

CONFORMED COPY

LOAN NUMBER 7731-ID

Loan Agreement

(Indonesia Infrastructure Finance Facility Project)

between

REPUBLIC OF INDONESIA

and

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT**

Dated January 15, 2010

LOAN AGREEMENT

AGREEMENT dated January 15, 2010, between REPUBLIC OF INDONESIA (“Borrower”) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”). The Borrower and the Bank hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to this Agreement) constitute an integral part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — LOAN

- 2.01. The Bank agrees to lend to the Borrower, on the terms and conditions set forth or referred to in this Agreement, the amount of one hundred million United States Dollars (US\$100,000,000), as such amount may be converted from time to time through a Currency Conversion in accordance with the provisions of Section 2.07 of this Agreement (“Loan”), to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section IV of Schedule 2 to this Agreement.
- 2.03. The Front-end Fee payable by the Borrower shall be equal to one quarter of one percent (0.25%) of the Loan amount. The Borrower shall pay the Front-end Fee not later than sixty (60) days after the Effective Date.
- 2.04. The interest payable by the Borrower for each Interest Period shall be at a rate equal to LIBOR for the Loan Currency plus the Variable Spread; provided, that upon a Conversion of all or any portion of the principal amount of the Loan, the interest payable by the Borrower during the Conversion Period on such amount shall be determined in accordance with the relevant provisions of Article IV of the General Conditions. Notwithstanding the foregoing, if any amount of the Withdrawn Loan Balance remains unpaid when due and such non-payment continues for a period of thirty (30) days, then the interest payable by the Borrower shall instead be calculated as provided in Section 3.02(d) of the General Conditions.
- 2.05. The Payment Dates are May 1 and November 1 in each year.

- 2.06. The principal amount of the Loan shall be repaid in accordance with the provisions of Schedule 3 to this Agreement.
- 2.07. (a) The Borrower may at any time request any of the following Conversions of the terms of the Loan in order to facilitate prudent debt management: (i) a change of the Loan Currency of all or any portion of the principal amount of the Loan, withdrawn or unwithdrawn, to an Approved Currency; (ii) a change of the interest rate basis applicable to all or any portion of the principal amount of the Loan withdrawn and outstanding from a Variable Rate to a Fixed Rate, or vice versa; and (iii) the setting of limits on the Variable Rate applicable to all or any portion of the principal amount of the Loan withdrawn and outstanding by the establishment of an Interest Rate Cap or Interest Rate Collar on the Variable Rate.
- (b) Any conversion requested pursuant to paragraph (a) of this Section that is accepted by the Bank shall be considered a “Conversion”, as defined in the General Conditions, and shall be effected in accordance with the provisions of Article IV of the General Conditions and of the Conversion Guidelines.

ARTICLE III — PROJECT

- 3.01. The Borrower declares its commitment to the objectives of the Project. To this end, the Borrower shall cause the Project to be carried out by PTSMI and the Company in accordance with the provisions of Article V of the General Conditions and the Project Agreement.
- 3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Borrower and the Bank shall otherwise agree, the Borrower shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.

ARTICLE IV — REMEDIES OF THE BANK

- 4.01. The Additional Events of Suspension consist of the following:
- (a) either of the parties to the Subsidiary Loan Agreement shall have failed to perform any of its obligations thereunder; or
- (b) PTSMI shall have failed to perform any of its obligations under the Shareholders Agreement; or
- (c) either of the parties to the Subordinated Loan Agreement shall have failed to perform any of its respective obligations thereunder; or

