

CONFORMED COPY

CREDIT NUMBER 2184 CD

Development Credit Agreement

(Petroleum and Power Engineering Project)

between

REPUBLIC OF CHAD

and

INTERNATIONAL DEVELOPMENT ASSOCIATION

Dated November 29, 1990

CREDIT NUMBER 2184 CD

DEVELOPMENT CREDIT AGREEMENT

AGREEMENT, dated November 29, 1990, between REPUBLIC OF CHAD (the Borrower) and INTERNATIONAL DEVELOPMENT ASSOCIATION (the Association).

WHEREAS (A) the Borrower, having satisfied itself as to the feasibility and priority of the Project described in Schedule 2 to this Agreement, has requested the Association to assist in the financing of the Project;

(B) any financing so provided by the Association would be refunded, if the Association so requests, out of the proceeds of any credit by the Association which may later be granted to the Borrower for the construction of the Facilities (hereinafter defined) to be engineered under the Project, and

(C) Parts A.2, A.3 and B of the Project will be carried out by Societe

d'Etude et d'Exploitation de la Raffinerie du Tchad (SEERAT) -- a corporation organized under the laws of Chad and 51% owned by the Borrower and 49% owned by private parties -- with the Borrower's assistance, and, as part of such assistance, the Borrower will make available to SEERAT the proceeds of the Credit as provided in this Agreement; and

WHEREAS the Association has agreed, on the basis, inter alia, of the foregoing, to extend the Credit to the Borrower upon the terms and conditions set forth in this Agreement and in the Project Agreement of even date herewith between the Association and SEERAT;

NOW THEREFORE the parties hereto hereby agree as follows:

ARTICLE I

General Conditions; Definitions

Section 1.01. The "General Conditions Applicable to Development Credit Agreements" of the Association, dated January 1, 1985, with the last sentence of Section 3.02 deleted (the General Conditions) constitute an integral part of this Agreement.

Section 1.02. Unless the context otherwise requires, the several terms defined in the General Conditions have the respective the following meanings:

(a) "Accord entre Actionnaires" means Accord entre Actionnaires de la SEERAT, dated December 19, 1988, between the Borrower and the other shareholders of SEERAT therein named, as such agreement may be amended from time to time with the consent of the Association;

(b) "CFAF" means the Franc de la Cooperation Financiere en Afrique Centrale, the currency of the Borrower;

(c) "Convention" means Convention entre la Republique du Tchad et la Societe d'Etude et d'Exploitation de la Raffinerie du Tchad, dated December 19, 1988, between the Borrower and SEERAT, as such agreement may be amended from time to time with the consent of the Association;

(d) "Facilities" means a pipeline, a refinery and an electric power plant to be constructed in the Borrower's territory;

(e) "Project Agreement" means the agreement between the Association and SEERAT of even date herewith, as the same may be amended from time to time, and such term includes all schedules and agreements supplemental to the Project Agreement;

(f) "Project Preparation Advance" means the project preparation advance granted by the Association to the Borrower pursuant to exchanges of letters, dated October 6, 1986 and October 7, 1986, and dated January 4, 1990 and January 12, 1990, between the Borrower and the Association;

(g) "Special Account" means the account referred to in Section 2.02 (b) of this Agreement; and

(h) "Subsidiary Loan Agreement" means the agreement to be entered into between the Borrower and SEERAT pursuant to Section 3.01 (c) (ii) of this Agreement, as the same may be amended from time to time.

ARTICLE II

The Credit

Section 2.01. The Association agrees to lend to the Borrower, on the terms and conditions set forth or referred to in this Agreement, an amount in various currencies equivalent to seven million nine hundred thousand Special Drawing Rights (SDR 7,900,000).

Section 2.02. (a) The amount of the Credit may be withdrawn from the Credit Account in accordance with the provisions of Schedule 1 to this Agreement for expenditures made (or, if the Association shall so agree, to be made) in respect of the reasonable cost of services required for the Project described in Schedule 2 to this Agreement and to be financed out of the proceeds of the Credit.

(b) The Borrower shall, for the purposes of Parts A.2, A.3 and B of the Project, open and maintain in CFAP, in the name of SEERAT, a special deposit account in a commercial bank on terms and conditions satisfactory to the Association, including appropriate protection against set-off, seizure and attachment. Deposits into, and payments out of, the Special Account shall be made in accordance with the provisions of Schedule 3 to this Agreement.

