

**OFFICIAL  
DOCUMENTS**

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**LOAN NUMBER 8610-ID**

**Guarantee Agreement**

**(Power Distribution Development Program)**

**between**

**REPUBLIC OF INDONESIA**

**and**

**INTERNATIONAL BANK FOR RECONSTRUCTION  
AND DEVELOPMENT**

**Dated MAY 23 , 2016**

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**LOAN NUMBER 8610-ID****GUARANTEE AGREEMENT**

AGREEMENT, dated MAY 23, 2016, entered into between REPUBLIC OF INDONESIA (“Guarantor”) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”) (“Guarantee Agreement”).

WHEREAS: In connection with the Loan Agreement of same date between the Bank and PT PERUSAHAAN LISTRIK NEGARA (PERSERO) (“Borrower”) (“Loan Agreement”), the Bank has agreed to provide to the Borrower, a loan in the amount of five hundred million United States Dollars (\$500,000,000) for the Power Distribution Development Program (Loan No. 8610-ID) on the terms and conditions set forth in the Loan Agreement, but only on condition that the Guarantor agrees to guarantee the obligations of the Borrower in respect of such loan as set forth herein;

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

**ARTICLE I – GENERAL CONDITIONS; DEFINITIONS**

Section 1.01. The General Conditions (as defined in the Appendix to the Loan Agreement) constitute an integral part of this Agreement.

Section 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Loan Agreement.

**ARTICLE II – GUARANTEE**

Section 2.01. The Guarantor declares its commitment to the objectives of the Program. To this end, without limitation or restriction upon any of its other obligations under the Guarantee Agreement, the Guarantor hereby unconditionally guarantees, as primary obligor and not as surety merely, the due and punctual payment of all Loan Payments payable by the Borrower pursuant to the Loan Agreement, and the Guarantor shall from time to time take such action as may be necessary or appropriate on its part to ensure prompt performance by the Borrower of its obligations under the Loan Agreement.

**ARTICLE III – REPRESENTATIVE; ADDRESSES**

Section 3.01. The Guarantor’s Representative: (a) for the purposes of Section 10.02 of the General Conditions; and (b) in accordance with the Guarantor’s Presidential Regulation No. 82/2015, dated July 15, 2015 as may be amended from time to time and the Guarantor’s Minister of Finance Regulation No. 189/PMK.08/2015, dated October 6, 2015, is the Minister of Finance.

Section 3.02. The Guarantor's Address is:

Ministry of Finance  
Directorate General of Budget Financing and Risk Management  
Gedung Frans Seda, 2<sup>nd</sup> Floor  
Jalan Dr. Wahidin No. 1  
Jakarta 10710, Indonesia

Telex:  
FINMINISTRY 45799  
Jakarta

Facsimile:  
+62-21-381-2859

Section 3.03. The Bank's Address is:

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

Telex:  
248423 (MCI) or 64145 (MCI)

Facsimile:  
(202) 477-6391

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

**REPUBLIC OF INDONESIA**

By 

Authorized Representative

Name: ROBERT PAKPAHAN

Title: DIRECTOR GENERAL OF BUDGET FINANCING  
AND RISK MANAGEMENT

**INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT**

By 

Authorized Representative

Name: Rodrigo A. Chavez

Title: Country Director