- (d) the Company shall have failed to perform any of its obligations as mandated under the Business License; or
 - (e) either of (i) the Borrower's Government Regulation Number 66/2007 as amended by the Borrower's Government Regulation Number 75/2008 on the capital participation of the Borrower for the establishment of PTSMI; or (ii) the Borrower's Presidential Decree Number 61/1988 as amended by Presidential Regulation Number 9/2009 on financial institutions; or (iii) the Borrower's Ministry of Finance Regulation Number 100/PMK.010/2009 on infrastructure financial institutions or its implementing regulations shall have been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the carrying out of the Project; or
 - (f) any of the Subsidiary Loan Agreement, the Subordinated Loan Agreement, the Shareholders Agreement, the Articles of Association, the Business License or the Operations Manual shall have been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the carrying out of the Project.
- 4.02. The Additional Events of Acceleration consist of the following: Any event specified in Section 4.01 of this Agreement occurs.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Additional Conditions of Effectiveness consist of the following:
- (a) the Subsidiary Loan Agreement, acceptable to the Bank, shall have been duly executed and delivered on behalf of the Borrower and PTSMI and shall have become effective and binding upon such parties in accordance with their respective terms, subject only to the effectiveness of this Loan Agreement;
 - (b) the Subordinated Loan Agreement, acceptable to the Bank, shall have been duly executed and delivered by or on behalf of PTSMI and the Company and shall have become effective and binding upon such parties in accordance with their respective terms, subject only to the effectiveness of this Loan Agreement;
 - (c) the Company shall have been legally incorporated pursuant to the Borrower's laws and regulations and the Articles of Association of the Company shall have been executed by the founding Shareholders and approved by MLHR;

- (d) the Borrower, through the MOF, shall have issued the Business License to the Company;
 - (e) the Co-financing Agreement shall have been executed and delivered and all conditions precedent to its effectiveness or to the right of the Borrower to make withdrawals under it (other than the effectiveness of this Agreement) have been fulfilled;
 - (f) the Shareholders Agreement, and any related share subscription documents to be entered into by and among the founding Shareholders and/or between the Company and the founding Shareholders shall have been executed and delivered on behalf of the parties and shall have become effective and binding upon such parties in accordance with their respective terms;
 - (g) the Project Agreement, shall have been duly executed and delivered on behalf of PTSMI and the Company and shall have become effective and binding upon the PTSMI and the Company in accordance with their respective terms;
 - (h) the Operations Manual, including the ESSF, acceptable to the Borrower and the Bank, shall have been adopted by the Company;
 - (i) each founding Shareholder shall have subscribed and paid up its respective initial capital contribution in such amount as required by the Shareholders Agreement;
 - (j) PTSMI shall have made available and disbursed financing in an amount of not less than Rupiah 600,000,000,000 (less the amount of the initial equity contribution of PTSMI as required under the Shareholders Agreement); and
 - (k) the Company shall have appointed and employed a chief executive officer, a chief financial officer and an environment and social safeguards staff acceptable to the Borrower and the Bank.
- 5.02. The Additional Legal Matters consist of the following: legal opinions that each of the Subsidiary Loan Agreement and the Subordinated Loan Agreement has been duly authorized by or ratified by, and executed and delivered on behalf of, the respective parties thereto, and is legally binding upon such parties in accordance with its terms, subject only to the effectiveness of this Loan Agreement.
- 5.03. The Effectiveness Deadline is the date one hundred twenty (120) days after the date of this Agreement.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

6.01. The Borrower's Representative is the Minister of Finance.

6.02. The Borrower's Address is:

Ministry of Finance
c/o Directorate General of Debt Management
Jalan Lapangan Banteng Timur 2-4
Jakarta 10710
Indonesia

Cable address:	Telex:	Facsimile:
FINMINISTRY 45799 Jakarta	DJMLN-IA 44319 DEPKEU-IA	(21) 381 2859

6.03. The Bank's Address is:

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Cable address:	Telex:	Facsimile:
INTBAFRAD Washington, D.C.	248423(MCI) or 64145(MCI)	1-202-477-6391

AGREED at Jakarta, Republic of Indonesia, as of the day and year first above written.

REPUBLIC OF INDONESIA

By: /s/ Rahmat Waluyanto

Authorized Representative

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By: /s/ Joachim von Amsberg

Authorized Representative

SCHEDULE 1

Project Description

The objective of the Project is to strengthen and further develop the institutional framework of the financial sector to facilitate financing of commercially viable infrastructure projects and thereby increase provision of private infrastructure in Indonesia.

