before a tribunal (the “*Arbitral Tribunal*”) conducted in accordance with the arbitration rules of the United Nations Commission on International Trade Law of 1976 in effect as of the date of this Agreement (the “*Arbitration Rules*”). The seat of arbitration shall be Washington, DC, and the language to be used in the arbitral proceedings shall be English. The Arbitration Rules are incorporated by reference into this Clause 15.2 and capitalized terms used in this Clause 15.2 which are not otherwise defined in this Agreement have the meaning given to them in the Arbitration Rules. In the event of a conflict or difference between the Arbitration Rules and the terms of this Agreement, the terms of this Agreement shall prevail.
- (b) Unless the parties otherwise agree, the number of arbitrators shall be three (3). Each party shall select one arbitrator within 30 days of a request by a party for arbitration pursuant to this Clause 15.2. The two arbitrators thus appointed shall, within 30 days of the selection of the second arbitrator, select a third arbitrator to serve as the chairperson of the Arbitral Tribunal for resolution of the dispute. If the two arbitrators so appointed fail to timely select a third arbitrator to serve as a chairperson, such arbitrator shall be appointed by the Secretary-General of the Permanent Court of Arbitration at The Hague.
- (c) This Agreement and the rights and obligations of the parties hereunder shall remain in full force and effect pending the award in any arbitration proceeding instituted hereunder.
- (d) The arbitration agreement set forth in this Clause 15.2 shall be treated as an agreement independent of and separable from the other terms of this Agreement and, accordingly, any claim that this Agreement or any provision (other than this Clause 15.2) is invalid, illegal, or unenforceable shall not invalidate the arbitration agreement set forth in this Clause 15.2.

15.3 No waiver of Guarantor’s privileges and immunities

Nothing in this Clause 15 or any other provision of this Agreement shall operate as or be construed to constitute a waiver, renunciation, or any other modification of any privilege or immunity of the Guarantor under Article VIII of its Articles of Agreement or under any applicable law.

15.4 Guarantor's maximum liability under award

No award may require the Guarantor to pay to the Guarantee Beneficiary more than the Maximum Guarantor Liability.

16. SUCCESSORS AND ASSIGNS

This Agreement will be binding upon and inure to the benefit of the Guarantee Beneficiary and the Guarantor and their respective permissible successors and assigns.

17. COUNTERPARTS

This Agreement may be executed in any number of counterparts and the counterparts taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Guarantee Agreement to be duly entered into as of the date first above written.

SCHEDULE 1 (FORM OF DEMAND NOTICE)

[LETTERHEAD OF THE L/C BANK]

To: International Bank for Reconstruction and Development
1818 H Street NW
Washington, DC 20433
United States of America

Attention: Practice Manager, Infrastructure Financing and
Guarantees
Facsimile: +1 (202) 522-0761
Email: guarantees@worldbank.org
Ref: Number G-[*guarantee number*]

with a copy of such notice to: Senior Vice President and General Counsel
Facsimile: +1 (202) [522-1589]

with a copy of such notice to: Loan Client Services
Facsimile: +1 (202) 522-1654
Email: loanclientservices@worldbank.org

Ladies and Gentlemen,

DEMAND NOTICE

under

Guarantee Agreement dated _____, 20xx
Number G-xxxx

1. Guarantee Agreement

We refer to the Guarantee Agreement dated _____, 20xx between (1) you as Guarantor, and (2) ourselves as Guarantee Beneficiary (the "*Guarantee Agreement*").

2. Definitions

In this Demand Notice, all terms defined in the Guarantee Agreement and all terms defined in other agreements but incorporated into the Guarantee Agreement shall have the meanings given to them in the Guarantee Agreement.

3. Amount Demanded

We demand that you pay us an amount of [USD] [*insert amount claimed*] in accordance with your obligations under the Guarantee Agreement, consisting of:

- (a) [insert amount] (the Guaranteed Loan Principal Amount); and
- (b) [insert amount] (Accrued Interest) (calculated at the rate of [EURIBOR] [SOFR] [●] plus

[xx] percent([XX]% per annum) through the date hereof.

Additionally, our demand for payment is also for any Accrued Interest through the date of your payment.

5. Payment Account

Subject to Clause 8 (*Payments*) of the Guarantee Agreement, please pay the amount demanded by this Demand Notice to the following account:

- Account holder's name:
- Account name:
- Account number:
- Account bank:
- Account bank's branch: number:
address:

6. Grounds for issuing this Demand Notice

We certify that:

- (a) a drawing was made by the Escrow Bank on [insert date] in the amount of [insert amount] against the Guaranteed L/C in accordance with the terms of the Guaranteed L/C;
- (b) a Loan was made on [insert date] in the amount of [insert amount] to the Obligor in respect of the Advance resulting from such drawing, pursuant to the Reimbursement and Credit Agreement;
- (c) the Loan was not paid by the Obligor within the Loan Repayment Period and such amount remains due and payable as of the date of this Demand Notice; and
- (d) we are entitled to issue this Demand Notice pursuant to the Guarantee Agreement.

