

No. 8464

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT
and
JAPAN**

Guarantee Agreement—*Third Expressway Project—Supplementary* (with related letter, annexed Loan Regulations No. 4 and Loan Agreement between the Bank and the Nihon Doro Kodan). Signed at Washington, on 29 July 1966

Official text: English.

Registered by the International Bank for Reconstruction and Development on 14 December 1966.

**BANQUE INTERNATIONALE POUR
LA RECONSTRUCTION ET LE DÉVELOPPEMENT
et
JAPON**

**Contrat de garantie — *Troisième projet d'autoroute —*
Projet complémentaire (avec lettre y relative et, en annexe, le Règlement n° 4 sur les emprunts et le Contrat d'emprunt entre la Banque et la Nihon Doro Kodan). Signé à Washington, le 29 juillet 1966**

Texte officiel anglais.

Enregistré par la Banque internationale pour la reconstruction et le développement le 14 décembre 1966.

No. 8464. GUARANTEE AGREEMENT¹ (*THIRD EXPRESS-WAY PROJECT—SUPPLEMENTARY*) BETWEEN JAPAN AND THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT. SIGNED AT WASHINGTON, ON 29 JULY 1966

AGREEMENT, dated July 29, 1966, between JAPAN (hereinafter called the Guarantor) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank).

WHEREAS by a loan agreement dated September 27, 1963² between the Bank and Nihon Doro Kodan (hereinafter called the Borrower), the Bank agreed to make a loan to the Borrower in an amount in various currencies equivalent to seventy-five million dollars (\$75,000,000), on the terms and conditions set forth in said loan agreement to assist the Borrower in financing an expressway project;

WHEREAS by a guarantee agreement dated September 27, 1963² between the Guarantor and the Bank, the Guarantor guaranteed the obligations of the Borrower in respect of said loan, on the terms and conditions set forth in said guarantee agreement;

WHEREAS by an agreement of even date herewith between the Bank and the Borrower, which agreement and schedules therein referred to are hereinafter called the Loan Agreement,³ the Bank has agreed to make available to the Borrower a supplemental loan in an amount in various currencies equivalent to one hundred million dollars (\$100,000,000) for the completion of the project, on the terms and conditions set forth in the Loan Agreement, but only on condition that the Guarantor agree to guarantee the obligations of the Borrower in respect of such loan as hereinafter provided; and

WHEREAS the Guarantor, in consideration of the Bank's entering into the Loan Agreement with the Borrower, has agreed so to guarantee such obligations of the Borrower;

NOW THEREFORE, the parties hereto hereby agree as follows :

¹ Came into force on 20 August 1966, upon notification by the Bank to the Government of Japan.

² United Nations, *Treaty Series*, Vol. 485, p. 283.

³ See p. 216 of this volume.

Article I

Section 1.01. The parties to this Guarantee Agreement accept all the provisions of Loan Regulations No. 4 of the Bank dated February 15, 1961,¹ subject, however, to the modifications thereof set forth in Schedule 2 to the Loan Agreement (said Loan Regulations No. 4 as so modified being hereinafter called the Loan Regulations), with the same force and effect as if they were fully set forth herein.

Section 1.02. Wherever used in this Guarantee Agreement, unless the context shall otherwise require, the terms defined in the Loan Agreement shall have the respective meanings therein set forth.

Article II

Section 2.01. The provisions of Articles II, III, IV and V of the 1963 Guarantee Agreement are hereby incorporated *verbatim* into this Agreement with the same force and effect as if they were fully set forth herein.

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

Japan :

By Taketoshi YAMASHITA
Authorized Representative

International Bank for Reconstruction and Development :

By J. Burke KNAPP
Vice President

¹ See p. 214 of this volume.

LETTER RELATING TO THE GUARANTEE AGREEMENT

EMBASSY OF JAPAN
WASHINGTON, D.C.

July 29, 1966

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

Re : *Loan No. 460 JA (Third Expressway Project—Supplementary)*
Negative Pledge

Dear Sirs :

With reference to Section 3.03 of the Guarantee Agreement (*Third Expressway Project—Supplementary*) of even date between Japan and the Bank, we take pleasure in confirming that :

(a) there is existing legislation consistent with the Japanese Constitution which enables the Government of Japan to control the external borrowings of its agencies, its political subdivisions and their agencies and the Bank of Japan, so as to oblige them to obtain the consent of the Government of Japan to any external borrowing and to the terms thereof, whether as to security or otherwise; and

(b) the Government of Japan will make the undertaking contained in said Section 3.03 effective with respect to liens on the assets of the Bank of Japan.

Very truly yours,

Japan :
By Taketoshi YAMASHITA
Authorized Representative

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

LOAN REGULATIONS No. 4, DATED 15 FEBRUARY 1961

REGULATIONS APPLICABLE TO LOANS MADE BY THE BANK TO BORROWERS OTHER THAN
MEMBER GOVERNMENTS

[Not published herein. See *United Nations, Treaty Series, Vol. 400, p. 212.*]

LOAN AGREEMENT

(THIRD EXPRESSWAY PROJECT—SUPPLEMENTARY)

AGREEMENT, dated July 29, 1966, between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank) and NIHON DORO KODAN (hereinafter called the Borrower).

Whereas by a loan agreement dated September 27, 1963¹ between the Bank and the Borrower, the Bank agreed to make a loan to the Borrower in an amount in various currencies equivalent to seventy-five million dollars (\$75,000,000), on the terms and conditions set forth in said loan agreement to assist the Borrower in financing an expressway project;

WHEREAS by a guarantee agreement dated September 27, 1963¹ between Japan and the Bank, Japan guaranteed the obligations of the Borrower in respect of said loan on the terms and conditions set forth in said guarantee agreement; and

WHEREAS additional funds are required for the completion of the project and the Bank is willing to make available to the Borrower a supplemental loan for such purpose on the terms and conditions hereinafter provided;

NOW THEREFORE, the parties hereto hereby agree as follows :

Article I

LOAN REGULATIONS; DEFINITIONS

Section 1.01. The parties to this Loan Agreement accept all the provisions of Loan Regulations No. 4 of the Bank dated February 15, 1961,² subject, however, to the modifications thereof set forth in Schedule 2 to this Agreement (said Loan Regulations No. 4 as so modified being hereinafter called the Loan Regulations), with the same force and effect as if they were fully set forth herein.

Section 1.02. Wherever used in the Loan Agreement, the following terms have the following meanings :

(a) The term " 1963 Loan Agreement " means the loan agreement (*Third Expressway Project*) dated September 27, 1963 between the Bank and the Borrower.

(b) The term " 1963 Loan " means the loan provided for in the 1963 Loan Agreement.

(c) The term " 1963 Guarantee Agreement " means the guarantee agreement (*Third Expressway Project*) dated September 27, 1963 between Japan and the Bank.

(d) The term " approach road " means any road, for the exclusive use of toll traffic, connecting interchanges of the Project with other roads.

¹ United Nations, *Treaty Series*, Vol. 485, p. 283.

² See p. 214 of this volume.