The Project consists of the following Part:

Deployment of Investment Capital

Provide loans, guarantees, equity investments and other financial products, as well as advisory services for selected infrastructure Sub-projects in Indonesia through the Company.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. **Subsidiary Agreements**

1. **Subsidiary Loan Agreement.** To facilitate the carrying out of the Project, the Borrower shall make the entire proceeds of the Loan available to PTSMI through a Subsidiary Loan Agreement between the Borrower and PTSMI, under terms and conditions acceptable to the Borrower and the Bank, which, unless otherwise agreed between the Borrower and the Bank, shall include the following:
 - (a) the terms for relending the proceeds of the Loan shall be, denominated in Rupiah, with a repayment period of at least 24.5 years, including a grace period of at least 9 years, and an interest rate of no more than one-month SBI+1%; and
 - (b) the obligations of PTSMI and the Company to use the proceeds of the Subsidiary Loan Agreement and the Subordinated Loan Agreement, respectively, for the purposes of the Project in accordance with the Project Agreement and the Operations Manual.
2. **Subordinated Loan Agreement.** To facilitate the carrying out of the Project, the Borrower shall cause PTSMI to make the entire proceeds of the Loan available to the Company through a Subordinated Loan Agreement between PTSMI and the Company, under which repayment obligations of the Company are subordinated to those of certain senior lenders and other terms and conditions acceptable to the Borrower and the Bank, which, unless otherwise agreed between the Borrower and the Bank, shall include the following:
 - (a) the terms for relending the proceeds of the Loan shall be denominated in Rupiah with a repayment period of at least 24.5 years, including a grace period of at least 9 years and an interest rate of not more than 0.5% above the cost of funds to PTSMI under the Subsidiary Loan Agreement plus any actual income taxes payable by PTSMI as a result of lending to the Company; and
 - (b) the terms of the Subordinated Loan Agreement shall require that the Company use the proceeds of the Subordinated Loan Agreement exclusively for the purposes of the Project in accordance with the provisions of the Project Agreement and the Operations Manual.

For the avoidance of doubt, the obligation of the Borrower to repay the Loan is not subordinated in any manner, notwithstanding the subordinated nature of the Subordinated Loan Agreement and notwithstanding any failure by the Company to meet any repayment obligations under the Subordinated Loan Agreement or any failure by PTSMI to meet any repayment obligations under the Subsidiary Loan Agreement.

3. The Borrower shall exercise its rights under the Subsidiary Loan Agreement, and shall cause PTSMI to exercise its rights under the Subordinated Loan Agreement, in such manner as to protect the interest of the Borrower and the Bank and to accomplish the purposes of the Project. Except as the Borrower and the Bank shall otherwise agree, the Borrower shall not assign, amend, abrogate or waive the Subsidiary Loan Agreement or any of its provisions, and shall cause PTSMI not to assign, amend, abrogate or waive the Subordinated Loan Agreement or any of its provisions.
4. To facilitate the carrying out of the Project, the Borrower shall make the proceeds of the Co-financing Loan available to PTSMI and PTSMI shall make the proceeds of the Co-financing Loan available to the Company, in each case in accordance with the terms of the Co-financing Agreement.
5. The Borrower shall exercise its rights under the Subsidiary Loan Agreement, and shall cause PTSMI to exercise its rights under the Subordinated Loan Agreement, in such manner as to ensure that the Company shall hire an independent audit firm to conduct an annual audit under terms of reference and according to a schedule satisfactory to the Borrower and the Bank, which shall cover technical, financial and procurement aspects of all Sub-projects.

