

SECTION 2.02. The supplemental contribution of New Zealand shall be payable in the amount of £NZ 41,953 in each half-year, commencing October 1, 1964.

SECTION 2.03. The United States supplemental loan contribution will be in the form of the proceeds of a U.S. dollar loan to Pakistan on terms to be agreed between Pakistan and the United States.

SECTION 2.04. The supplemental Bank contribution will be in the form of the proceeds of a loan in various non-rupee currencies to Pakistan from the Bank or of a credit in various non-rupee currencies to Pakistan from the International Development Association (the Association), or of both, as may be determined between the Bank and the Association. To the extent that the supplemental Bank contribution is in the form of the proceeds of a credit from the Association, such credit shall, for the purpose of this Agreement and the 1960 Agreement, be deemed to be a Bank loan.

SECTION 2.05. The supplemental contributions of Australia, Canada, Germany, the United Kingdom, the United States and the Bank shall be payable in the same proportions among them, and in the same proportions between grants and loans, and shall be governed by the same provisions of the 1960 Agreement, as their original contributions under the 1960 Agreement, except as may be otherwise provided in this Agreement.

ARTICLE III

Increase in Rupee Contributions

SECTION 3.01. The Bank, as Administrator of the Fund (the Administrator) shall make no further purchases of Pakistan rupees (rupees) pursuant to Section 3.03(b) (ii) or Section 4.03 of the 1960 Agreement.

SECTION 3.02. Pakistan undertakes to pay to the Fund in accordance with the provisions of Section 3.01 of the 1960 Agreement (whether by use, in agreement with the United States, of United States counterpart funds, or from Pakistan's own resources) all such amounts of rupees, determined by the Administrator in accordance with Section 3.05 of the 1960 Agreement, as will be required to meet, by disbursements from the Fund, the rupee portion of the costs referred to in Section 4.01(a) of this Agreement, to the extent that such costs are not covered by: (i) the rupees payable, or treated as payable, pursuant to Section 3.03(a) of the 1960 Agreement and (ii) the rupees payable pursuant to Section 3.03(b) (i) of the 1960 Agreement on account of the United States rupee contribution under Section 2.03 of the 1960 Agreement, until that contribution has been fully called up for payment.

ARTICLE IV

Disposition of the Fund

SECTION 4.01. (a) Subject to the provisions of Section 4.03 of this Agreement, the assets of the Fund, as augmented by the supplemental contributions herein provided for, shall be applied first to: (i) the cost of goods required to construct the Dam and Related Works on the Jhelum River as set forth in 2A(1) of Annexure D to the 1960 Agreement; (ii) the cost of goods required to construct the Link Canals, Barrages and Other Works as set forth in 2B, 2C and 2E of said Annexure as already modified by agreement between Pakistan and the Administrator with the approval of the Parties; (iii) overhead and engineering costs related to (i) and (ii) above; and (iv) expenses incurred by the Administrator solely because of services rendered under the 1960 Agree-