

Co-Lenders' Agreement

relating to the cofinancing of the
Oso Condensate Field Development Project

in the Federal Republic of Nigeria

between

THE EXPORT-IMPORT BANK OF JAPAN

and

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT

Dated April 24, 1991

CO-LENDERS' AGREEMENT

This Agreement, made and entered into as of the 24th day of April 1991, between the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter referred to as the "World Bank") and the EXPORT-IMPORT BANK OF JAPAN (hereinafter referred to as the "EXIMBANK").

WITNESSETH

WHEREAS:

- (A) The Nigerian National Petroleum Corporation (hereinafter referred to as the "Borrower") has requested the World Bank to assist in the financing of the Oso Condensate Field Development Project (hereinafter referred to as the "Project");
- (B) The World Bank has entered into a Loan Agreement (Loan Number 3317 UNI) with the Borrower, dated the 24th of April 1991, (hereinafter referred to as the "World Bank Loan Agreement"), under which the World Bank has agreed to lend to the Borrower, on the terms and conditions therein set forth or referred to, an amount in various currencies equivalent to two hundred eighteen million United States Dollars (US\$218,000,000) (hereinafter referred to as the "World Bank Loan") to finance part of the costs of goods and services required for the Project;
- (C) The World Bank Loan is guaranteed by a guarantee (hereinafter referred to as the "World Bank Guarantee") given by the Federal Republic of Nigeria (the "Guarantor") pursuant to a Guarantee Agreement between the Guarantor and the World Bank, dated the 24th of April 1991;
- (D) The Borrower has also requested the EXIMBANK to assist in financing the costs of goods and services required for the Project;
- (E) In response to the request made by the Borrower, the EXIMBANK has entered into a Loan Agreement with

the Borrower, dated the 24th of April 1991 (hereinafter referred to as the "EXIMBANK Loan Agreement"), under which the EXIMBANK has agreed to lend on a tied basis to the Borrower, on the terms and conditions therein set forth or referred to, an amount in Yen equivalent to forty-seven million United States Dollars (US\$47,000,000) (hereinafter referred to as the "EXIMBANK Loan") (the World Bank Loan Agreement and the EXIMBANK Loan Agreement being hereinafter referred to collectively as the "Loan Agreements" and individually as a "Loan Agreement");

- (F) The EXIMBANK Loan is also guaranteed by a guarantee (hereinafter referred to as the "EXIMBANK Guarantee") given by the Guarantor pursuant to a Guarantee Agreement between the Guarantor and the EXIMBANK, dated the 24th of April 1991 (the World Bank Guarantee and the EXIMBANK Guarantee being hereinafter referred to collectively as the "Guarantees" and individually as a "Guarantee");
- (G) The World Bank and the EXIMBANK (hereinafter referred to collectively as the "Co-lenders" and individually as a "Co-lender") consider it desirable to advise each other of matters concerning the Project, the Borrower and other matters of common interest.

NOW THEREFORE the Co-lenders hereby agree as follows:

ARTICLE I

Coordination, Exchange of Information, Consultation

Section 1.01. Each Co-lender shall, in conformity with and subject to its practices with respect to the treatment of information of a confidential nature, at the request of the other Co-lender, exchange views and provide pertinent information with respect to the following matters:

- (a) the financial condition of the Borrower;
- (b) the progress achieved by the Borrower in the implementation of the Project; and
- (c) disbursements under the Loan Agreements.

Section 1.02. Each Co-lender shall promptly inform the other Co-lender of any of the following events:

- (a) any event of which such Co-lender becomes aware which, in the opinion of such Co-lender, is likely to materially interfere with, or seriously hinder or impair, the implementation of the Project, or to adversely and materially interfere with the performance by: (i) the Borrower of its obligations under the Loan Agreement to which such Co-lender is a party, and/or (ii) the Guarantor of its obligations under the Guarantee given in favor of such Co-lender;
- (b) any notice given by the Borrower to prepay the whole or any part of the loan disbursed pursuant to the Loan Agreement to which such Co-lender is a party and any amount thereof actually prepaid.

Section 1.03. Each Co-lender shall inform the other

Co-lender of any supervision mission related to its respective Loan Agreement undertaken by itself and provide to such other Co-lender a report setting out the main findings or results of such mission.