(c) Promptly after the Effective Date, the Association shall, on behalf of the Borrower, withdraw from the Credit Account and pay to itself the amount required to repay the principal amount of the Project Preparation Advance withdrawn and outstanding as of such date and to pay all unpaid charges thereon. The unwithdrawn balance of the authorized amount of the Project Preparation Advance shall thereupon be canceled.

Section 2.03. The Closing Date shall be December 31, 1995 or such later date as the Association shall establish. The Association shall promptly notify the Borrower of such later date.

Section 2.04. (a) The Borrower shall pay to the Association a commitment charge on the principal amount of the Credit not withdrawn from time to time at a rate to be set by the Association as of June 30 of each year, but not to exceed the rate of one-half of one percent (1/2 of 1%) per annum.

(b) The commitment charge shall accrue: (i) from the date sixty days after the date of this Agreement (the accrual date) to the respective dates on which amounts shall be withdrawn by the Borrower from the Credit Account or canceled; and (ii) at the rate set as of the June 30 immediately preceding the accrual date or at such other rates as may be set from time to time thereafter pursuant to paragraph (a) above. The rate set as of June 30 in each year shall be applied from the next payment date in that year specified in Section 2.06 of this Agreement.

(c) The commitment charge shall be paid: (i) at such places as the Association shall reasonably request; (ii) without restrictions of any kind imposed by, or in the territory of, the Borrower; and (iii) in the currency specified in this Agreement for the purposes of Section 4.02 of the General Conditions or in such other eligible currency or currencies as may from time to time be designated or selected pursuant to the provisions of that Section.

Section 2.05. The Borrower shall pay to the Association a service charge at the rate of three-fourths of one percent (3/4 of 1%) per annum on the principal amount of the Credit withdrawn and outstanding from time to time.

Section 2.06. Commitment charges and service charges shall be payable semiannually on January 15 and July 15 in each year.

Section 2.07. (a) Subject to paragraphs (b) and (c) below, the Borrower shall repay the principal amount of the Credit in semiannual installments payable on each January 15 and July 15, commencing January 15, 2001 and ending July 15, 2030. Each installment to and including the installment payable on July 15, 2010, shall be one percent (1%) of such principal amount, and each installment thereafter shall be two percent (2%) of such principal amount.

(b) Whenever: (i) the Borrower's gross national product per capita, as determined by the Association, shall have exceeded \$790 in constant 1985 dollars for five consecutive years; and (ii) the Bank shall consider the Borrower creditworthy for Bank lending the Association may, subsequent to the review and approval thereof by the Executive Directors of the Association, and after due consideration by them of the development of the Borrower's economy, modify the terms of repayment of installments

under paragraph (a) above by requiring the Borrower to repay twice the amount of each such installment not yet due until the principal amount of the Credit prepaid. If so requested by the Borrower, the Association may revise such modification to include, in lieu of some or all of the increase in the amounts of such installments, the payment of interest at an annual rate agreed with the Association on the principal amount of the Credit withdrawn and outstanding from time to time, provided that, in the judgment of the Association, such revision shall not change the grant element obtained under the above-mentioned repayment modification.

(c) If, at any time after a modification of terms pursuant to paragraph (b) above, the Association determines that the Borrower's economic condition has deteriorated significantly, the Association may, if so requested by the Borrower, further modify the terms of repayment to conform to the schedule of installments as provided in paragraph (a) above.

Section 2.08. The currency of the French Republic is hereby specified for the purposes of Section 4.02 of the General Conditions.

Section 2.09. SEERAT is designated as representative of the Borrower for the purposes of taking any action in respect of Parts A.2, A.3 or B of the Project required or permitted to be taken under the provisions of Section 2.02 of this Agreement and Article V of the General Conditions.

ARTICLE III

Execution of the Project

Section 3.01. (a) The Borrower declares its commitment to the objectives of the Project as set forth in Schedule 2 to this Agreement, and, to this end, shall carry out Part A.1 of the Project with due diligence and efficiency and in conformity with appropriate administrative, financial and engineering practices, and shall provide, promptly as needed, the funds, facilities, services and other resources required for such Part of the Project.

