Dear Excellency,

Cross-Debarment by International Financial Institutions:
Amendment to Loan Agreements for the International Bank for Reconstruction and Development Loans

1. We refer to the loan agreements for the projects set out in the Attachment to this Amendment Letter (the “Loan Agreements”) between the International Bank for Reconstruction and Development (IBRD) and the Province of Buenos Aires (the “Borrower”). We also refer to our letter dated May 26, 2010 (attached) informing the Argentine Republic of the approval by the Boards of the World Bank Group (referred to here as the “Board”) for the Bank to enforce debarment decisions made by International Financial Institutions with which the World Bank Group has signed an Agreement for the Mutual Enforcement of Debarment Decisions.

2. As endorsed by the Board, the Bank proposes to amend existing legal agreements with all recipients of Bank financings to make applicable this cross-debarment regime to:

(i) all new contracts for which the notification of award is issued and/or the contract signed after the effective date of the respective amendment letter; and

(ii) all existing contracts whose scope, price or other terms are subject to material modification after the effective date of the respective amendment letter.

3. In this respect the Bank proposes to amend the Loan Agreements as set out below.

4. For purposes of this Amendment Letter the following terms have the following meanings:

(a) “Amendment Letter” refers to this letter;
(b) “Agreement for the Mutual Enforcement of Debarment Decisions” means the agreement dated April 9, 2010 entered into among African Development Bank Group, the Asian Development Bank, the European Bank for Reconstruction and Development, the Inter-American Development Bank Group and the World Bank Group, as such agreement may be amended from time to time;
(c) “Bank” means IBRD with respect to an IBRD Loan, IDA with respect to an IDA Credit or IDA Grant, or both IBRD and IDA as the context requires;
(d) “Financing” means an IBRD Loan, IDA Credit or IDA Grant provided by the Bank to a Recipient;
(e) "General Conditions" means the General Conditions applicable to the Loan Agreement as such term is defined in the Loan Agreement;
(f) "International Financial Institution" or "IFI" means the African Development Bank Group, the Asian Development Bank, the European Bank for Reconstruction and Development, the Inter-American Development Bank Group and any other institution that joins the Agreement for the Mutual Enforcement of Debarment Decisions in accordance with its terms;
(g) "Project" means the project defined as such in the Loan Agreement;
(h) "Project Implementing Entity" means the entity referred to as such in the Loan Agreements or an entity with which the Bank has entered into a Project Agreement for purposes of implementing the Project, or part thereof;
(i) "Recipient" means a Borrower or Recipient of Financing, as such term is used in the Loan Agreement; and
(j) "World Bank Group" is comprised of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guarantee Agency and the International Centre for the Settlement of Investment Disputes.

5. Through this Amendment Letter, the following Annex is added at the end of each Loan Agreement:

"Annex

Section 1. (a) A firm or an individual or a Project Implementing Entity or Recipient (other than a Member Country) that has been found by an IFI to have engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of financing provided by such IFI, may be declared ineligible by the Bank on the terms set by the IFI to:
(i) be awarded a Bank-financed contract;
(ii) be a nominated sub-contractor, consultant, manufacturer or supplier, or service provider of an otherwise eligible firm being awarded a Bank-financed contract;
(iii) benefit from a Bank-financed contract, financially or otherwise; and
(iv) otherwise participate in the preparation or implementation of the Project or any other project financed, in whole or in part, by the Bank.

(b) The provisions set out in Section 1(a) to this Annex apply to: (i) all new contracts for which the notification of award is issued and/or the contract signed after the effective date of the Amendment Letter; and (ii) all existing contracts whose scope, price or other terms are subject to material modification after the effective date of the Amendment Letter.

Section 2. An additional event of suspension under the applicable provisions of the General Conditions shall be as follows: the Recipient (other than the Member Country) (if applicable) or the Project Implementing Entity (if applicable) has been declared ineligible by the Bank to receive proceeds of any financing made by the Bank, as a result of a declaration by an IFI that such Recipient or Project Implementing Entity is ineligible to receive proceeds of financings made by such IFI or otherwise to participate in the preparation or implementation of any project financed in whole or in part by such IFI as a result of a determination by such IFI that the Recipient or the Project Implementing Entity has engaged
in fraudulent, corrupt, coercive or collusive practices in connection with the use of the
proceeds of a financing made by such IFI.

Section 3. The Recipient shall cause the Project Implementing Entity (if applicable) to
carry out the Project in accordance with the provisions set out in this Annex.”

6. The Bank requests the Borrower to notify all relevant Project Implementing Entities of
the above amendments to the Loan Agreements.

7. All terms of the Loan Agreements not hereby amended shall remain in full force and
effect.

8. Please confirm your agreement to the amendments proposed above by signing and dating
the form of confirmation on the enclosed two copies of this Amendment Letter and returning one
copy to us. This Amendment Letter will be effective as of the date of countersignature.

Sincerely,

Penelope J. Brook
Director
Argentina, Paraguay and Uruguay
Latin America and the Caribbean Region

CONFIRMED and AGREED
on behalf of PROVINCE OF BUENOS AIRES

By:

Silvina Batacis
Ministra de Economía
Provincia de Buenos Aires

Title: ______________

Date: June 18, 2012
Province of Buenos Aires

January 16, 2012

c.c.

Mr. Hernán Lorenzino
Minister of Economy and Public Finance
Ministry of Economy and Public Finance
Argentina

Ms. Gabriela Costa
National Director of Projects with International Credit Organizations
Ministry of Economy and Public Finance
Argentina

Mr. Felix A. Camarasa
Executive Director, The World Bank
## Attachment

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<thead>
<tr>
<th>Name of Project</th>
<th>Loan Number</th>
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<td>AR Buenos Aires Infrastructure Sustainable Investment</td>
<td>7472-AR</td>
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<tr>
<td>Development Project Phase II</td>
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<tr>
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