7. Accompanying Documents

We enclose:

- (a) certified copies of our demand on the Obligor pursuant to the Reimbursement and Credit Agreement with respect to the Loan, with supporting calculations of the amount due;
- (b) certified copies of our records showing any payments made to us by the Obligor in repayment of the Loan and the documentation submitted by the Escrow Bank to us when requesting the Advance that was converted into the relevant Loan pursuant to the Reimbursement and Credit Agreement, including the drawing certificate received from the Escrow Bank in respect to such Advance and all supporting documentation

accompanying such drawing certificate; and

(c) the other documents required by Clause 7.3 of the Guarantee Agreement.

8. Law

This Demand Notice shall be governed by and construed in accordance with the laws of England and Wales.

Dated [*insert date*]

For and on behalf of
[XXX, as Guarantee Beneficiary]

SCHEDULE 2 (FORM OF GUARANTEED LETTER OF CREDIT)

[See attached]

SCHEDULE 3 (FORM OF REQUEST FOR SUBSTITUTION)

[LETTERHEAD OF THE OBLIGOR]

[Date]

To: [Name of L/C Bank]

With a copy to: International Bank for Reconstruction and Development
1818 H Street NW
Washington, DC 20433
United States of America

Attention: Practice Manager, Infrastructure Finance and
Guarantees
Facsimile: +1 (202) 522-0761
Email: guarantees@worldbank.org

With a copy to: Loan Client Services
Facsimile: +1 (202) 522-1654
Email: loanclientservices@worldbank.org

With a copy to: [Name of Escrow Bank]

Dear Sir/Madam,

Re: Request for Substitution (Guarantee No. G[] in support of the Second National Ganga River Basin Project; Standby Letter of Credit No. [] issued in favour of the Second National Ganga River Basin Project Escrow Bank (the “Guaranteed Letter of Credit”))

Dear Sir/Madam,

We refer to [the [name of city] Concession Agreement], dated [] (the “[name of city] *Concession Agreement*”), among the National Mission for Clean Ganga (“the “*Obligor*”), Uttar Pradesh Jal Nigam (“*UPJN*” or the “*Obligor*”), and [name of city] Concessionaire (the “[name of city] *Concessionaire*”) (the “[name of city] *Concession Agreement*”). Capitalized terms used and not otherwise defined herein shall have the meaning assigned thereto in the [name of city] Concession Agreement.

We hereby notify you that an event giving rise to our right to request a substitution of the L/C Bank has occurred, and accordingly request you to, upon receipt of Guarantor’s consent, (a) to undertake all actions reasonably necessary to ensure that your rights and obligations under the Guaranteed Letter of Credit, the Reimbursement and Credit Agreement, and the Guarantee Agreement (at our cost and expense) are novated to and assumed by a substitute L/C Bank (for a purchase price in cash payable at the time of the transfer equal to the outstanding principal amounts due and payable to the L/C Bank under the Reimbursement and Credit Agreement, including all accrued interest, fees, breakage costs (if any), (being []), within 60 days after your receipt of our request for substitution, and (b) to inform the Escrow Bank, the Guarantor, and us as promptly as possible once the novation is successfully completed. Attached to this request is a copy of the Notice of Identification of Substitute Guaranteed L/C Bank,

dated [], delivered by us to the Escrow Bank.

Sincerely,

[Authorized signature for Obligor]

Attachment to Schedule 3

Form of Notice of Identification of Substitute L/C Bank

[LETTERHEAD OF THE OBLIGOR]

[Date]

To: [the Escrow Bank]

With a copy to: International Bank for Reconstruction and Development
1818 H Street NW
Washington, DC 20433
United States of America

Attention: Practice Manager, Infrastructure Finance and Guarantees
Facsimile: +1 (202) 522-0761
Email: guarantees@worldbank.org

With a copy to: Loan Client Services
Facsimile: +1 (202) 522-1654
Email: loanclientservices@worldbank.org

Dear Sir/Madam,

Re: Notice of Identification of Substitute L/C Bank under the [Concession Agreement] (Guarantee No. G[] in support of the Second National Ganga River Basin Project)

We refer to the Concession Agreement dated [] among National Mission for Clean Ganga (“*NMCG*” or “the “*Obligor*”), Uttar Pradesh Jal Nigam (“*UPJN*” or the “*Contracting Party*”), and the [name of city] Concessionaire (the “[name of city] *Concessionaire*”) (the “[name of city] *Concession Agreement*”). Capitalized terms used and not otherwise defined herein shall have the meaning assigned thereto in the [name of city] Concession Agreement.

Pursuant to Section [●] of the [[name of city] Concession Agreement], we hereby notify you that:

Choose one of the following as applicable:

- [] the Guarantor has issued a Guarantee Beneficiary Limitation Notice (as defined in the Guarantee Agreement) to the L/C Bank.
- [] the Guarantor has issued a Withholding Notice (as defined in the Guarantee Agreement) to the L/C Bank.

[] the L/C Bank's credit status has fallen below the Required Rating (as defined in the Guarantee Agreement).

[] the LC Bank has issued a [notice of illegality] to the Escrow Bank, the Obligor, or the Guarantor pursuant to Clause [5.1] of the Reimbursement and Credit Agreement, indicating that it is prohibited under law from effecting payment to the Escrow Bank under the Guaranteed LC.

We therefore propose that *[insert name of existing L/C Bank]* be substituted by *[insert name of substitute L/C Bank]*, an Eligible Financial Institution that has in principle agreed to this substitution.

We will, by way of delivering a copy of this notice to the Guarantor, seek the Guarantor's consent to the selection of the substitute L/C Bank. We will contemporaneously deliver this notice to the L/C Bank that is being substituted and request such L/C Bank to undertake actions reasonably necessary to ensure that its rights and obligations under the Guaranteed L/C, the Reimbursement and Credit Agreement, and the Guarantee Agreement are novated to and assumed by the substitute L/C Bank pursuant to Clause [] (*Substitution of L/C Bank*) of the *[name of city]* Concession Agreement.

[Please kindly confirm your agreement to the foregoing, on behalf of the Escrow Bank, by signing, dating, and returning to us the countersigned letter.][*Paragraph to be included in the initial letter to the Escrow Bank requesting its express approval of the proposed substitute LC Bank.*]

[or]

[The Escrow Bank hereby certifies that the Escrow Bank has been deemed to agree to the selection of the proposed substitute L/C Bank because: (i) such substitute bank is an Eligible Financial Institution; (ii) the substitute bank has agreed to assume all the rights and obligations of the existing L/C Bank under the Guaranteed Letter of Credit, the Reimbursement and Credit Agreement, and the Guarantee Agreement[, including any payment to the existing L/C Bank for accrued liabilities owed to it by the Obligor], in exchange for transferring the existing L/C Bank's rights to seek payments from the Obligor; and (iii) the interest charged by the substitute bank under the Reimbursement and Credit Agreement is lower than or equal to the interest charged by the existing L/C Bank.][*Paragraph to be included in the letter to the Guarantor in the event the Escrow Bank is deemed to have approved the proposed substitute L/C Bank, pursuant to Clause [] (Substitution of L/C Bank) of the Concession Agreement.*]

Sincerely,

[Authorized signature for the Obligor]

CONFIRMED AND AGREED BY:

[Authorized signature for the Escrow Bank]

SCHEDULE 4 (ANTI-CORRUPTION GUIDELINES FOR WORLD BANK GUARANTEE AND CARBON FINANCE TRANSACTIONS)

The purpose of these Guidelines is to clarify the meaning of the terms “Corrupt Practice”, “Fraudulent Practice”, “Coercive Practice”, “Collusive Practice”, and “Obstructive Practice” in the context of World Bank guarantee (partial risk guarantee and partial credit guarantee) projects; and carbon finance transactions, where the World Bank, as trustee of a carbon fund, purchases emission reductions under an emission reductions purchase agreement.

1. CORRUPT PRACTICES

A “Corrupt Practice” is the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party.

INTERPRETATION

- A. Corrupt Practices are understood as kickbacks and bribery. The conduct in question must involve the use of improper means (such as bribery) to violate or derogate a duty owed by the recipient in order for the payor to obtain an undue advantage or to avoid an obligation. Antitrust, securities, and other violations of law that are not of this nature are excluded from the definition of Corrupt Practices.
- B. It is acknowledged that foreign investment agreements, concessions, and other types of contracts commonly require investors to make contributions for *bona fide* social development purposes or to provide funding for infrastructure unrelated to the project. Similarly, investors are often required or expected to make contributions to *bona fide* local charities. These practices are not viewed as Corrupt Practices for purposes of these definitions, so long as they are permitted under local law and fully disclosed in the payor’s books and records. Similarly, an investor will not be held liable for Corrupt Practices or Fraudulent Practices committed by entities that administer *bona fide* social development funds or charitable contributions.
- C. In the context of conduct between private parties, the offering, giving, receiving, or soliciting of corporate hospitality and gifts that are customary by internationally-accepted industry standards shall not constitute Corrupt Practices unless the action violates applicable law.
- D. Payment by private sector persons of the reasonable travel and entertainment expenses of public officials that are consistent with existing practice under relevant law and international conventions will not be viewed as Corrupt Practices.
- E. The World Bank Group does not condone facilitation payments. For the purposes of implementation, the interpretation of “Corrupt Practices” relating to facilitation payments will take into account relevant law and international conventions pertaining to corruption.