(b) Without any limitation or restriction upon any of its other obligations under this Agreement, the Borrower shall cause SEERAT to perform in accordance with the provisions of the Project Agreement all the obligations of SEERAT therein set forth, shall take and cause to be taken all action, including the provision of funds, facilities, services and other resources, necessary or appropriate to enable SEERAT to perform such obligations, and shall not take or permit to be taken any action which would prevent or interfere with such performance.

(c) The Borrower shall make the proceeds of the Credit for Parts A.2, A.3 and B of the Project available to SEERAT, as approved by the Association, either: (i) as part of an equity contribution to SEERAT, under terms and conditions approved by the Association, or (ii) under a subsidiary loan agreement (the Subsidiary Loan terms and conditions approved by the Association which shall provide, inter alia, that the proceeds of the Credit shall be repaid at an interest rate of no less than 12% per annum, and for a term of no more than 15 years, including a grace period of no more than 5 years.

(d) The Borrower shall (i) exercise its rights as a shareholder of SEERAT in such manner as to protect the interests of the Borrower and the Association and to accomplish the purposes of the Credit, and (ii) exercise its rights under the Subsidiary Loan Agreement in such manner as to protect the interests of the Borrower and the Association and to accomplish the purposes of the Credit. Except as the Association shall otherwise agree, the Borrower shall not assign, amend, abrogate or waive the Subsidiary Loan Agreement or any provision thereof.

(e) The Borrower (i) shall not permit its shareholding in SEERAT to be less than 51%, (ii) shall ensure at all times that at least half of the directors serving on the Conseil d'Administration of SEERAT shall have been nominated by the Borrower, and (iii) shall take all other actions to ensure that the other shareholders of SEERAT

are incapable of exercising control over the activities of SEERAT in contravention of the Borrower's obligations under this Agreement and SEERAT's obligations under the Project Agreement.

(f) without the approval of the Association, the Borrower shall not amend, modify or supplement any provision of (i) the Accord entre Actionnaires, (ii) the Convention or (iii) SEERAT's Statuts.

Section 3.02. (a) For the purposes of carrying out Part A.1 of the Project, the Borrower shall employ consultants whose qualifications, experience and terms and conditions of employment shall be satisfactory to the Association. Such consultants shall be selected in accordance with principles and procedures satisfactory to the Association on the basis of the "Guidelines for the Use of Consulted Bank Borrowers and by the World Bank as Executing Agency" published by the Bank in August 1981.

(b) Except as the Association shall otherwise agree and except as provided in paragraph (a) above, procurement of the goods and consultants' services required for the Project and to be financed out of the proceeds of the Credit shall be governed by the provisions of Schedule 1 to the Project Agreement.

(c) The Borrower shall cooperate fully with such consultants in the performance of their services for the Project and make available to them all information relevant to the Project.

(d) The Borrower shall cause any consultants, employed by it for the purpose of assisting in carrying out the Project, promptly to furnish to the Association copies of the documents prepared by them for the Project, including reports and drafts thereof, plans, designs, specifications, work schedules and estimates of costs, in such detail as the Association shall reasonably request, provided that, if required by such consultants, the Association shall have provided reasonable assurances regarding the confidentiality, if any, of such documents.

(e) With respect to the evaluation and implementation of the recommendations and other conclusions contained in the documents referred to in the preceding paragraph or in any similar documents provided by consultants under Section 2.02 of the Project Agreement:

(i) during the carrying out of all Parts of the Project, the Borrower and the Association shall from time to time exchange views on said recommendations and conclusions; and

(ii) upon completion of each of Part A.1 and Part A.2 of the Project, the Borrower shall consult with the Association on the recommendations and conclusions relating thereto.

Section 3.03. The Borrower and the Association hereby agree that the obligations set forth in Sections 9.03, 9.04, 9.05, 9.06, 9.07 and 9.08 of the General Conditions (relating to insurance, use of goods and services, plans and schedules, records and reports, by SEERAT pursuant to Sections 2.03 through 2.09 of the Project Agreement with respect to Parts A.2, A.3 and B of the Project.

ARTICLE IV

Financial Covenants

Section 4.01. (a) The Borrower shall maintain or cause to be maintained records and accounts adequate to reflect in accordance with sound accounting practices the operations, resources and expenditures in respect of Part A.1 of the Project of the departments or agencies of the Borrower responsible for carrying out such Part or any portion thereof.