B. Institutional Arrangements

1. The Borrower shall carry out its responsibilities for the Project through DGSAM and DG Treasury. The Company shall be the Project Implementing Entity.
2. **Operations Manual.** Without limitation to the provisions of paragraph A.1 above, the Borrower shall exercise its rights under the Subsidiary Loan Agreement to cause PTSMI to exercise its rights as a Shareholder in the Company and its rights under the Subordinated Loan Agreement to cause the Company to:
 - (a) adopt, and thereafter carry out the Project, and cause each Sub-project Enterprise to carry out the Project, in accordance with the Operations Manual, acceptable to the Borrower and the Bank, setting out (i) Sub-project eligibility, due diligence and selection criteria, implementation requirements, and terms and conditions for Sub-Project Agreements; (ii) the ESSF and the requirements for its implementation by the

Company and by all Sub-Project Enterprises; (iii) procurement procedures consistent with those set out in Section III of this Schedule 2 including the right of the Bank to undertake review of any contract procured using the proceeds of the Loan upon notice by the Bank to the Borrower; (iv) financial management procedures consistent with those set out in Section II of this Schedule 2; (v) monitoring and evaluation criteria and performance indicators consistent with those referred to in Section II of this Schedule 2, including reporting consistent with that which would be undertaken by a listed company in Indonesia; and (vi) Integrity Due Diligence Procedures and the requirements for their implementation by the Company and by all Sub-Project Enterprises; and

- (b) provide to each of the Borrower and the Bank for its prior concurrence any revision proposed to be introduced into the Operations Manual, and thereafter approve only such revisions to the Operations Manual as shall have been agreed with the Bank and the Borrower.

- 3. **Environmental and Social Safeguards Framework.** The Borrower shall exercise its rights under the Subsidiary Loan Agreement to cause PTSMI to exercise its rights as a Shareholder in the Company and its rights under the Subordinated Loan Agreement to cause the Company to ensure that:

- (a) the ESSF shall at all times include the following provisions:
 - (i) a description of the categories of Sub-projects, including:
 - (A) Sub-projects in the early stages of preparation for sites that have not been selected and design options are still open;
 - (B) Sub-projects that have been fully prepared (where construction bids have been invited);
 - (C) Sub-projects that have already been implemented or for which construction is completed; and
 - (D) fee-based advisory services;
 - (ii) (A) environmental screening criteria, environmental assessment, environmental management plan and consultation and disclosure requirements for each type of Sub-project, including analyses of natural habitats, cultural property, forests and safety of dams, as applicable, consistent with the regulations of the Borrower and the policies of the Bank; (B) land acquisition and resettlement plan and compensation criteria, and consultation and disclosure requirements for each type of Sub-project; and (C) screening criteria and actions designed to facilitate a process of free, prior and informed consultation leading to broad community support involving Indigenous Peoples including Indigenous Peoples plans, where required, and consultation and disclosure requirements for each type of Sub-project; in each case

consistent with the regulations of the Borrower and the policies of the Bank and acceptable to the Borrower, the Bank and the Company;

- (iii) implementation arrangements, including staffing responsibilities for screening Sub-projects, designing safeguards instruments, arranging for consultations and disclosure, monitoring and evaluation and reporting arrangements and remedial measures; and
- (iv) institutional capacity planning and strengthening for the Company; and

(b) the Company shall implement the ESSF and cause each Sub-project Enterprise to implement the ESSF in carrying out its respective Sub-project.

4. **Sub-Project Agreements.** Without limitation to the provisions of paragraph B.2 above, the Borrower shall cause PTSMI to cause the Company to finance each Sub-project in accordance with the Operations Manual through a Sub-project Agreement on terms and conditions which shall include:

- (a) that the Company shall obtain rights adequate to protect its interests and those of the Borrower and the Bank, including the right of the Company to suspend or terminate the right of the Sub-project Enterprise to use the proceeds of the Sub-project Agreement and the obligation of the Sub-project Enterprise to refund all or any part of the amount of the financing provided to the Sub-project Enterprise upon such Sub-project Enterprise's failure to perform any of its obligations under its Sub-project Agreement with the Company or under the Operations Manual;
- (b) the requirement that each Sub-project Enterprise:
 - (i) carry out its Sub-project in accordance with the Operations Manual, including (A) the ESSF; and (B) the Integrity Due Diligence Procedures;
 - (ii) procure the goods, works and services to be financed out of the proceeds of the Sub-project Agreement in accordance with the provisions of this Agreement;
 - (iii) (A) maintain a financial management system and prepare financial statements in accordance with consistently applied accounting standards adequate to reflect its operations, resources and expenditures in respect of the Sub-project and (B) at the