Section 1.04. Without prejudice to the independent right of decision and action of each Co-lender under its respective Loan Agreement, each Co-lender shall give notice to, and to the extent reasonably practicable consult with, the other Co-lender whenever it proposes to:

- (a) suspend, terminate, cancel or accelerate, in whole or in part, the loan provided under its Loan Agreement;
- (b) agree to any substantial amendment to its Loan Agreement, or take any action which might result in the termination of its Loan Agreement; or
- (c) agree to extend the Closing Date (as defined in the World Bank Loan Agreement) or the Final Disbursement Date (as defined in the EXIMBANK Loan Agreement), as the case may be.

Section 1.05. In addition to the matters referred to in the foregoing Sections of this Article I, each Co-lender may consult with the other Co-lender on any matter of common interest arising out of this Agreement.

Section 1.06. Each Co-lender agrees that all its decisions, including decisions to take or refrain from taking action, concerning the Project or the Loan Agreement to which it is a party, will be based exclusively on its own judgment, independently of the information provided by, or expected from, the other Co-lender or the views expressed by such other Co-lender.

Article II

Method of Financing

Section 2.01. It is the intention of each Co-lender that the items to be cofinanced out of the proceeds of the EXIMBANK Loan and the World Bank Loan shall be financed on a parallel basis.

Article III

Adjustment for Cofinancing

Section 3.01. Subject to the agreement of the Borrower, each Co-lender shall take all necessary actions to incorporate relevant clauses in, and/or make such amendments as may be required to, the Loan Agreement to which such Co-lender is a party in order to reflect the cofinancing arrangements envisaged herein and to incorporate a cross default clause in respect of the other Co-lender's loan to such Borrower.

Article IV

Effectiveness of this Agreement

Section 4.01. Subject to Section 4.02 of this Agreement, this Agreement, which shall take effect upon its signature by both parties, shall remain in full force and effect until the date on which the EXIMBANK Loan Agreement shall have terminated or the date on which the World Bank Loan Agreement shall have terminated, whichever is earlier.

Section 4.02. This Agreement may be modified from time to time by further agreement in writing between the Co-lenders. This Agreement may be terminated at any time upon thirty (30) days' advance notice given in writing by either party to the other party.

Article V

Miscellaneous

Section 5.01. Any notice required under this Agreement and any agreement or other document contemplated by this Agreement shall be in writing. Any such notice shall be deemed to have been duly given either on the date of dispatch, if delivered by hand or sent by telex or cable, or five (5) days after the date of posting, if sent by registered airmail, and in each case addressed as specified below, or to such other address as either party shall have designated by notice to the other.

For the World Bank:

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

Cable address:	Telex:
INTBAFRAD	197688 (TRT)
Washington, D.C.	248423 (RCA)
	64145 (WUI)
	82987 (FTCC)

Attention:

Director, Western Africa Department
Africa Regional Office

For the EXIMBANK:

The Export-Import Bank of Japan
4-1, Ohtemachi 1-chome
Chiyoda-ku, Tokyo
Japan

Cable address:	Telex:
EXPORTBANK	2223728
Tokyo	

Attention:

Director, Loan Department II
(Europe, Middle East and Africa)

IN WITNESS WHEREOF, the duly authorized representatives of the parties have executed this Agreement in duplicate in the English language.

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By /s/ Callisto E. Madavo
Authorized Representative

THE EXPORT-IMPORT BANK OF JAPAN

By /s/ Masakazu Masuda
Authorized Representative

ANNEX A

Disbursement Notice

We hereby acknowledge receipt of the following
Request for Disbursement:

Date:

Serial No:

Amount:

In accordance with the Co-lenders' Agreement dated _____, 1991 between the Export-Import Bank of Japan (EXIMBANK) and the International Bank for Reconstruction and Development ("World Bank"), we have examined the said Request for Disbursement and find it in order and eligible for financing under the Loan Agreement dated _____, 1991 between EXIMBANK and the Nigerian National Petroleum Corporation ("Borrower") and the Loan Agreement dated _____, 1991 between the World Bank and the Borrower.

On the basis of the foregoing we hereby notify you as follows:

Amount of disbursement to be made by the EXIMBANK:

Currency: _____ Amount:

NOTE:

1. The non-eligible items included in said application and the reason for non-eligibility are as follows:

(non-eligible items) (reason)

(a)

(b)

(c)

2. The World Bank is arranging to disburse its cofinancing portion with respect to the eligible expenditures referred to in said request as follows:

Currency: _____ Amount:

3. Special instructions:

