

CONFORMED COPY

LOAN NUMBER 4001 CHA

Project Agreement

(Animal Feed Project)

between

INTERNATIONAL BANK FOR RECONSTRUCTION  
AND DEVELOPMENT

and

CHINA AGRIBUSINESS DEVELOPMENT TRUST  
AND INVESTMENT CORPORATION

Dated June 7, 1996

LOAN NUMBER 4001 CHA

PROJECT AGREEMENT

AGREEMENT, dated June 7, 1996, between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (the Bank) and CHINA AGRIBUSINESS DEVELOPMENT TRUST AND INVESTMENT CORPORATION (CADTIC).

WHEREAS (A) by the Loan Agreement of even date herewith between People's Republic of China (the Borrower) and the Bank, the Bank has agreed to make available to the Borrower an amount equal to one hundred fifty million dollars (\$150,000,000), on the terms and conditions set forth in the Loan Agreement, but only on condition that CADTIC agree to undertake such obligations toward the Bank as are set forth in this Agreement;

(B) by a subsidiary loan agreement to be entered into between the Borrower and CADTIC, the proceeds of the loan provided for under the Loan Agreement will be relented to CADTIC on the terms and conditions set forth in said Subsidiary Loan Agreement; and

WHEREAS CADTIC, in consideration of the Bank's entering into the Loan Agreement with the Borrower, has agreed to undertake the obligations set forth in this Agreement;

NOW THEREFORE the parties hereto hereby agree as follows:

ARTICLE I

Definitions

Section 1.01. Unless the context otherwise requires, the several terms defined in the Loan Agreement and the General Conditions (as so defined) have the respective meanings therein set forth.

## ARTICLE II

### Execution of the Project; Management and Operations of CADTIC

Section 2.01. (a) CADTIC declares its commitment to the objectives of the Project as set forth in Schedule 2 to the Loan Agreement, and, to this end, shall carry out the Project and conduct its operations and affairs in accordance with sound financial standards and practices, with qualified management and personnel, and in accordance with the Charter.

(b) Without limitation upon the provisions of paragraph (a) of this Section and except as the Bank and CADTIC shall otherwise agree, CADTIC shall carry out the Implementation Program set forth in Schedule 3 to this Agreement.

Section 2.02. (a) Except as the Bank shall otherwise agree, CADTIC shall: (i) make Sub-loans in accordance with the procedures and on the terms and conditions set forth or referred to in Schedule 1 to this Agreement; and (ii) exercise its rights in relation to each Investment Project in such manner as to protect its interests and the interests of the Bank, comply with its obligations under this Agreement and the Subsidiary Loan Agreement and achieve the purposes of the Project.

(b) Except as the Bank shall otherwise agree, procurement of the goods and consultants' services required for the Project and to be financed out of the proceeds of the Loan shall be governed by the provisions of Schedule 2 to the Project Agreement.

Section 2.03. (a) CADTIC shall carry out the obligations set forth in Sections 9.04, 9.05, 9.06, 9.07, 9.08 and 9.09 of the General Conditions (relating to insurance, use of goods and services, plans and schedules, records and reports, maintenance and land acquisition, respectively) in respect of the Project Agreement.

(b) For purposes of Section 9.08 of the General Conditions, and without limitation thereto, CADTIC shall:

(i) prepare, on the basis of guidelines acceptable to the Bank, and furnish to the Bank not later than six (6) months after the Closing Date or such later date as may be agreed for this purpose between the Borrower and the Bank, a plan designed to ensure the continued achievement of the objectives of the Project; and

(ii) afford the Bank a reasonable opportunity to exchange views with CADTIC on said plan.

Section 2.04. CADTIC shall duly perform all its obligations under the Subsidiary Loan Agreement. Except as the Bank shall otherwise agree, CADTIC shall not take or concur in any action which would have the effect of amending, abrogating, assigning or waiving the Subsidiary Loan Agreement or any provision thereof.

Section 2.05. (a) CADTIC shall, at the request of the Bank, exchange views with the Bank with regard to progress of the Project, the performance of its obligations under this Agreement and under the Subsidiary Loan Agreement, and other matters relating to the purposes of the Loan.