Bank's or the Borrower's request, have such financial statements audited (annual audit) by independent auditors acceptable to the Bank, in accordance with consistently applied auditing standards acceptable to the Bank, and promptly furnish the statements as so audited to the Borrower and the Bank;

- (iv) permit the Borrower and the Bank to inspect the Sub-project, its operation and any relevant accounts, records and other documents relating to the Sub-project; and
 - (v) prepare and furnish to the Borrower and the Bank all such information as the Borrower or the Bank shall reasonably request relating to the foregoing; and
- (c) that the Company shall exercise its rights under each Sub-project Agreement in such manner as to ensure that the Sub-project is carried out in accordance with the Operations Manual and to protect the interests of the Borrower and the Bank.
5. **Shareholders Agreement.** The Borrower shall cause PTSMI to exercise its voting powers in relation to the Company and all powers of control available in relation to its nominee to the Board of Commissioners and Board of Directors of the Company (if any) in favor of the Company undertaking the Project in accordance with the Operations Manual.
6. **Financial Covenant.** (a) Except as the Bank and the Borrower shall otherwise agree, the Borrower shall exercise its rights under the Subsidiary Loan Agreement to cause PTSMI to exercise its rights under the Shareholders Agreement and the Subsidiary Loan Agreement to such that the Company shall not incur any subordinated debt if after the incurrence of such subordinated debt, the ratio of subordinated debt to equity shall be greater than 2.5 to 1.
- (b) For purposes of this paragraph:
- (i) The term "subordinated debt" means any indebtedness of the Company under (A) the Subordinated Loan Agreement and (B) the contract, agreement or other instrument between the Company and PTSMI pursuant to which the proceeds of the Co-financing Agreement are made available to the Company.
 - (ii) Subordinated debt shall be deemed to be incurred under the loan contract or agreement or other instrument providing for such subordinated debt or for the modification of its terms of payment, on the date, and to the extent that, the amount of such

subordinated debt has become outstanding pursuant to such contract, agreement or instrument.

- (iii) The term “equity” means the sum of the total unimpaired paid-up capital, retained earnings and reserves of the Company not allocated to cover specific liabilities.
- (iv) Whenever for the purposes of this Section it shall be necessary to value, in terms of Rupiah, subordinated debt payable in another currency, such valuation shall be made on the basis of the prevailing Bank Indonesia rate of exchange at which such other currency is, at the time of such valuation, obtainable for the purposes of servicing such subordinated debt, or, in the absence of such rate, on the basis of a rate of exchange acceptable to the Borrower and the Bank.

C. Anti-Corruption

The Borrower shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines and the Integrity Due Diligence Procedures, which shall be included at all times in the Operations Manual, and the relevant provisions of which shall be included in the Sub-project Agreement and the procurement documents for each respective Sub-project, in each case in a manner satisfactory to the Borrower and the Bank.

Section II. Project Monitoring Reporting and Evaluation

A. Project Reports

- 1. The Borrower shall monitor and evaluate the progress of the Project and, through PTSMI, prepare Project Reports in accordance with the provisions of Section 5.08 of the General Conditions and on the basis of indicators agreed with the Bank. Each Project Report shall cover the period of one(1) calendar quarter, and shall be furnished to the Bank not later than forty-five (45) days after the end of the period covered by such report.

B. Financial Management, Financial Reports and Audits

- 1. The Borrower shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 5.09 of the General Conditions.
- 2. The Borrower shall prepare and furnish to the Bank not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports

for the Project covering the quarter, in form and substance satisfactory to the Bank.

3. The Borrower shall have its Financial Statements audited in accordance with the provisions of Section 5.09(b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Borrower. The audited Financial Statements for each such period shall be furnished to the Bank not later than six (6) months after the end of such period.
4. Each of PTSMI and the Company shall establish and maintain a financial management system and prepare financial reports and audits in accordance with Section II.B of the Project Agreement.

