

GRANT NUMBER TF0B6121

Caribbean Regional Resilience Building Facility Single-Donor Trust Fund
Grant Agreement
(Second Central America and Caribbean Catastrophe Risk Insurance Project)

between

Caribbean Catastrophe Risk Insurance Facility Segregated Portfolio Company

and

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT**

**administrator of Caribbean Regional Resilience Building Facility Single-Donor
Trust Fund**

GRANT NUMBER TF0B6121

**CARIBBEAN REGIONAL RESILIENCE BUILDING FACILITY
SINGLE-DONOR TRUST FUND
GRANT AGREEMENT**

AGREEMENT dated as of the Signature Date between CARIBBEAN CATASTROPHE RISK INSURANCE FACILITY SEGREGATED PORTFOLIO COMPANY (“CCRIF SPC”) (“Recipient”) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”), acting as administrator of CARIBBEAN REGIONAL RESILIENCE BUILDING FACILITY SINGLE-DONOR TRUST FUND.

WHEREAS, in furtherance of the development objective of this project, as described in Schedule 1 of this Agreement, and for the purpose of assisting the Recipient in the financing of the said project: (a) the World Bank, acting as administrator of the Central America and Caribbean Catastrophe Risk Insurance Program Multi-Donor Trust Fund (“CACCRIP”), and the Recipient intend to enter into a second grant agreement for the purpose of providing a grant in an estimated amount of eleven million Dollars (USD 11,000,000) in support of Parts 1 and 2 of the Project (“CACCRIP Co-financing Agreement”), and (b) the World Bank, acting as administrator of the Technical Assistance Program for Disaster Risk Financing and Insurance in Caribbean Overseas Countries and Territories Single Donor Trust Fund (“TA DRFI OCT”), and the Recipient intend to enter into a third grant agreement for the purpose of providing a grant in an estimated amount of two hundred sixty-one thousand eight hundred Euros (EUR 261,800) in support of Part 3(e) of the Project (“TA DRFI OCT Co-financing Agreement”) (the said grant agreements are collectively referred to as “Co-financing Agreements”).

NOW THEREFORE, the Recipient and the Bank hereby agree as follows:

**Article I
Standard Conditions; Definitions**

- 1.01. The Standard Conditions (as defined in the Appendix to this Agreement) apply to and form 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 Standard Conditions or in the Appendix this Agreement.

Article II
The Project

- 2.01. The Recipient declares its commitment to the objectives of the project described in Schedule 1 to this Agreement (“Project”). To this end, the Recipient shall carry out the Project in accordance with the provisions of Article II of the Standard Conditions and Schedule 2 to this Agreement.

Article III
The Grant

- 3.01. The Bank agrees to extend to the Recipient a grant in an amount not to exceed ten million Euros (EUR 10,000,000) (“Grant”) to assist in financing the Project.
- 3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section III of Schedule 2 to this Agreement.
- 3.03. The Grant is funded out of the abovementioned trust fund for which the Bank receives periodic contributions from the donor to the trust fund. In accordance with Section 3.02 of the Standard Conditions, the Bank’s payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the donors under the abovementioned trust fund, and the Recipient’s right to withdraw the Grant proceeds is subject to the availability of such funds.

Article IV
Additional Remedies

- 4.01. The Additional Events of Suspension referred to in Section 4.02 (k) of the Standard Conditions consists of the following:
- (a) The World Bank has determined, after the Effective Date referred to in Section 5.03 this Agreement, that prior to such date but after the Signature Date, an event has occurred which would have entitled the World Bank to suspend the Recipient’s right to make withdrawals from the Grant Account if this Agreement had been effective on the date such event occurred.
 - (b) The Cayman Islands’ Laws and Regulations have been amended, suspended, terminated, supplemented, replaced, abrogated, repealed or waived, so as to affect materially and adversely, in the opinion of the World Bank, the ability of the Recipient to perform any of its obligations under the Project.

- (c) The CCRIF Trust Deed, the CA Trust Deed, the CIMA License and/or the CIMA Approvals have been amended, suspended, terminated, supplemented, replaced, abrogated, repealed or waived so as to affect materially and adversely, in the opinion of the World Bank, the ability of the Recipient to perform any of its obligations under the Project.
- (d) The CA Trust Trustee has failed to comply with any of its obligations under the Subscription Agreement and/or the Operating Agreement, so as to affect materially and adversely, in the opinion of the World Bank, the ability of the Recipient to perform any of its obligation under the Project.

Article V
Effectiveness; Termination

- 5.01 This Agreement shall not become effective until evidence satisfactory to the World Bank has been furnished to the World Bank that the Recipient has:
- (a) fully executed and delivered the Co-financing Agreements and all conditions precedent to their effectiveness or to the right of the Recipient to make withdrawals under each of the Co-financing Agreements (other than the effectiveness of this Agreement) have been fulfilled;
 - (b) the execution and delivery of this Agreement on behalf of the Recipient has been duly authorized by all necessary corporate action;
 - (c) prepare and furnish to the Bank for its review and approval, the template participation agreement for eligible countries to join the CCRIF SPC; and
 - (d) adopted the Operations Manual in form and substance satisfactory to the Bank.
- 5.02 As part of evidence to be furnished pursuant to Section 5.01(b), there shall be furnished to the World Bank an opinion or opinions satisfactory to the World Bank of counsel acceptable to the World Bank showing that this Agreement has been duly authorized or ratified by all necessary corporate action, and executed and delivered on its behalf and is legally binding upon it in accordance with its terms.
- 5.03 Except as the Recipient and the Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 5.01 (“Effective Date”). If, before the Effective Date, any event has occurred which would have entitled the Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if this Agreement had been effective, the Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.

- 5.04. Termination for Failure to Become Effective. This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date 90 days after the date of this Agreement, unless the Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The Bank shall promptly notify the Recipient of such later date.

Article VI
Recipient's Representative; Addresses

- 6.01. The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is its chief executive officer.

- 6.02. For purposes of Section 7.01 of the Standard Conditions: (a) the Recipient's address is:

198 North Church Street
2nd Floor, Sagicor House PO Box 1087
Grand Cayman, KY1-1102
Cayman Islands; and

(b) the Recipient's Electronic Address is:

Facsimile:	E-mail:
1-345-949-6297	ccrif.ceo@gmail.com

- 6.03. For purposes of Section 7.01 of the Standard Conditions: (a) the Bank's address is:

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

(b) the Bank's Electronic Address is:

Telex:	Facsimile:
248423 (MCI) or 64145 (MCI)	1-202-477-6391

AGREED as of the Signature Date.

CCRIF SPC

By



Authorized Representative

Name: Isaac Anthony _____

Title: Chief Executive Officer _____

Date: 08-Jul-2021 _____

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT
acting as administrator of Caribbean Regional Resilience
Building Facility Single-Donor Trust Fund**

By



Authorized Representative

Name: Rita Kullberg Almeida _____

Title: Lead Economist / HD Program Leader / Acting CD _____

Date: 02-Jul-2021 _____

SCHEDULE 1

Project Description

The objective of the Project is to improve affordability of high-quality sovereign catastrophe risk transfer associated with earthquakes and Climate-related Events for CCRIF SPC Participating Countries.

The Project consists of the following parts:

Part 1: Parametric Geophysical risk insurance for COSEFIN Participating Countries

- (a) Payment of Reinsurance *Premia* and/or Swap *Premia* to cover part of the risk associated with Geophysical Events of COSEFIN Participating Countries insured by the Recipient.
- (b) Payment of Insurance Payouts to COSEFIN Participating Countries in the event a Geophysical Event occurs, and such occurrence constitutes an Insured Event.
- (c) Provision of technical assistance and training for the development, modification and/or implementation by the Recipient of insurance products associated with risks related to Geophysical Events and associated sub-hazards, to be provided to COSEFIN Participating Countries
- (d) Financing of the Participation Fee to become a COSEFIN Participating Country related to Geophysical Events.