(b) The Borrower shall:

(i) have the records and accounts referred to in paragraph (a) of this Section including those for the Special Account for each fiscal year audited, in accordance with appropriate auditing principles consistently applied, by independent auditors acceptable to the Association;

(ii) furnish to the Association, as soon as available, but in any case not later than six months after the end of each such year, a certified copy of the report of such audit by said auditors, of such scope and in such detail as the Association shall have reasonably requested; and

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

ARTICLE V

Remedies of the Association

Section 5.01. Pursuant to Section 6.02 (h) of the General Conditions, the following additional events are specified:

(a) SEERAT shall have failed to perform any of its obligations under the Project Agreement.

(b) As a result of events which have occurred after the date of this Agreement, an extraordinary situation shall have arisen which shall make it improbable that SEERAT will be able to perform its obligations under the Project Agreement.

(c) The charter documents of SEERAT shall have been amended, suspended, abrogated, repealed or waived so as to affect materially under the Project Agreement.

(d) The Borrower or any other authority having jurisdiction shall have taken any action for the dissolution or disestablishment of SEERAT or for the suspension of its operations.

(e) Either (i) the Accord Entre Actionnaires, or any provision thereof, or (ii) the Convention, or any provision thereof, shall have been modified, waived or amended so as to adversely affect the execution of the Project.

(f) The Project Agreement shall have been terminated by any party thereto.

Section 5.02. Pursuant to Section 7.01 (d) of the General Conditions, the following additional events are specified:

(a) the event specified in paragraph (a) of Section 5.01 of this Agreement shall occur and shall continue for a period of sixty days after notice thereof shall have been given by the Association to the Borrower; and

(b) the events specified in paragraph (c), (d) (e) or (f) of Section 5.01 of this Agreement shall occur.

ARTICLE VI

Effective Date; Termination

Section 6.01. The following events are specified as additional conditions to the effectiveness of this Agreement within the meaning of Section 12.01 (b) of the General Conditions:

(a) SEERAT shall have adopted internal administrative procedures acceptable to the Association.

(b) the Subsidiary Loan Agreement has been executed on behalf of the Borrower

and SEERAT; and

(c) the Association shall have received from SEERAT:

(i) an opinion from counsel to SEERAT, acceptable to the Association, showing (A) that the Project Agreement and the Subsidiary Loan Agreement have been duly authorized or ratified by SEERAT, and are legally binding upon SEERAT in accordance with their respective terms, and (B) such other matters as shall be reasonably requested by the Association in connection therewith; and

(ii) a letter, dated no more than 10 days before the date of effectiveness of this Agreement, confirming that no event described in Section 3.04, 3.05 or 3.06 of the Project Agreement shall have occurred since October 1, 1990, other than any such event to which the Association shall have consented.

Section 6.02. The date ninety (90) days after the date of this Agreement is hereby specified for the purposes of Section 12.04 of the General Conditions.

ARTICLE VII

Representatives of the Borrower; Addresses

Section 7.01. The Minister of Planning and Cooperation of the Borrower is designated as representation of the Borrower for the purposes of Section 11.03 of the General Conditions.

Section 7.02. The following addresses are specified for the purposes of Section 11.01 of the General Conditions:

For the Borrower:

Minister of Planning and Cooperation
B.P. 286
N'Djamena
Republic of Chad

Cable address:

MINPLAN
N'Djamena

Telex:

5329 KD

For the Association:

International Development Association
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Cable address:

INDEVAS
Washington, D.C.

Telex:

197688 (TRT),
248423 (RCA),
64145 (UI) or
82987 (FTCC)

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.