2. FRAUDULENT PRACTICES

A “Fraudulent Practice” is any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an

obligation.

INTERPRETATION

- A. An act, omission, or misrepresentation will be regarded as made recklessly if it is made with reckless indifference as to whether it is true or false. Mere inaccuracy in such information, committed through simple negligence, is not enough to constitute a “Fraudulent Practice” for purposes of World Bank Group sanctions.
- B. Fraudulent Practices are intended to cover acts or omissions that are directed to or against a World Bank Group entity. It also covers Fraudulent Practices directed to or against a World Bank Group member country in connection with the award or implementation of a government contract or concession in a project financed by the World Bank Group. Frauds on other third parties are not condoned but are not specifically sanctioned in World Bank guarantee projects or carbon finance operations. Similarly, other illegal behaviour is not condoned, but will not be sanctioned as a Fraudulent Practice under the World Bank sanctions program as applicable to World Bank guarantee projects or carbon finance operations.

3. COERCIVE PRACTICES

A “Coercive Practice” is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party.

INTERPRETATION

- A. Coercive Practices are actions undertaken for the purpose of bid rigging or in connection with public procurement or government contracting or in furtherance of a Corrupt Practice or a Fraudulent Practice.
- B. Coercive Practices are threatened or actual illegal actions such as personal injury or abduction, damage to property, or injury to legally recognizable interests, in order to obtain an undue advantage or to avoid an obligation. It is not intended to cover hard bargaining, the exercise of legal or contractual remedies, or litigation.

4. COLLUSIVE PRACTICES

A “Collusive Practice” is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party.

INTERPRETATION

Collusive Practices are actions undertaken for the purpose of bid rigging or in connection with public procurement or government contracting or in furtherance of a Corrupt Practice or a Fraudulent Practice.

5. OBSTRUCTIVE PRACTICES

An “Obstructive Practice” is (i) deliberately destroying, falsifying, altering, or concealing of evidence material to the investigation or making of false statements to investigators, in order to materially impede a World Bank Group investigation into allegations of a corrupt, fraudulent, coercive, or

collusive practice, and/or threatening, harassing, or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, or (ii) an act intended to materially impede the exercise of the World Bank's access to contractually required information in connection with a World Bank Group investigation into allegations of a corrupt, fraudulent, coercive, or collusive practice.

INTERPRETATION

Any action legally or otherwise properly taken by a party to maintain or preserve its regulatory, legal, or constitutional rights such as the attorney-client privilege, regardless of whether such action had the effect of impeding an investigation, does not constitute an Obstructive Practice.

GENERAL INTERPRETATION

A person should not be liable for actions taken by unrelated third parties unless the first party participated in the prohibited act in question.

SCHEDULE 5 (FORM OF SEMI-ANNUAL NOTICE OF AVAILABLE GUARANTEED L/C AMOUNT)

[LETTERHEAD OF THE L/C BANK]

[Date]

To: National Mission for Clean Ganga
[Insert Address of Obligor]
Attention:
Fax No.:
Email Address(es):

International Bank for Reconstruction and Development
1818 H Street NW
Washington, DC 20433
United States of America

Attention: Practice Manager, Infrastructure Finance and Guarantees
Facsimile: +1 (202) 522-0761
Email: guarantees@worldbank.org
Ref: Guarantee Number G-*[Include guarantee number]*

With a copy to: Loan Client Services
Facsimile: +1 (202) 522-1654
Email: loanclientservices@worldbank.org

Dear Sirs:

Re: Standby Letter of Credit No. [●] issued in favour of the *[name of city]* Concessionaire (the “Guaranteed L/C”) (Guarantee No. G[□] in support of the Second National Ganga River Project)

We refer to [Section II] of the Guaranteed L/C. Capitalized terms used and not otherwise defined herein shall have the meaning assigned thereto in the Guaranteed L/C.

We hereby notify you that as of *[Please insert [January 10] in the case of the semi-annual notice given on or before [January 15], and please insert [July 10] in the case of the semi-annual notice given on or before [July 15]]* _____, 20[], that:

- (a) the Outstanding Guaranteed Loan Amount is USD ; and
- (b) the Available Guaranteed L/C Amount is USD .