Part 2: Parametric Climate Risk Insurance for COSEFIN Participating Countries

- (a) Payment of Reinsurance *Premia* and/or Swap *Premia* to cover part of the risk related to Climate-related Events of COSEFIN Participating Countries insured by the Recipient.
- (b) Payment of Insurance Payouts to COSEFIN Participating Countries in the event a Climate-related Event occurs, and such occurrence constitutes an Insured Event.
- (c) Provision of technical assistance, consultancy services and training for the development, modification and/or implementation by the Recipient of insurance products associated with risks related to Climate-related Events to be provided to COSEFIN Participating Countries.

- (d) Financing of the Participation Fee to become a COSEFIN Participating Country for Climate-Related Events

Part 3: Parametric Climate Risk Insurance for CARICOM Participating Countries and selected Overseas Countries and Territories (OCTs)

- (a) Payment of Reinsurance *Premia* and/or Swap *Premia* to cover part of the risk related to Climate-related Events of CARICOM Participating Countries insured by the Recipient.
- (b) Payment of Insurance Payouts to CARICOM Participating Countries in the event a Climate-related Event occurs, and such occurrence constitutes an Insured Event.
- (c) Provision of technical assistance, consultancy services, and training for the development, modification and/or implementation by the Recipient of insurance products associated with risks related to Climate-related Events to be provided to CARICOM Participating Countries.
- (d) Financing of the Participation Fee of eligible countries to become a CARICOM Participating Country for Climate-Related Events.
- (e) Provision of technical assistance for the delivery of training activities for the benefit of selected Overseas Countries and Territories (OCTs) to better understand CCRIF SPC products and services.

SCHEDULE 2

Project Execution

Section I. Institutional and Other Arrangements

A. Institutional Arrangements

1. The Recipient shall:

- (a) not change its corporate structure or ownership, as it relates to the implementation of the Project, without prior written consent of the World Bank, including amending or restating its memorandum and articles of association, if such change, amendment or restatement has or is reasonably likely to have a material adverse effect on the ability of the Recipient to carry out the Project, in the opinion of the World Bank;
- (b) promptly notify the World Bank in the event that the legal instruments establishing the Recipient, granting the CIMA License and/or any of the CIMA Approvals issued to the Recipient have been amended, suspended, terminated, supplemented, replaced, abrogated, repealed or waived;
- (c) maintain at all times until the completion of the Project, a unit, led by a Project coordinator and including, *inter alia*, a financial specialist, a procurement specialist, a technical specialist, a communications specialist, and an environmental and social safeguards specialist with a mandate and resources satisfactory to the Bank; and
- (d) In carrying out Part 3(b) of the Project, the Recipient shall use up to an amount equivalent to EUR 500,000, or such other amount as agreed to in writing by the World Bank and specified in the Operations Manual.

B. Subscription Agreement and Operating Agreement

- 1. To facilitate the carrying out of Parts 1 and 2 of the Project, the Recipient shall maintain throughout Project Implementation an agreement with the CA Trust Trustee (the Subscription Agreement) whereby the CA SP shares will be issued to the CA Trust Trustee, under terms and conditions acceptable to the World Bank.
- 2. For purposes of carrying out Parts 1 and 2 of the Project, the Recipient shall maintain throughout Project implementation, an agreement with the CA Trust Trustee (the Operating Agreement) under terms and conditions acceptable to the World Bank, including, *inter alia*, the financial and operational management obligations of the Recipient and the CA Trust Trustee within the CA SP.