REPUBLIC OF CHAD

By /s/ Mahamat Ali Adoum

Authorized Representative

INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/ Edward V. K. Jaycox

Regional Vice President
Africa

SCHEDULE 1

Withdrawal of the Proceeds of the Credit

1. The table below sets forth the Categories of items to be financed out of the proceeds of the Credit, the allocation of the amounts of the Credit to each Category and the percentage of expenditures for items so to be financed in each Category:

Category	Amount of the Loan Allocated (Expressed in SDR Eauivalent)	% of Expenditures to be Financed
(1) Consultants' services for:		
(a) Part A.1 of the Project	140,000	100% of foreign expenditures
(b) Part A.2 of the Project	1,600,000	100%
(c) Part A.3 (a) of the Project	840,000	100%
(d) Part B.1 of the Project	1,100,000	100%
(e) Part B.2 of the Project	950,000	100%
(2) Equipment and vehicles for Part A.3 (b) of the Project	140,000	100% of foreign expenditures
(3) Training and operational support for Part B.3 of the Project	975,000	100% of foreign expenditures
(4) Operating costs for Part B.3 of the Project	95,000	100%
(5) Refunding of Project Preparation Advance (b) of this	1,150,000	Amount due pursuant to Section 2.02

Agreement		
(6)	Unallocated	910,000
	TOTAL	7,900,000

2. For the purposes of this Schedule:

(a) the term "foreign expenditures" means (i) expenditures in any currency other than that of the Borrower for goods or services supplied from the territory of any country other than that of the Borrower, and (ii) if the currency of the Borrower is also that of any other country, expenditures in such currency for goods or services supplied from the territory of any such other country;

(b) the term "training" means costs of fellowships, training sessions, conferences, courses, study tours and travel; "rational support" means the wages and other compensation paid to operational personnel of SEERAT in connection with Part B.3 of the Project; and

(d) the term "operating costs" means the cost of operation and maintenance of equipment, vehicles and buildings (and does not include payment of salaries, wages, per diems or other compensation).

3. Notwithstanding the provisions of paragraph 1 above, no withdrawals shall be made:

(a) in respect of payments made for expenditures prior to the date of this Agreement, except that withdrawals, in an aggregate amount not exceeding the equivalent of SDR 800,000, may be made in respect of Categories (1) (b) and (1) (c) on account of payments made for expenditures before that date but after September 1, 1990; and

(b) in respect of Categories (1) (d), (1) (e), (3) and (4) until the Association has determined, based on the scope and cost of the construction of the Facilities defined pursuant to Part A.2 of the Project, that the economic and financial viability and technical feasibility of the construction and operation of the Facilities are justified.

SCHEDULE 2

Description of the Project

The objectives of the Project are to assist the Borrower and SEERAT to undertake all the preparations necessary for the construction of the Facilities (including preparation of their construction bid solicitation packages) and supervision of their construction within a sound institutional, macroeconomic and environmental framework.

The Project consists of the following parts, subject to such modifications thereof as the Borrower and the Association may agree upon from time to time to achieve such objectives:

Part A: Preparation of Tender Documents and Related Studies, and Related Operation of SEERAT

1. Preparation of, or completion of the previously initiated, following studies, as indicated: (a) completion of the evaluation of the environmental impact of the proposed construction and operation of the Facilities, (b) completion of the petroleum products pricing and electricity tariff study, (c) preparation of a study on the utilization of Sedigi associated gas, and (d) preparation of an industrial and a household energy and gas utilization study.

2. (a) Preparation by SEERAT of engineering designs, duty specifications and drawings sufficient to prepare tender documents (which take into account the results of the studies described under 1 (a) above) to solicit turnkey bids for the construction of the Facilities, (b) preparation by SEERAT of such tender documents, and (c) processing by SEERAT of invitations to bid, and evaluation by SEERAT of the

resulting bids, for the construction of the Facilities.

3. During the period prior to construction and commissioning of the Facilities: (a) management of SEERAT consistent with sound business, financial and engineering practices, and (b) operation of SEERAT consistent with such practices (including the acquisition by SEERAT of vehicles and other equipment).

Part B: Supervision of Construction and Commission of Facilities and Related Operation of SEERAT

1. Preparatory project management for, and supervision of, the construction and commissioning of the Facilities by SEERAT.

2. Management of SEERAT consistent with sound business, financial and engineering practices during construction and commissioning of the Facilities.

3. Operation of SEERAT consistent with sound business, financial and engineering practices (including training of SEERAT staff) during construction and commissioning of the Facilities.

* * *

The Project is expected to be completed by June 30, 1995.