These amounts are subject to adjustment as a result of a drawing, reduction, cancellation, payment, reinstatement, or amendment after the date of this notice.

Yours faithfully,

[NAME OF THE L/C BANK]

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

* * *

SCHEDULE 6 (FORM OF REDUCTION NOTICE FOR MAXIMUM GUARANTEED LOAN PRINCIPAL AMOUNT)

[LETTERHEAD OF THE ESCROW BANK]

[Date]

To: *[Name of L/C Bank]*

To: International Bank for Reconstruction and Development
1818 H Street NW
Washington, DC 20433
United States of America

Attention: Practice Manager, Infrastructure Finance and Guarantees

Facsimile: +1 (202) 522-0761

Email: guarantees@worldbank.org

With a copy to: Loan Client Services
Facsimile: +1 (202) 522-1654
Email: loanclientservices@worldbank.org

With a copy to: *[Obligor]*

Re: Guarantee Beneficiary Reduction Notice under the [●] Agreement between [the Second National Ganga River Basin Escrow Bank] and International Bank for Reconstruction and Development (Guarantee No. G[□] in support of the Second National Ganga River Basin Project (the “Project”); Standby Letter of Credit No. [□] issued in favour of the Second National Ganga River Basin Project Escrow Bank (the “Guaranteed L/C”)

Dear Sir/Madam,

We refer to the [●] Agreement, dated *[date]* (the “[●] Agreement”), between the Second National Ganga River Basin Project Escrow Bank (the “*Escrow Bank*”) and International Bank for Reconstruction and Development in support of the Project. Capitalized terms used and not otherwise defined herein shall have the meaning assigned thereto in the [●] Agreement.

We hereby notify you that the Maximum Guaranteed Loan Principal Amount should be permanently reduced by *[amount of reduction]*. Accordingly, from the date of delivery (in accordance with Clause 2.2 (*Maximum Guaranteed Loan Principal Amount*) of the Guarantee Agreement) by the L/C Bank to the Guarantor of the L/C Bank’s Confirmation of Reduction Notice, the Maximum Guaranteed Loan Principal Amount shall be USD [_____].

Sincerely,

[Authorized signature for Escrow Bank]

**SCHEDULE 7 (FORM OF CONFIRMATION OF REDUCTION NOTICE FOR MAXIMUM
GUARANTEED LOAN PRINCIPAL AMOUNT)**

[LETTERHEAD OF THE L/C BANK]

[Date]

To: *[name of Escrow Bank]*
[address of Escrow Bank]

To: International Bank for Reconstruction and Development
1818 H Street NW
Washington, DC 20433
United States of America

Attention: Practice Manager, Infrastructure Finance and
Guarantees
Facsimile: +1 (202) 522-0761
Email: guarantees@worldbank.org

With a copy to: Loan Client Services
Facsimile: +1 (202) 522-1654
Email: loanclientservices@worldbank.org

With a copy to: *[name of Obligor]*

Dear Sirs,

**Standby Letter of Credit No. [] issued in favour of the [name of city] Concessionaire (the
“Guaranteed L/C”) (Guarantee No. G[] in support of the Second National Ganga River Basin
Project)**

We refer to the Guaranteed L/C. Terms defined in the Guaranteed L/C have the same meaning herein.

We hereby confirm the receipt of the Reduction Notice from the Second National Ganga River Basin
Project Escrow Bank dated [], notifying us of a permanent reduction of the Maximum Guaranteed
Loan Principal Amount to []. Accordingly, effective upon delivery of this notice to the Escrow Bank
and the Guarantor, the Maximum Guaranteed Loan Principal Amount shall be permanently reduced to
[]. The Outstanding Guaranteed Loan Amount is [].

Sincerely,

[Name of L/C Bank]