3. The Recipient shall exercise its rights and carry out its obligations under the Subscription Agreement and the Operating Agreement in such a manner as to protect the interests of the Recipient, the World Bank, and the CCRIF Participating Countries and to accomplish the purposes of the Grant. Except as the World Bank may otherwise agree, the Recipient shall not amend, terminate, waive or fail to enforce any provision of the Subscription Agreement or the Operating Agreement. In case of any conflict between the terms of either the Subscription Agreement or the Operating Agreement, and those of this Agreement, the terms of this Agreement shall prevail.

C. Risk Transfer Contract

1. The Recipient shall, prior to the carrying out of activities under Parts 1(a), 2(a) and 3(a) of the Project with respect to a particular Risk Transfer Provider (RTP):
 - (a) select said RTP in accordance with Section III of this Schedule; and
 - (b) enter into an agreement (a Risk Transfer Contract) with said RTP under terms and conditions acceptable to the World Bank, including *inter alia*: the obligation of each of the parties to: (i) declare that they, their officers, or their employees have not engaged in any Prohibited Practice; (ii) refrain from engaging in any Prohibited Practice; (iii) report to the other party any allegations of any Prohibited Practice; (iv) cooperate with the other party in any investigation into allegations of any Prohibited Practice including allowing the other party to inspect its books and records; (v) take all reasonable measures to prevent any Prohibited Practice by its officers or employees, all in connection with each Risk Transfer Contract; and (vi) by notice to the other party, terminate the Risk Transfer Contract if the other party fails to comply with its obligations under said Risk Transfer Contract.
2. The Recipient shall exercise its rights and carry out its obligations under each Risk Transfer Contract in such a manner as to protect the interests of the Recipient, the World Bank, and the CCRIF Participating Countries so as to accomplish the purposes of the Grant. Except as the World Bank may otherwise agree, the Recipient shall not amend, terminate, waive or fail to enforce any provision of any Risk Transfer Contract. In case of any conflict between the terms of any Risk Transfer Contract and those of this Agreement, the terms of this Agreement shall prevail.

D. Operational Manual

1. The Recipient shall carry out the Project in accordance with the provisions of a manual (the Operations Manual), which shall include, *inter alia*: (a) a detailed description of Project activities and institutional arrangements for the Project,

including the eligibility and selection criteria for respective parties' participation under relevant Parts of the Project; (b) the Project administrative, accounting, auditing, reporting, financial (including cash flow aspects in relation thereto), procurement and disbursement procedures; (c) the forms of Parametric Insurance Contracts including the policies and procedures that govern the Insurance Payouts; and (d) the terms and conditions to be included in the Risk Transfer Contracts.

2. Except as the Recipient and the World Bank may otherwise agree in writing, the Recipient shall not abrogate, amend, suspend, waive or otherwise fail to enforce the Operations Manual or any provision thereof.

E. Environmental and Social Standards

1. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Bank.
2. Without limitation upon paragraph 1 above, the Recipient shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan ("ESCP"), in a manner acceptable to the Bank. To this end, the Recipient shall ensure that:
 - (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, and provided in the ESCP;
 - (b) sufficient funds are available to cover the costs of implementing the ESCP;
 - (c) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and
 - (d) the ESCP, or any provision thereof, is not amended, repealed, suspended or waived, except as the Bank shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.
3. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
4. The Recipient shall ensure that:
 - (a) all measures necessary are taken to collect, compile, and furnish to the Bank through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Bank, information on the status of compliance with the ESCP and the environmental and social instruments referred to therein, all such reports

in form and substance acceptable to the Bank, setting out, inter alia: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and

(b) the Bank is promptly notified of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.

5. The Recipient shall establish, publicize, maintain and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of Project-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Bank.

F. Anti-Corruption

1. The Recipient shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.
2. Notwithstanding the provisions of paragraph 6 of the Anti-Corruption Guidelines, paragraph 2.2(e) of Annex IV of the Procurement Regulations shall not apply to the selection of RTPs under Sections I.C and III of this Schedule, *provided that*, each Risk Transfer Contract shall include the following provision pursuant to which the Recipient shall, by exercising its rights under the Risk Transfer Contracts: (a) inform the World Bank of any allegation of a Prohibited Practice reported by any RTP; (b) enable the World Bank to inspect the books and records of any RTP related to the Project, all upon the World Bank's request to the Recipient; (c) at the World Bank's request, have said books audited by or on behalf of the World Bank, under terms of reference agreed with the World Bank; (d) suspend or terminate any RTP's right to process World Bank financed proceeds derived from the Grant if the World Bank has declared said RTP ineligible under paragraph 11 of the Anti-Corruption Guidelines; and (e) terminate any Risk Transfer Contract and obtain restitution from the relevant RTP of any amount of the Grant with respect to which fraud and corruption have occurred.

G. Participation Agreement

1. To facilitate the carrying out of the Project, and before any country within COSEFIN or CARICOM becomes a CCRIF Participating Country; the Recipient and said country shall enter into a participation agreement pursuant to the terms

and conditions satisfactory to the World Bank (“Participation Agreement”), including, *inter alia*, the obligation set forth in paragraph 2 below of this Section.

2. (a) No later than six (6) months after the occurrence of an Insured Event, the Recipient shall cause any CCRIF Participating Country, to prepare and furnish to the Recipient, and no later than nine (9) months, the Recipient shall submit to the World Bank, a report, in form and substance acceptable to the World Bank, as set forth in the Operations Manual; and
 - (b) in the event that the CCRIF Participating Country fails to comply with the obligation described in (a) above, the Recipient shall: (i) immediately inform and provide evidence to the World Bank of the CCRIF Participating Country’s failure to comply with such obligation; and (ii) take or cause to be taken the necessary measures to ensure that the abovementioned report is produced in form and substance acceptable to the World Bank.
3. The Recipient shall exercise its rights and carry out its obligations under the Participation Agreement in such manner as to protect the interests of the Recipient and the World Bank and to accomplish the purposes of the Grant. Except as the World Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate, terminate waive or fail to enforce the Participation Agreement or any of its provisions.

H. Donor Visibility and Visit

1. The Recipient shall take or cause to be taken all such measures as the World Bank may reasonably request to identify publicly the Donor’s support for the Project.
2. For the purposes of Section 2.09 of the Standard Conditions, the Recipient shall, upon the World Bank’s request, enable the representatives of the Donor(s) to visit any part of the CCRIF Participating Country’s territory for purposes related to the Project.

Section II. Project Monitoring, Reporting and Evaluation

A. Documents; Records

In addition, and without limitation to the obligations set forth in Section 2.05 of the Standard Conditions, the Recipient shall ensure that:

- (a) all records evidencing expenditures under the Project are retained for seven years and six months after the Closing Date, such records to include:
 - (i) this Agreement, all addenda thereof, and any amendments thereto;
 - (ii) the Recipient’s financial and narrative progress reports submitted to

the Bank; (iii) the Recipient's financial information related to the Grant, including audit reports, invoices and payroll records; (iv) the Recipient's implementation documentation (including sub-agreements, procurement files, contracts, purchase orders); and (v) the corresponding supporting evidence referred to in Section 3.04 of the Standard Conditions; and

- (b) the representatives of the Bank are: (i) able to examine all records referred to above in paragraph (a); (ii) provided all such information concerning such records as they may from time to time reasonably request; and (iii) able to disclose such records and information to the Donors.

B. Project Reports

1. The Recipient shall ensure that each Project Report is furnished to the Bank not later than sixty (60) days after the end of each calendar semester, covering the calendar semester of the Recipient, covering the semester, in form and substance satisfactory to the World Bank.

Section III. Withdrawal of Grant Proceeds

A. General

1. The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of: (a) Article III of the Standard Conditions; and (b) this Section; to finance Eligible Expenditures in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table.