SCHEDULE 3

Special Account

1. For the purposes of this Schedule:

(a) the term "eligible Categories" means Categories (1) (b), (c), (d), (e), (2), (3) and (4) set forth in the table in paragraph 1 of Schedule 1 to this Agreement;

(b) the term "eligible expenditures" means expenditures in respect of the reasonable cost of goods and services required for Parts A.2, A.3 and B of the Project and to be financed out of the proceeds of the Credit allocated from time to time to the eligible Categories in accordance with the provisions of Schedule 1 to this Agreement; and

(c) the term "Authorized Allocation" means an amount equivalent to \$200,000 to be withdrawn from the Credit Account and deposited into the Special Account pursuant to paragraph 3 (a) of this Schedule.

2. Payments out of the Special Account shall be made exclusively for eligible expenditures in accordance with the provisions of this Schedule.

3. After the Association has received evidence satisfactory to it that the Special Account has been duly opened, withdrawals of the Authorized Allocation and subsequent withdrawals to replenish the Special Account shall be made as follows:

(a) For withdrawals of the Authorized Allocation, the Borrower shall furnish to the Association a request or requests for a deposit or deposits which do not exceed the aggregate amount of the Authorized Allocation. On the basis of such request or requests, the Association shall, on behalf of the Borrower, withdraw from the Credit Account and deposit into the Special Account such amount or amounts as the Borrower shall have requested.

(b) (i) For replenishment of the Special Account, the Borrower shall furnish to the Association requests for deposits into the Special Account at such intervals as the Association shall specify.

(ii) Borrower shall furnish to the Association the documents and other evidence required pursuant to paragraph 4 of this Schedule for the payment or payments in respect of which replenishment is requested.

On the basis of each such request, the Association shall, on behalf of the Borrower, withdraw from the Credit Account and deposit into the Special Account such amount as the Borrower shall have requested and as shall have been shown by said documents and other evidence to have been paid out of the Special Account for eligible expenditures.

All such deposits shall be withdrawn by the Association from the Credit Account under the respective eligible Categories, and in the respective equivalent amounts, as shall have been justified by said documents and other evidence.

4. For each payment made by the Borrower out of the Special Account, the Borrower shall, at such time as the Association shall reasonably request, furnish to the Association such documents and other evidence showing that such payment was made exclusively for eligible expenditures.

5. Notwithstanding the provisions of paragraph 3 of this Schedule, the Association shall not be required to make further deposits into the Special Account:

(a) if, at any time, the Association shall have determined that all further withdrawals should be made by the Borrower directly from the Credit Account in accordance with the provisions of Article V of the General Conditions and paragraph (a) of Section 2.02 of this Agreement; or

(b) once the total unwithdrawn amount of the Credit allocated to the eligible Categories, less the amount of any outstanding special commitment entered into by the Association pursuant to Section 5.02 of the General Conditions with respect to Parts A.2, A.3 and B of the Project, shall equal the equivalent of twice the amount of the Authorized Allocation.

Thereafter, withdrawal from the Credit Account of the remaining unwithdrawn amount of the Credit allocated to the eligible Categories shall follow such procedures as the Association shall give to the Borrower. Such further withdrawals shall be made only after and to the extent that the Association shall have been satisfied that all such amounts remaining on deposit in the Special Account as of the date of such notice will be utilized in making payments for eligible expenditures.

6. (a) If the Association shall have determined at any time that any payment out of the Special Account: (i) was made for an expenditure or in an amount not eligible pursuant to paragraph 2 of this Schedule, or (ii) was not justified by the evidence furnished to the Association, the Borrower shall, promptly upon notice from the Association: (A) provide such additional evidence as the Association may request, or (B) deposit into the Special Account (or, if the Association shall so request, refund to the Association) an amount equal to the amount of such payment or the portion thereof not so eligible or justified. Unless the Association shall otherwise agree, no further deposit by the Association into the Special Account shall be made until the Borrower has provided such evidence or made such deposit or refund, as the case may be.

(b) If the Association shall have determined at any time that any amount outstanding in the Special Account will not be required to cover further payments for eligible expenditures, the Borrower shall, promptly upon notice from the Association, refund to the Association such outstanding amount.

(c) The Borrower may, upon notice to the Association, refund to the Association all or any portion of the funds on deposit in the Special Account.

(d) Refunds to the Association made pursuant to paragraphs 6 (a), (b) and (c) of this Schedule shall be credited to the Credit Account for subsequent withdrawal or for cancellation in accordance with the relevant provisions of this Agreement, including the General Conditions.