By: _____
Name: _____
Title: _____

**SCHEDULE 8 (CONDITIONS PRECEDENT TO THE EFFECTIVENESS OF THE
GUARANTEE AGREEMENT)**

1. Execution, delivery, and effectiveness of each of the following documents:
 - (a) the Indemnity Agreement;
 - (b) the Cooperation Agreement;
 - (c) the [Agra] Concession Agreement;
 - (d) the Reimbursement and Credit Agreement;
 - (e) the Escrow Agreement; [and]
 - (f) *[others TBD]*.
2. A certified copy of each of the following duly executed documents:
 - (a) the Guaranteed L/C; and
 - (b) the Reimbursement and Credit Agreement.
3. [A certificate of the Obligor that the representations and warranties set out in [Clause 7 (Representations and Warranties)] of the Cooperation Agreement are accurate and complete in all material respects as of the date of this certificate.]
4. An original legal opinion addressed to the Guarantor from (i) counsel to the Escrow Bank regarding the Guaranteed L/C; (ii) counsel to the Obligor regarding the Cooperation Agreement [and (iii) *[include any other relevant agreements]*].
5. An original legal opinion addressed to the Guarantor from the [Attorney General][Minister of Justice] of the Member Country relating to the Indemnity Agreement and the Reimbursement and Credit Agreement indicating that the Indemnity Agreement and the Reimbursement and Credit Agreement are legal, valid, binding, and enforceable against the Member Country in accordance with their terms.
6. Documentary evidence of the authority of each person who:
 - (a) (i) has signed the Indemnity Agreement; and (ii) will sign the statements, reports, certificates, and other documents required by the Indemnity Agreement on behalf of the Member Country, and will otherwise act as a representative of or on behalf of the Member Country in relation to the implementation and administration of the Indemnity Agreement (such documentary evidence to include certified copies of all governmental actions and consents taken or obtained in order to authorize the execution, delivery, and performance by the Member Country of the Indemnity Agreement and the transactions contemplated thereby and the authenticated specimen

signatures of and certificate of incumbency in respect of each person described in this paragraph (a));

- (b) has signed the Cooperation Agreement;
 - (c) has signed the Guaranteed L/C;
 - (d) has signed the Reimbursement and Credit Agreement;
 - (e) has signed this Agreement;
 - (f) has signed the [Agra] Concession Agreement;
 - (g) has signed the Escrow Agreement; [and]
 - (h) [*others TBD*].
7. Confirmation from an authorized officer of the LC Bank of satisfaction (or waiver) of all conditions precedent to the issuance of the Guaranteed L/C, other than any such condition precedent that requires the effectiveness of this Agreement.
 8. [Firm commitment for the financing necessary to complete construction of the Project, including satisfactory contribution of equity.]
 9. [Delivery of all relevant host country environmental approvals required for the operation of the Project, and compliance with all applicable World Bank requirements relating to Sanctionable Practices and environmental and social safeguards, including the World Bank Performance Standards.]
 10. [Effectiveness of all required insurance (to include Guarantor as an additional insured on third-party liability insurance).]
 11. Satisfaction of all conditions precedent for first disbursement under the [Financing Documents], other than any such condition precedent that requires the effectiveness of this Agreement.

SCHEDULE 9 (FORM OF NOTICE OF EFFECTIVENESS OF GUARANTEE AGREEMENT)

[Letterhead of IBRD]

[Date]

To: *[Guarantee Beneficiary]*

cc: *[Obligor]*

Dear Sir,

Re: Effectiveness Notice (Guarantee No. G[] in support of the Second National Ganga River Basin Project)

I, the undersigned, duly authorized representative of the International Bank for Reconstruction and Development (“**IBRD**”) do hereby notify you on behalf of IBRD that each of the conditions precedent set forth in Schedule 8 to the guarantee agreement dated [] between IBRD and [*name of the Guarantee Beneficiary*] (the “**Guarantee Agreement**”) has been satisfied or waived in a manner satisfactory to IBRD, and confirm that the Guarantee Agreement is in full force and effect.

IN WITNESS WHEREOF, IBRD has caused this effectiveness notice to be executed on its behalf by the undersigned on the date first above written, and such date shall be the “Effective Date” referred to in Clause 3 of the Guarantee Agreement.

By: _____

[Authorized signature for IBRD]

SCHEDULE 10 (FORM OF LIMITATION NOTICE)

[IBRD Letterhead]

[Date]

To: *[Guarantee Beneficiary]*

cc: *[Escrow Bank]*

[Obligor]

Re: Second National Ganga River Basin Project (Guarantee No. G[•])

Limitation Notice

Dear Sir or Madam:

We refer to the Guarantee Agreement between *[name of Guarantee Beneficiary]* and International Bank for Reconstruction and Development dated [•] (the “**Guarantee Agreement**”). Capitalized terms used and not otherwise defined herein shall have the meanings provided in the Guarantee Agreement.

We hereby notify you that the following Limitation Event under Clause 5.2 (*Guarantor’s Notice of No Further Coverage*) of the Guarantee Agreement has occurred *[Please select the applicable option]*:

- Guarantee Beneficiary Limitation Events. The occurrence of:
 - []
- Obligor Limitation Events. The occurrence of:
 - []
- Escrow Bank Limitation Events. The occurrence of:
 - []
- Member Country Limitation Events. The occurrence of:
 - []

In accordance with Clause 5.2 (*Guarantor’s Notice of No Further Coverage*) of the Guarantee Agreement, unless and until the Guarantor issues a Limitation Revocation Notice in relation thereto, and such Limitation Revocation Notice becomes effective, no draws made on the Guaranteed L/C on or after the 3rd Business Day following your receipt of this Limitation Notice will be covered by the

Guarantee.