Category	Amount of the Grant Allocated (expressed in EUR)	Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Participation Fee, non-consulting services, and Insurance Payouts under Parts 3 (a), (b), and (d) of the Project	9,850,000	100%
(2) Consulting services and Training under Part 3 (c) of the Project	150,000	100%
TOTAL AMOUNT	10,000,000	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section no withdrawal shall be made:
 - (a) for payments made prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed nine million five hundred thousand Euro (EUR 9,500,000) may be made for payments made prior to the Signature Date but not more than twelve (12) months prior to such date for Eligible Expenditures under Category 1.
2. The Closing Date is June 30, 2022.

Section IV. Other Undertakings

- A. For purposes of carrying out Parts 1(b), 2(b), and 3(b) of the Project, before the Recipient provides an Insurance Payout to a CCRIF Participating Country: (a) the Recipient shall enter into a Parametric Insurance Contract with the respective CCRIF Participating Country, under terms and conditions acceptable to the World Bank and as further described in the Operations Manual; and (b) an Insured Event must have occurred.
- B. For purposes of carrying out Parts 1(d), 2(d), and 3(d) of the Project, before the Recipient provides a Participation Fee payment to a CCRIF Participating Country, the Recipient shall enter into a Participation Agreement with the respective CCRIF Participating Country, in form and substance acceptable to the World Bank.

APPENDIX

Section I. Definitions

1. “Anti-Corruption Guidelines” means, for purposes of paragraph 2 of the Appendix to the Standard Conditions, the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006, and revised in January, 2011, and as of July 1, 2016.
2. “CACCRIP” means Central America and Caribbean Catastrophe Risk Insurance Program Multi-Donor Trust Fund.
3. “CACCRIP Co-financing Agreement” means the agreement between the Recipient and the World Bank as of the Signature Date, and further referred to in the preamble to this Agreement, for purposes of providing additional financing for activities related to the Project.
4. “CA SP” means the Central American Segregated Portfolio.
5. “CA STAR Trust” means a special Trust created by the CA Trust Deed, under the Special Trusts - Alternative Regime section of the British Overseas Territory of the Cayman Islands' Trusts Law (2011 Revision) dated November 21, 2011.
6. “CA Trust Deed” means the CA STAR Trust Deed dated April 16, 2015, which documents the creation of the CA STAR Trust to hold the shares of the Central American Segregated Portfolio.
7. “CA Trust Trustee” means Mourant Ozannes Corporate Services (Cayman) Limited, or any other entity, acceptable to the World Bank, acting as Trustee for the CA STAR Trust.
8. “CARICOM” means the Caribbean Community established by the Treaty of Chaguaramas, which came into effect on August 1, 1973.
9. “CARICOM Participating Country” means any of the CARICOM member or associate member countries with an active Participation Agreement signed with CCRIF SPC; “CARICOM Participating Countries” means, collectively, such countries.
10. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
11. “Cayman Islands' Laws and Regulations” means the following laws and regulations of the British Overseas Territory of the Cayman Islands: Trusts Law

(2011 Revision) dated November 21, 2011, Insurance Law, dated October 11, 2010, and Companies Law dated October 11, 2013.

12. “CCRIF SPC” or “CCRIF” means the exempted segregated portfolio company limited by shares established pursuant to the Memorandum and Articles of Association amended and restated by special resolution dated May 27, 2014 and registered in the Cayman Islands, formerly known as the Caribbean Catastrophe Risk Insurance Facility.
13. “CCRIF SPC Participating Country” means any of the CARICOM Participating Countries, or the COSEFIN Participating Countries, or selected OCTs; “CCRIF SPC Participating Countries” means, collectively, such countries.
14. “CCRIF STAR Trust” a special Trust declared by the CCRIF Trust Deed, under the Special Trusts - Alternative Regime section of the British Overseas Territory of the Cayman Islands’ Trusts Law (2011 Revision) dated November 21, 2011.
15. “CCRIF Trust Deed” means the CCRIF STAR Trust Deed dated May 16, 2007, which documents the creation of the CCRIF STAR Trust to hold the shares of the Recipient.
16. “CIMA” means the Cayman Islands Monetary Authority.
17. “CIMA Approval” means the approval granted by CIMA to the business plan of each Segregated Portfolio, collectively referred to as “CIMA Approvals.”
18. “CIMA License” means the license granted by CIMA to authorize the Recipient, to issue insurance policies.
19. “Climate-related Event” means any meteorological or hydrometeorological event, including but not limited to tropical cyclone, excess rainfall and droughts, except for purpose of component 3 of the Project, for which Climate-related Events exclude tropical cyclone events.
20. “Co-financing” means each of the grants referred to in the preamble of this Agreement to be provided for the financing of the Project.
21. “Co-financing Agreement” means each of the grant agreements referred to in the preamble of this Agreement to be entered into between the Recipient and the World Bank, acting as administrator of the respective Co-financing. “Co-financing Agreements” means, collectively, the agreements referred to in the preamble of this Agreement.