(b) CADTIC shall promptly inform the Bank of any condition which interferes or threatens to interfere with the progress of the Project, the accomplishment of the purposes of Loan, or the performance by CADTIC of its obligations under this Agreement and under the Subsidiary Loan Agreement.

## ARTICLE III

### Financial Covenants

Section 3.01. (a) CADTIC shall maintain procedures and records adequate to monitor and record the progress of the Project and of each Investment Project (including its cost and the benefits to be derived from it) and to reflect in accordance with consistently maintained sound accounting practices the operations and financial condition of CADTIC.

(b) CADTIC shall:

(i) have its records, accounts and financial statements (balance sheets, statements of income and expenses and related statements) for each fiscal year audited, in accordance with appropriate auditing principles consistently applied, by independent auditors acceptable to the Bank;

(ii) furnish to the Bank as soon as available, but in any case not later than six months after the end of each such year, (A) certified copies of its financial statements for such year as so audited and (B) the report of such audit by said auditors of such scope and in such detail as the Bank shall have reasonably requested; and

(iii) furnish to the Bank such other information concerning said records, accounts and financial statements as well as the audit thereof, as the Bank shall from time to time reasonably request.

Section 3.02. CADTIC shall take such steps satisfactory to the Bank as shall be necessary to protect itself against risk of loss resulting from changes in the rates of exchange between the various currencies (including Renminbi) used in its operations.

Section 3.03. (a) CADTIC shall: (i) prepare and furnish to the Bank for comment by January 1, 1997 a recapitalization plan designed to enable it to achieve a risk-weighted capital adequacy ratio of not less than 8 percent not later than December 31, 1998; and (ii) thereafter, duly implement said plan, taking into account the comments of the Bank thereon, and maintain such ratio at not less than 8% for each fiscal year after its fiscal year ending December 31, 1998.

(b) For the purposes of this Section, "risk-weighted capital adequacy ratio" shall have the meaning set forth in the Agreement for establishing minimum capital levels in banking, established by the Bank Committee on Banking Legislation and Supervision Practices, issued in 1988 (the Basel Agreement), as calculated in a manner acceptable to the Bank.

#### ARTICLE IV

Effective Date; Termination;  
Cancellation and Suspension

Section 4.01. This Agreement shall come into force and effect on the date upon which the Loan Agreement becomes effective.

Section 4.02. This Agreement and all obligations of the Bank and of CADTIC thereunder shall terminate on the date on which the Loan Agreement shall terminate in accordance with its terms, and the Bank shall promptly notify CADTIC thereof.

Section 4.03. All the provisions of this Agreement shall continue in full force and effect notwithstanding any cancellation or suspension under the General Conditions.

#### ARTICLE V

Miscellaneous Provisions

Section 5.01. Any notice or request required or permitted to be given or made under this Agreement and any agreement between the parties contemplated by this Agreement shall be in writing. Such notice or request shall be deemed to have been duly given or made when it shall be delivered by hand or by mail, telegram, cable,

telex or radiogram to the party to which it is required or permitted to be given or made at such party's address hereinafter specified or at such other address as such party shall have designated by notice to the party giving such notice or making such request. The addresses so specified are:

For the Bank:

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

Cable address:

INTBAFRAD  
Washington, D.C.

Telex:

248423 (MCI) or  
64145 (MCI)

For CADTIC:

China Agribusiness Development  
Trust & Investment Corporation  
No. 5 Deshengmenwai Street  
Beijing 100088  
China

Telex:

222683 CABTI CN

Section 5.02. Any action required or permitted to be taken, and any document required or permitted to be executed, under this Agreement on behalf of CADTIC may be taken or executed by its President or such other person or persons as said President shall designate in writing, and CADTIC shall furnish to the Bank sufficient evidence of the authority and the authenticated specimen signature of each such person.

Section 5.03. This Agreement may be executed in several counterparts, each of which shall be an original, and all collectively but one instrument.

IN WITNESS WHEREOF, the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names in the District of Columbia, United States of America, as of the day and year first above written.

INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT

By /s/ Russell Cheetham

Regional Vice President  
East Asia and Pacific

CHINA AGRIBUSINESS DEVELOPMENT  
TRUST AND INVESTMENT CORPORATION

By /s/ Li Daoyu

Authorized Representative

SCHEDULE 1

Procedures for and Terms and Conditions  
of Sub-loans

A. Eligibility

1. Each Sub-loan for an Investment Project shall be made to an Investment Enterprise which shall have established to the satisfaction of CADTIC on the basis of guidelines acceptable to the Bank, that:

(a) it possesses enterprise legal person status;

(b) it has been operating profitably in the animal feed industry for the three years preceding its application for a Sub-loan, or in the case of a new enterprise, its founders have been operating profitably in the animal feed industry for the three years preceding such application;

(c) it is able and has undertaken to contribute at least 30% of the total estimated cost of the Investment Project (including working capital) in the form of equity;

(d) it is creditworthy, or has obtained a guarantee, acceptable to CADTIC, of its performance and payment obligations under its respective Sub-loan, and it is able and has undertaken to maintain a debt service coverage ratio of not less than 2:1 and has the managerial, technical and other resources required for the efficient carrying out of the Investment Project;

(e) if the Investment Enterprise requires access to proprietary technology in order to carry out the Investment Project, it has made appropriate arrangements to obtain such technology;

(f) in the case of a Sub-loan to be made under Part A of the Project, the Investment Enterprise has prepared and has undertaken to carry out a suitable enterprise transformation work plan for its corporate restructuring; and

(g) in the case of the Sub-loan to be made under Part B of the Project, the Investment Enterprise has developed and undertaken to implement a suitable time-bound program for the strengthening of its capabilities in providing the following services for the animal feed subsector: (i) managerial, technical and vocational outreach training and skills development; (ii) coordination of research planning; (iii) identification and testing of new production and design technologies; (iv) improved feed quality control and feed formulation standardization; and (v) policy and technical advice on national feed security issues. Such program shall include the employment of consultants with terms of reference, qualifications and experience acceptable to the Bank, the furnishing to the Bank of the recommendations of said consultants, and implementation of such recommendations, taking into account the comments of the Bank thereon.

2. Each Sub-loan shall be made for an Investment Project which shall have been determined, on the basis of guidelines acceptable to the Bank:

(a) to be designed so as to alleviate a supply constraint of a critical ingredient, make greater economic use of available raw materials, contribute to improved quality or efficiency of industrial processes or improve organizational efficiency through specialization and integration;

(b) to be technically feasible and financially viable, and to be calculated to have an internal rate of return, after adjusting for inflation, of not less than 12%;

(c) to be in compliance with all applicable laws of the Borrower relating to health, safety and environmental protection; and

(d) if the Investment Project involves involuntary resettlement of persons, to include a suitable resettlement plan, approved by CADTIC, and, if more than 200 persons are affected, by the Bank, providing for compensation of such persons in accordance with principles and procedures satisfactory to the Bank.

B. Terms for Part A of the Project

1. The principal amount of each Sub-loan made for an Investment Project under Part A of the Project shall be denominated and be the equivalent in dollars or in Renminbi (or both) (determined as of the date or respective dates of withdrawal from the Loan Account or payment out of the Special Account) of the value of the currency or currencies so withdrawn or paid out on account of the cost of goods and services required for such Investment Project.

2. Each Sub-loan under Part A of the Project:

(a) shall be made for a period not exceeding seven years, inclusive of a grace period of up to two years;

(b) shall be charged interest: (i) on the principal amount thereof denominated in dollars and withdrawn and outstanding from time to time at an annual rate not less than the sum of (A) the rate of interest payable by CADTIC pursuant to Section 3.01(c)(iii) of the Loan Agreement plus (B) 2.3%; and (ii) on the principal amount thereof denominated in Renminbi and withdrawn and outstanding from time to time at a rate equal to the rate charged by CADTIC for loans of similar maturity at the time the Sub-loan is approved by CADTIC; and

(c) shall be charged a commitment charge on the principal amount of the Sub-loan not withdrawn from time to time at a rate equal to three-fourths of one percent (0.75%).

C. Terms for Part B of the Project

1. The principal amount of the Sub-loan made for the Investment Project under Part B of the Project shall be denominated and repayable in dollars and be equal to the amount of the Loan withdrawn from the Loan Account or paid out of the Special Account on account of the cost of goods and services required for such Investment Project.