Section III. Procurement

A. General

1. **Goods and Works.** All goods and works required for the Project and to be financed out of the proceeds of the Loan shall be procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines, and with the provisions of this Section.
2. **Consultants' Services.** All consultants' services required for the Project and to be financed out of the proceeds of the Loan shall be procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines and with the provisions of this Section.
3. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Bank of particular contracts refer to the corresponding method described in the Procurement Guidelines, or Consultant Guidelines, as the case may be.

B. Particular Methods of Procurement of Goods and Works

1. Goods and works shall be procured under contracts awarded on the basis of Established Private or Commercial Practices which have been found acceptable to the Bank and the Borrower in accordance with Section 3.12 of the Procurement Guidelines and as set out in the Operations Manual.

C. Particular Methods of Procurement of Consultants' Services

1. Consultants' services shall be procured under contracts awarded on the basis of Established Private or Commercial Practices which have been found acceptable to the Bank and the Borrower in accordance with Section 3.12 of the Procurement Guidelines and as set out in the Operations Manual.

D. Review by the Bank of Procurement Decisions

All contracts may, upon notice by the Bank to the Borrower, be subject to Post Review by the Bank.

Section IV. Withdrawal of Loan Proceeds

A. General

1. The Borrower may withdraw the proceeds of the Loan in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Bank shall specify by notice to the Borrower (including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.
2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Loan (“Category”), the allocation of the amounts of the Loan to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category.

Category	Amount of the Loan Allocated (expressed in USD)	Percentage of Expenditures to be financed (inclusive Taxes)
(1) Company Investments in Sub-projects	100,000,000	100%
TOTAL AMOUNT	100,000,000	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:
 - (a) from the Loan Account until the Bank has received payment in full of the Front-end Fee; or
 - (b) for payments made prior to the date of this Agreement.
2. The Closing Date is December 31, 2013.

SCHEDULE 3

Amortization Schedule

1. The following table sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date (“Installment Share”). If the proceeds of the Loan have been fully withdrawn as of the first Principal Payment Date, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined by the Bank by multiplying: (a) Withdrawn Loan Balance as of the first Principal Payment Date; by (b) the Installment Share for each Principal Payment Date, such repayable amount to be adjusted, as necessary, to deduct any amounts referred to in paragraph 4 of this Schedule, to which a Currency Conversion applies.

Principal Payment Date	Installment Share (Expressed as a Percentage)
November 1, 2018	2.17
May 1, 2019	2.22
November 1, 2019	2.28
May 1, 2020	2.34
November 1, 2020	2.40
May 1, 2021	2.46
November 1, 2021	2.52
May 1, 2022	2.58
November 1, 2022	2.64
May 1, 2023	2.71
November 1, 2023	2.78
May 1, 2024	2.85
November 1, 2024	2.92
May 1, 2025	2.99
November 1, 2025	3.07
May 1, 2026	3.14
November 1, 2026	3.22
May 1, 2027	3.30
November 1, 2027	3.38
May 1, 2028	3.47
November 1, 2028	3.56
May 1, 2029	3.65
November 1, 2029	3.74
May 1, 2030	3.83
November 1, 2030	3.93
May 1, 2031	4.02
November 1, 2031	4.12