22. “COSEFIN” means *Consejo de Ministros de Hacienda o Finanzas de Centroamérica, Panamá y República Dominicana*, the Central America, Panama and the Dominican Republic Council of Ministers of Finance.
23. “COSEFIN Participating Country” means any of the member countries of COSEFIN with an active Participation Agreement signed with the Recipient; “COSEFIN Participating Countries” means, collectively, such countries.
24. “CRRBF” means Caribbean Regional Resilience Building Facility Single-Donor Trust Fund.
25. “Effective Date” means the date that the Grant Agreement becomes effective pursuant to Section 6.01 of the Standard Conditions.
26. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated June 17, 2021, as the same may be amended from time to time in accordance with the provisions thereof, which sets out the material measures and actions that the Recipient shall carry out or cause to be carried out to address the potential environmental and social risks and impacts of the Project, including the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any environmental and social instruments to be prepared thereunder.
27. “Environmental and Social Standards” or “ESSs” means, collectively: (i) “Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts”; (ii) “Environmental and Social Standard 2: Labor and Working Conditions”; (iii) “Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management”; (iv) “Environmental and Social Standard 4: Community Health and Safety”; (v) “Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement”; (vi) “Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources”; (vii) “Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan Historically Underserved Traditional Local Communities”; (viii) “Environmental and Social Standard 8: Cultural Heritage”; (ix) “Environmental and Social Standard 9: Financial Intermediaries”; (x) “Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure”; effective on October 1, 2018, as published by the Bank.
28. “Geophysical Event” means any event related to the physics of the Earth, including but not limited to earthquakes, volcanic eruptions, and landslides; “Geophysical Events” means collectively such events.
29. “Insurance Payouts” means any payment made by the Recipient to a CCRIF Participating Country, pursuant to the Parametric Insurance Contract and

calculated on the basis of modelled disaster losses of the CCRIF Participating Country, provided however that any insurance payouts whose payments are covered by any reinsurance purchased by the Recipient would be excluded. The model takes into account the geographic distribution of tangible assets, including infrastructure, and intangible assets within the CCRIF Participating Country and the type of assets. It then calculates the economic damage that the observed hazard is expected to have generated on the CCRIF Participating Country portfolio of assets. Each Insurance Payout is hereby deemed an Eligible Expenditure.