2. The Sub-loan made under Part B of the Project:

(a) shall be made for a period not exceeding fifteen years, inclusive of a grace period of five years;

(b) shall be charged interest on the principal amount thereof withdrawn and outstanding from time to time at an annual rate not less than the sum of (i) the rate of interest payable by CADTIC pursuant to Section 3.01(c)(iii) of the Loan Agreement plus (ii) 0.5%; and

(c) shall be charged a commitment charge on the principal amount of the Sub-loan not withdrawn from time to time at a rate equal to three-fourths of one percent (0.75%).

D. General Terms and Conditions

1. No Sub-loan shall be made to an Investment Enterprise in which CADTIC holds majority ownership or exercises a controlling interest.

2. The total amount of all Sub-loans for any one Investment Project shall not exceed the lesser of (a) 55% of the total estimated cost of the Investment Project (including working capital) and (b) \$20,000,000 equivalent.

3. No Sub-loan shall be made for an Investment Project involving commodity markets until appropriate guidelines, acceptable to the Bank, for the operation of such markets, consistent with market principles, shall have been established.

4. No expenditures for goods or services required for an Investment Project shall be eligible for financing out of the proceeds of the Loan unless:

(a) the Sub-loan for such Investment Project shall have been approved by the Bank and such expenditures shall have been made not earlier than one hundred eighty (180) days prior to the date on which the Bank shall have received the application and information required under paragraph 5(a) of this Schedule in respect of such Sub-loan; or

(b) the Sub-loan for such Investment Project shall have been a free-limit Sub-loan for which the Bank has authorized withdrawals from the Loan Account and such expenditures shall have been made not earlier than one hundred eighty (180) days prior to the date on which the Bank shall have received the request and information required under paragraph 5(b) of this Schedule in respect of such free-limit Sub-loan. For the purposes of the Loan Agreement and this Agreement, a free-limit Sub-loan shall be a Sub-loan for an Investment Project in an amount to be financed out of the proceeds of the Loan which shall not exceed the sum of \$15,000,000 equivalent, when added to any other outstanding amounts financed or proposed to be financed out of the proceeds of the Loan or of any other loan, provided for in any outstanding loan agreement between the Bank and the Borrower entered into before the date of this Agreement, the proceeds of which have been or are being used for financing goods and services directly and materially related to such Investment Project, the foregoing amount being subject to change from time to time as determined by the Bank. Notwithstanding the foregoing, the first Sub-loan for an Investment Project under each of Parts A(1) through A(6) of the Project and the Sub-loan under Part B thereof shall not be deemed to be a free-limit Sub-loan.

5. (a) When presenting a Sub-loan (other than a free-limit Sub-loan) to the Bank for approval, CADTIC shall furnish to the Bank an application, in form satisfactory to the Bank, together with (i) a description of the Investment Enterprise and an appraisal of the Investment Project, including a description of the expenditures proposed to be financed out of the proceeds of the Loan; (ii) the proposed terms and conditions of the Sub-loan, including the schedule of amortization of the Sub-loan; and (iii) such other information as the Bank shall reasonably request.

(b) Each request by CADTIC for authorization to make withdrawals from the Loan Account in respect of a free-limit Sub-loan shall contain: (i) a summary description of the Investment Enterprise and the Investment Project, including a description of the expenditures proposed to be financed out of the proceeds of the Loan, and (ii) the terms and conditions of the Sub-loan, including the schedule of amortization therefor.

(c) Applications and requests made pursuant to the provisions of sub-paragraphs (a) and (b) of this paragraph shall be presented to the Bank on or before December 31, 1999.

6. Sub-loans shall be made on further terms whereby CADTIC shall obtain, by written contract with the Investment Enterprise or by other appropriate legal means, rights adequate to protect the interests of the Bank and CADTIC, including the right to:

(a) require the Investment Enterprise to carry out and operate the Investment Project with due diligence and efficiency and in accordance with sound technical, financial, managerial and environmental standards, and, if applicable, the resettlement plan approved pursuant to Part A.2(d) of this Schedule, to maintain adequate records and to provide, promptly, as needed, the funds, facilities, and other resources required for the purpose;

(b) require that: (i) the goods and services to be financed out of the proceeds of the Loan shall be procured in accordance with the provisions of Schedule 2 to this Agreement and (ii) such goods and services shall be used exclusively in the carrying out of the Investment Project;