May 1, 2032	4.23
November 1, 2032	4.33
May 1, 2033	4.44
November 1, 2033	4.71

2. If the proceeds of the Loan have not been fully withdrawn as of the first Principal Payment Date, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined as follows:
 - (a) To the extent that any proceeds of the Loan have been withdrawn as of the first Principal Payment Date, the Borrower shall repay the Withdrawn Loan Balance as of such date in accordance with paragraph 1 of this Schedule.
 - (b) Any amount withdrawn after the first Principal Payment Date shall be repaid on each Principal Payment Date falling after the date of such withdrawal in amounts determined by the Bank by multiplying the amount of each such withdrawal by a fraction, the numerator of which is the original Installment Share specified in the table in paragraph 1 of this Schedule for said Principal Payment Date (“Original Installment Share”) and the denominator of which is the sum of all remaining Original Installment Shares for Principal Payment Dates falling on or after such date, such amounts repayable to be adjusted, as necessary, to deduct any amounts referred to in paragraph 4 of this Schedule, to which a Currency Conversion applies.
3.
 - (a) Amounts of the Loan withdrawn within two (2) calendar months prior to any Principal Payment Date shall, for the purposes solely of calculating the principal amounts payable on any Principal Payment Date, be treated as withdrawn and outstanding on the second Principal Payment Date following the date of withdrawal and shall be repayable on each Principal Payment Date commencing with the second Principal Payment Date following the date of withdrawal.
 - (b) Notwithstanding the provisions of sub-paragraph (a) of this paragraph, if at any time the Bank adopts a due date billing system under which invoices are issued on or after the respective Principal Payment Date, the provisions of such sub-paragraph shall no longer apply to any withdrawals made after the adoption of such billing system.
4. Notwithstanding the provisions of paragraphs 1 and 2 of this Schedule, upon a Currency Conversion of all or any portion of the Withdrawn Loan Balance to an Approved Currency, the amount so converted in the Approved Currency that is repayable on any Principal Payment Date occurring during the Conversion Period, shall be determined by the Bank by multiplying such amount in its

currency of denomination immediately prior to the Conversion by either: (i) the exchange rate that reflects the amounts of principal in the Approved Currency payable by the Bank under the Currency Hedge Transaction relating to the Conversion; or (ii) if the Bank so determines in accordance with the Conversion Guidelines, the exchange rate component of the Screen Rate.

5. If the Withdrawn Loan Balance is denominated in more than one Loan Currency, the provisions of this Schedule shall apply separately to the amount denominated in each Loan Currency, so as to produce a separate amortization schedule for each such amount.

APPENDIX

Section I. Definitions

1. “Anti-Corruption Guidelines” means the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006.
2. “Articles of Association of the Company” means the Articles of Association of the Company.
3. “Bank Indonesia” means the central bank of the Borrower, and any successor thereto.
4. “Business License” means the license issued by the government of Indonesia to the Company pursuant to which the Company shall be licensed to carry out the Project.
5. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.
6. “Co-financier” means the Asian Development Bank, referred to in paragraph 15 of the Appendix to the General Conditions.
7. “Co-financing Agreement” means the agreement to be entered into between the Borrower and the Co-financier providing for the Co-financing.
8. “Co-financing Loan” means an amount of USD100,000,000 to be provided by the Co-financier to assist in financing the Project.
9. “Company” means the limited liability company to be incorporated and established under the laws of the Republic of Indonesia for the purpose of receiving the Subordinated Loan and carrying out the Project as the Project Implementing Entity.
10. “Company Investments” means loans, guarantees, equity investments and other financial products, as well as advisory services provided by the Company to a Sub-project Enterprise, in each case for the purpose of an eligible Sub-project, upon completion of preparation and appraisal of such Sub-project in full compliance with the provisions of the Operations Manual.
11. “Consultant Guidelines” means the “Guidelines: Selection and Employment of Consultants by World Bank Borrowers” published by the Bank in May 2004 and revised in October 2006.

12. “DGSAM” means the Directorate General of State Assets Management of the MOF, and any successor thereto.
13. “DG Treasury” means the Directorate General of Treasury of the MOF and any successor thereto.
14. “ESSF” means the Environmental and Social Safeguards Framework included in the Operations Manual meeting the requirements of paragraph 3 of Section I.B of Schedule 2 to this Agreement, as such ESSF may be revised from time to time by the Company with the agreement of the Borrower and the Bank.
15. “General Conditions” means the “International Bank for Reconstruction and Development General Conditions for Loans”, dated July 1, 2005 (as amended through February 12, 2008) with the modifications set forth in Section II of this Appendix.
16. “Integrity Due Diligence Procedures” means the procedures set out in a stand-alone chapter of the Operations Manual and incorporated by reference in the Subsidiary Loan Agreement, the Subordinated Loan Agreement and each Sub-project Agreement, setting out the steps to be taken by the Company, in making Company Investments, and by each Sub-project Enterprise, in executing a Sub-project, in order to identify, mitigate, report and cooperate in the investigation of and make restitution for corrupt, fraudulent, collusive, coercive and obstructive practices and other governance risks in the Project and each Sub-project.
17. “Indigenous Peoples” means those social groups in Indonesia that have a distinct social and cultural identity, and that are susceptible to being disadvantaged in the development process induced by the Project or any part thereof.
18. “MLHR” means the Ministry of Law and Human Rights of the Borrower, or any successor thereto.
19. “MOF” means the Ministry of Finance of the Borrower, or any successor thereto.
20. “Operations Manual” means the Operations Manual meeting the requirements of paragraph 2 of Section I.B of Schedule 2 to this Agreement, agreed between the Borrower and the Bank and as such manual may be revised from time to time by the Company with the agreement of the Borrower and the Bank.
21. “Procurement Guidelines” means the “Guidelines: Procurement under IBRD Loans and IDA Credits” published by the Bank in May 2004 and revised in October 2006.
22. “Project Implementing Entity” means the Company.