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By: _____

Name: _____

Title: _____

SCHEDULE 11 (FORM OF LIMITATION REVOCATION NOTICE)

[IBRD Letterhead]

[Date]

To: *[Guarantee Beneficiary]*

cc: *[Escrow Bank]*

[Obligor]

**Re: Second National Ganga River Basin
Project (Guarantee No. G[●])
Limitation Revocation Notice**

Dear Sir or Madam:

We refer to the Guarantee Agreement between *[name of Guarantee Beneficiary]* and International Bank for Reconstruction and Development dated [●] (the “**Guarantee Agreement**”) and the Limitation Notice dated [•] from the Guarantor to the Guarantee Beneficiary (the “**Limitation Notice**”). Capitalized terms used and not otherwise defined herein shall have the meanings provided in the Guarantee Agreement.

We hereby notify you that the Limitation Event notified pursuant to the Limitation Notice has been remedied (in the reasonable opinion of the Guarantor) or waived. In accordance with Clause 5.3(a) of the Guarantee Agreement, effective on the 3rd Business Day following your receipt of this notice, the Limitation Notice will be revoked and the Escrow Bank may resume making demands under the Guaranteed L/C in respect of any unpaid and outstanding Guaranteed Obligation resulting from a payment default under the Escrow Agreement and that occurred while the Limitation Notice was in effect and that any Advances made by the L/C Bank under the Guaranteed L/C after the date of this Revocation Notice and in connection with such unpaid and outstanding Guaranteed Obligations will be covered under the Guarantee Agreement.

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By: _____

[Authorized signature]

SCHEDULE 12 (FORM OF PERMANENT LIMITATION NOTICE)

[IBRD Letterhead]

[Date]

To: [Guarantee Beneficiary]
cc: [Escrow Bank]
[Obligor]

Re: Second National Ganga River Basin

Project (Guarantee No. G[●])

Permanent Limitation Notice

Dear Sir or Madam:

We refer to the Guarantee Agreement between [name of Guarantee Beneficiary] and International Bank for Reconstruction and Development dated [●] (the “*Guarantee Agreement*”), and the [Escrow Bank][Obligor][Member Country] Limitation Notice dated [□] from the Guarantor to the Guarantee Beneficiary (the “*Limitation Notice*”). Capitalized terms used and not otherwise defined herein shall have the meaning given thereto in the Guarantee Agreement.

We hereby notify you that the Limitation Event specified in the Limitation Notice [has not been remedied (in the reasonable opinion of the Guarantor) within [six (6) months] after the relevant Limitation Effective Date][is not, in the reasonable opinion of the Guarantor, capable of being remedied] and has not be waived by the Guarantor.

In accordance with Clause 5.3(b) (*Revocation*) of the Guarantee Agreement, we hereby notify the Guarantee Beneficiary that, with effect from the 3rd Business Day after your receipt of this notice, the limitation notified to you pursuant to the Limitation Notice will become permanent, and the Maximum Guaranteed Loan Principal Amount will be permanently reduced by the amount of the undrawn portion of the Guaranteed L/C as of [applicable Limitation Effective Date].

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By: _____

[Authorized signature]

SCHEDULE 13 (FORM OF WITHHOLDING NOTICE)

[IBRD Letterhead]

[Date]

To: [Guarantee Beneficiary]

cc: [Escrow Bank]

[Obligor]

Re: Second National Ganga River Basin Project

(Guarantee No. G[●])

Withholding Notice

Dear Sir or Madam:

We refer to the Guarantee Agreement between [Guarantee Beneficiary] and International Bank for Reconstruction and Development dated [●] (the “*Guarantee Agreement*”). Capitalized terms used and not otherwise defined herein shall have the meanings provided in the Guarantee Agreement.

We hereby notify you that the Guarantor has determined that the following Withholding Event under the Guarantee Agreement has occurred [*Select as applicable*]:

- [The Guarantee Beneficiary has engaged (or is engaging) in a Sanctionable Practice that [was not disclosed by the Guarantee Beneficiary to the Guarantor promptly upon becoming known to the Guarantee Beneficiary] [could reasonably have been expected to have been discovered by the Guarantee Beneficiary through the exercise of such diligence as could reasonably have been expected of the Guarantee Beneficiary].]
- [The Guarantee Beneficiary has breached [Clause 10.6 (*Repackaging Arrangements*)] [Clause 11 (*Assignments*)] of the Guarantee Agreement.]
- [The Guarantee Beneficiary has breached its obligation under Section [●] of the Guarantee Agreement to [*description of relevant material obligation*] and has not remedied such breach within [60] days after notice of such breach from the Guarantor.]