30. “Insured Event” means any event covered by parametric insurance, as specified in the Parametric Insurance Contracts.
31. “Operations Manual” means the Recipient's manual developed for the implementation of the Project, satisfactory to the World Bank, and referred to Section I.D.1 of Schedule 2 to this Agreement, as such manual may be amended from time to time with the World Bank's prior approval.
32. “Overseas Countries and Territories” or “OCTs” means Anguilla, Aruba, St. Barthelemy, British Virgin Islands, Bonaire, Cayman Islands, Curaçao, Montserrat, Saba, Turks and Caicos Islands, St Eustatius, St Maarten.
33. “Parametric Insurance Contract” means the agreement entered into between the Recipient and the CCRIF Participating Country, for parametric insurance coverage of Insured Events; “Parametric Insurance Contracts” means, collectively, such contracts.
34. “Participation Agreement” means any of the agreements referred to in Section I.G. 1 of Schedule 2 to this Agreement.
35. “Participation Fee” means the entrance fee to be paid by a country within COSEFIN or CARICOM to become a CCRIF Participating Country, as set forth in the Participation Agreement.
36. “Procurement Regulations” means, for purposes of paragraph 20 of the Appendix to the Standard Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated November 2020.
37. “Prohibited Practice” means any corrupt practice, fraudulent practice, collusive practice, coercive practice or obstructive practice, all as defined in the Operations Manual consistent with the Anti-Corruption Guidelines.
38. “Reinsurance *Premia*” means any payment made by the Recipient to any reinsurer or such other entity, to finance the cost of Risk Transfer Contracts, in particular reinsurance contracts or such other risk coverage, and, for the purposes of this

Project, Reinsurance *Premia* are considered to be non-consulting services pursuant to Section 2.11 of the Standard Conditions, and an Eligible Expenditure.

39. “Risk Transfer Contract” means any of the agreements set forth in Section I.C.1(b) of Schedule 2 to this agreement; “Risk Transfer Contracts” means, collectively, such contracts.
40. “RTP” means any risk transfer provider, including any reinsurer or other entity that provides risk transfer services.
41. “Segregated Portfolio” or “SP” means a stand-alone insurance entity within a Segregated Portfolio Company, which cannot call on capital from the Segregated Portfolio Company or another of the Segregated Portfolio Company's Segregated Portfolios.
42. “Segregated Portfolio Company” or “SPC” means a company containing separate Segregated Portfolios, pursuant to the British Overseas Territory of the Cayman Islands' laws.
43. “Signature Date” means the later of the two dates on which the Recipient and the Bank signed this Agreement and such definition applies to all references to “the date of the Grant Agreement” in the Standard Conditions.
44. “Standard Conditions” means the “International Bank for Reconstruction and Development and International Development Association Standard Conditions for Grant Financing Made by the Bank out of Trust Funds”, dated February 25, 2019, with the modifications set forth in Section II of this Appendix.
45. “Subscription Agreement” means the agreement dated April 16, 2015, as set forth in Section I.B.1 of Schedule 2 to this Agreement.
46. “Swap *Premia*” means the expenditures incurred by the Recipient to finance the cost of Risk Transfer Contracts for risk coverage, and for the purposes of this Project, said Swap *Premia* are considered to be non-consulting services pursuant to Section 2.11 of the Standard Conditions, and an Eligible Expenditure.
47. “TA DRFI OCT” means Technical Assistance Program for Disaster Risk Financing and Insurance in Caribbean Overseas Countries and Territories Single Donor Trust Fund.
48. “TA DRFI OCT Co-financing Agreement” means the agreement between the Recipient and the World Bank as of the Signature Date, and further referred to in the preamble to this Agreement, for purposes of providing additional financing for activities related to the Project.

49. “Training” means the reasonable costs, as shall have been approved by the World Bank, for training and workshops conducted under the Project, including tuition, travel and subsistence costs for training and workshop participants, costs associated with securing the services of trainers and workshop speakers, rental of training and workshop facilities, preparation and reproduction of training and workshop materials, and other costs directly related to training course and workshop preparation and implementation (but excluding goods and consultants' services).

Section II. Modifications to the Standard Conditions

The Standard Conditions are modified as follows:

1. The provisions of Section 2.11 of the Standard Conditions are hereby modified to read as follows: “the payment is for the reasonable cost of Insurance Payouts and Participation Fees, as defined in the Grant Agreement, or services required for the Project, to be financed out of the proceeds of the Grant and procured, all in accordance with the provisions of the Grant Agreement.”
2. The provisions of Section 4.02 (d) are deleted in their entirety.
3. The reference to “Member Country” in the Standard Conditions means the United Kingdom.