23. "PTSMI" means PT Sarana Multi Infrastruktur, a state-owned enterprise incorporated and established under the laws of the Borrower, or any successor thereto.
24. "Rupiah" means Rupiah, the currency of the Borrower.
25. "SBI" means Sertifikat Bank Indonesia, a Bank Indonesia security.
26. "Shareholder" means a shareholder of the Company and "Shareholders" means two or more shareholders of the Company.
27. "Shareholders Agreement" means an agreement between the founding Shareholders of the Company, including, but not limited to the Asian Development Bank, Deutsche Investitions und Entwicklungsgesellschaft mbH, the International Finance Corporation and PTSMI.
28. "Subordinated Debt to Equity Ratio" means the ratio set out in paragraph 6 of Section I.B of Schedule 2 to this Agreement.
29. "Subordinated Loan Agreement" means the agreement between PTSMI and the Company on the terms and conditions for the unsecured loan in the principal amount of the Rupiah equivalent of up to one hundred million United States Dollars (USD100,000,000) under which repayment obligations of the Company are subordinated to those of certain senior lenders and other terms and conditions satisfactory to the Bank and the Borrower, referred to in paragraph 2 of Section I.A of Schedule 2 to this Agreement.
30. "Sub-project" means an eligible infrastructure project for which the Company will make an investment, in each case in accordance with the Operations Manual, and "Sub-projects" means more than one Sub-project.
31. "Sub-project Agreement" means an agreement to be entered into between the Company and a Sub-project Enterprise in respect of an investment for a Sub-project in accordance with the Operations Manual.
32. "Sub-project Enterprise" means an enterprise which has been selected in accordance with the provisions of the Operations Manual to be the recipient of a Sub-project financing by the Company in respect of a Sub-project.
33. "Subsidiary Loan Agreement" means the agreement between the Borrower and PTSMI on the terms and conditions for the on-lending of the proceeds of the Loan, on terms and conditions satisfactory to the Bank and the Borrower, referred to in paragraph 1 of Section I.A of Schedule 2 to this Agreement.

Section II. Modifications to the General Conditions

The modifications to the General Conditions are as follows:

1. Paragraph (1) of Section 7.02 is modified to read as follows:

“Section 7.02. *Suspension by the Bank*

... (1) *Ineligibility*. The Bank or the Association has declared the Borrower (other than the Member Country) or the Project Implementing Entity ineligible to receive proceeds of any financing made by the Bank or the Association or otherwise to participate in the preparation or implementation of any project financed in whole or in part by the Bank or the Association, as a result of a determination by the Bank or the Association that the Borrower or the Project Implementing Entity has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of any financing made by the Bank or the Association.”

2. The following terms and definitions set forth in the Appendix are modified or deleted as follows, and the following new terms and definitions are added in alphabetical order to the Appendix as follows, with the terms being renumbered accordingly:

“‘Conversion Date’ means, in respect of a Conversion, the Execution Date (as herein defined) or such other date as requested by the Borrower and accepted by the Bank, on which the Conversion enters into effect, and as further specified in the Conversion Guidelines.”