In accordance with Clause 6.2 of the Guarantee Agreement, we hereby notify you that, effective on and from the 3rd Business Day after your receipt of this Withholding Notice, the Guarantor will withhold payment of all amounts otherwise due and payable by the Guarantor to the Guarantee Beneficiary under the Guarantee Agreement until (i) a successor Guarantee Beneficiary satisfactory to the Guarantor has been appointed in accordance with the Reimbursement and Credit Agreement and Clause 13.6

(*Substitution*) of the Guarantee Agreement or (ii) the relevant Withholding Event specified above is remedied (in the reasonable opinion of the Guarantor) or is waived by the Guarantor, in each case as notified by our issuance of a Withholding Revocation Notice.

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By: _____

[Authorized signature]

SCHEDULE 14 (FORM OF WITHHOLDING REVOCATION NOTICE)

[IBRD Letterhead]

[Date]

To: [Guarantee Beneficiary]

cc: *[Escrow Bank]*

[Obligor]

Re: Second National Ganga River Basin

Project (Guarantee No. G[●])

Withholding Revocation Notice

Dear Sir or Madam:

We refer to the Guarantee Agreement between *[Guarantee Beneficiary]* and International Bank for Reconstruction and Development dated [●] (the “**Guarantee Agreement**”) and the Withholding Notice dated [●] from the Guarantor to the Guarantee Beneficiary (the “**Withholding Notice**”). Capitalized terms used and not otherwise defined herein shall have the meanings provided in the Guarantee Agreement.

We hereby notify you that *[Select the applicable option]*:

- [a successor to the Guarantee Beneficiary (that was subject to the Withholding Event specified in the Withholding Notice) satisfactory to the Guarantor has been appointed pursuant to the Reimbursement and Credit Agreement and in accordance with Clause 13.6 (*Substitution*) of the Guarantee Agreement.]
- [the Withholding Event specified in the Withholding Notice issued pursuant to Clause 6.2 (*Withholding*) of the Guarantee Agreement has been [remedied to the Guarantor’s satisfaction][waived by the Guarantor].]

In accordance with Clause 6.2(a) (*Withholding*) of the Guarantee Agreement, effective on the 3rd Business Day after your receipt of this notice, we will no longer withhold payment of amounts otherwise due and payable by the Guarantor under the Guarantee Agreement.

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By: _____

[Authorized signature]

SCHEDULE 15 (FORM OF TERMINATION NOTICE)

[IBRD Letterhead]

[Date]

To: *[Guarantee Beneficiary]*

cc: *[Escrow Bank]*

[Obligor]

Re: Second National Ganga River Basin Project (Guarantee No. G[●])

Termination Notice

Dear Sir or Madam:

We refer to the Guarantee Agreement between *[Guarantee Beneficiary]* and International Bank for Reconstruction and Development dated [●] (the “**Guarantee Agreement**”). Capitalized terms used and not otherwise defined herein shall have the meaning given thereto in the Guarantee Agreement.

We hereby notify you that the following termination event has occurred under Clause 6 (*Termination; Withholding*) of the Guarantee Agreement [*Select the applicable option*]:

- []

In accordance with Clause 6.1 (*Termination; Withholding*) of the Guarantee Agreement, we hereby terminate the Guarantee Agreement, effective as of the 3rd Business Day following your receipt of this termination notice.

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

[Authorized signature]

SCHEDULE 16 (FORM OF GUARANTEE BENEFICIARY TERMINATION NOTICE)

[IBRD Letterhead]

[Date]

To: [Guarantee Beneficiary]

cc: [Escrow Bank]

[Obligor]

Re: Second National Ganga River Basin Project (Guarantee No. G[•])

Guarantee Beneficiary Termination Notice

Dear Sir or Madam:

We refer to the Guarantee Agreement between [Guarantee Beneficiary] and International Bank for Reconstruction and Development dated [•] (the “*Guarantee Agreement*”) and the Withholding Notice dated [•] from the Guarantor to the Guarantee Beneficiary (the “*Withholding Notice*”). Capitalized terms used and not otherwise defined herein shall have the meanings provided in the Guarantee Agreement.

We hereby notify you that [12 months] have elapsed since the Withholding Effective Date for the Withholding Notice. Consequently, as provided in Clause 6.2(b) (*Withholding*) of the Guarantee Agreement, we hereby terminate the Guarantee Agreement, effective as of the 3rd Business Day following your receipt of this termination notice.

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

[Authorized signature]

EXECUTION PAGE OF GUARANTEE AGREEMENT

THE GUARANTOR

For and on behalf of

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

THE GUARANTEE BENEFICIARY

For and on behalf of

[GUARANTEE BENEFICIARY]