(c) inspect, by itself or jointly with representatives of the Bank if the Bank shall so request, such goods and the sites, works, plants and construction included in the Investment Project, the operation thereof, and any relevant records and documents;

(d) require that: (i) the Investment Enterprise shall take out and maintain with responsible insurers such insurance, against such risks and in such amounts, as shall be consistent with sound business practice; and (ii) without any limitation upon the foregoing, such insurance shall cover hazards incident to the acquisition, transportation and delivery of goods financed out of the proceeds of the Loan to the place of use or installation, any indemnity thereunder to be made payable in a currency freely usable by the Investment Enterprise to replace or repair such goods;

(e) obtain all such information as the Bank or CADTIC shall reasonably request relating to the foregoing and to the administration, operations and financial condition of the Investment Enterprise and to the benefits to be derived from the Investment Project;

(f) require that each Investment Enterprise shall further maintain records and accounts adequate to reflect in accordance with consistently maintained sound practices its operations and financial condition, have its financial statements for each fiscal year audited, in accordance with appropriate auditing principles consistently applied, by independent auditors acceptable to the Bank, furnish to CADTIC as soon as available, but in any event not later than four months after the end of each such year, for forwarding to the Bank (if so requested by the Bank), certified copies of its financial statements for such year as so audited, and the report of such audit by said auditors, of such scope and in such detail as CADTIC (or the Bank) may request; and

(g) suspend or terminate the right of the Investment Enterprise to the use of the proceeds of the Loan upon failure by such Investment Enterprise to perform its obligations under its contract with CADTIC.

## SCHEDULE 2

### Procurement and Consultants' Services

#### Section I. Procurement of Goods

##### Part A: General

Goods shall be procured in accordance with the provisions of Section I of the "Guidelines for Procurement under IBRD Loans and IDA Credits" published by the Bank in January 1995 (the Guidelines) and the following provisions of this Section, as applicable.

##### Part B: International Competitive Bidding

1. Except as otherwise provided in Part C of this Section, goods shall be procured under contracts awarded in accordance with the provisions of Section II of the Guidelines and paragraph 5 of Appendix 1 thereto.

2. The following provisions shall apply to goods to be procured under contracts awarded in accordance with the provisions of paragraph 1 of this Part B.

###### (a) Grouping of Contracts

To the extent practicable, contracts for goods shall be grouped into bid packages estimated to cost the equivalent of \$5,000,000 or more each.

###### (b) Preference for domestically manufactured goods

The provisions of paragraphs 2.54 and 2.55 of the Guidelines and Appendix 2 thereto shall apply to goods manufactured in the territory of the Borrower.

##### Part C: Other Procurement Procedures

###### 1. Works

###### (a) National Competitive Bidding

Except as provided in Part C.1(b) of this Section I, works shall be procured under contracts awarded in accordance with the provisions of paragraphs 3.3 and 3.4 of the Guidelines.

###### (b) Procurement of Small Works

Works estimated to cost less than \$300,000 equivalent per contract, may be procured under lump-sum, fixed-price contracts awarded on the basis of quotations



obtained from three (3) qualified domestic contractors in response to a written invitation. The invitation shall include a detailed description of the works, including basic specifications, the required completion date, a basic form of agreement acceptable to the Bank, and relevant drawings, where applicable. The award shall be made to the contractor who offers the lowest price quotation for the required work, and who has the experience and resources to complete the contract successfully.

2. Goods

(a) Shopping

Except as provided in Part C.2(b) of this Section I, contracts for goods estimated to cost less than the equivalent of \$5,000,000 may be procured under contracts awarded on the basis of shopping procedures acceptable to the Bank, in accordance with the provisions of paragraphs 3.5 and 3.6 of the Guidelines.

(b) Direct Contracting

Goods which should be procured as an extension of an existing contract or must be purchased from the original supplier to be compatible with existing equipment or are of a proprietary nature may, with the Bank's prior agreement, be procured in accordance with the provisions of paragraph 3.7 of the Guidelines.

Part D: Review by the Bank of Procurement Decisions

1. Procurement Planning

Prior to the issuance of any invitations to prequalify for bidding or to bid for contracts, the proposed procurement plan for the Project shall be furnished to the Bank for its review and approval, in accordance with the provisions of paragraph 1 of Appendix 1 to the Guidelines. Procurement of all goods and works shall be undertaken in accordance with such procurement plan as shall have been approved by the Bank, and with the provisions of said paragraph 1.

2. Prior Review

With respect to each contract estimated to cost \$5,000,000 or more and each contract for proprietary items, the procedures set forth in paragraphs 2 and 3 of Appendix 1 to the Guidelines shall apply.

3. Post Review

With respect to each contract not governed by paragraph 2 of this Part, the procedures set forth in paragraph 4 of Appendix 1 to the Guidelines shall apply.

Section II. Employment of Consultants

1. Consultants' services shall be procured under contracts awarded in accordance with the provisions of the "Guidelines for the Use of Consultants by World Bank Borrowers and by the World Bank as Executing Agency" published by the Bank in August 1981 (the Consultant Guidelines). For complex, time-based assignments, such contracts shall be based on the standard form of contract for consultants' services issued by the Bank, with such modifications as shall have been agreed by the Bank. Where no relevant standard contract documents have been issued by the Bank, other standard forms acceptable to the Bank shall be used.

2. Notwithstanding the provisions of paragraph 1 of this Section, the provisions of the Consultant Guidelines requiring prior Bank review or approval of budgets, short lists, selection procedures, letters of invitation, proposals, evaluation reports and contracts shall not apply to (a) contracts for the employment of consulting firms estimated to cost less than \$100,000 equivalent each or (b) contracts for the employment of individuals estimated to cost less than \$50,000 equivalent each. However, said exceptions to prior Bank review shall not apply to (a) the terms of reference for such contracts, (b) single-source selection of consulting firms, (c) assignments of a critical nature, as reasonably determined by the Bank, (d) amendments to contracts for the employment of consulting firms raising the contract value to \$100,000 equivalent or above, or (e) amendments to contracts for the

employment of individual consultants raising the contract value to \$50,000 equivalent or above.

### SCHEDULE 3

#### Implementation Program

##### A. Project Management

In order to facilitate the proper implementation of the Project, CADTIC, through its International Finance Department, shall maintain with the central project management office referred to in paragraph 1 of Schedule 4 to the Loan Agreement, arrangements satisfactory to the Bank, for the provision by said office of the assistance described in said paragraph 1.

##### B. Monitoring and Evaluation

1. Without limitation upon the provisions of Section 2.03 of this Agreement, CADTIC shall supervise, monitor, evaluate and report on the implementation of the Investment Projects in accordance with guidelines acceptable to the Bank. Such guidelines shall include the preparation, under terms of reference acceptable to the Bank, and furnishing to the Borrower, for consolidation in the reports to be furnished by the Borrower to the Bank pursuant to paragraph 2 of Schedule 4 to the Loan Agreement, of progress reports on such implementation during the period under review, at least one month prior to the date on which the Borrower is required to furnish its consolidated report for such period to the Bank.

2. CADTIC shall prepare, in accordance with terms of reference acceptable to the Bank, and furnish to the Bank annual reports not later than July 1 in each fiscal year summarizing the financial statements and audit reports for the preceding fiscal year furnished to it by the Investment Enterprises pursuant to Part D.6(f) of Schedule 1 to this Agreement.

##### C. Institutional Strengthening

1. CADTIC shall undertake a program to strengthen its organization, management and operations through (a) institutional reorganization, (b) development of strategies to ensure capital adequacy and liquidity, (c) modernization of accounting and management information systems, (d) adoption of policies and procedures to improve risk management, and (e) expansion of its financial services. In order to assist CADTIC in developing and carrying out such program, CADTIC shall employ, not later than July 1, 1997, consultants whose terms of reference, qualifications and experience shall be satisfactory to the Bank. CADTIC shall furnish to the Bank, promptly upon their preparation, the recommendations of said consultants, and implement such recommendations of said consultants as shall have been agreed between the Bank and CADTIC.

2. CADTIC shall: (a) undertake a review of its lending operations for the purpose of improving supervision and control by consolidating its credit operations into one department; (b) on the basis of such review, prepare and furnish to the Bank, by January 1, 1997 a time-bound plan for such consolidation; and (c) thereafter, implement such plan taking into account the Bank's comments thereon.

