

FIRST AMENDMENT TO FOREST CONSERVATION AGREEMENT

FIRST AMENDMENT TO FOREST CONSERVATION AGREEMENT (this "Amendment"), dated as of September 25, 2007, by and among THE GOVERNMENT OF THE REPUBLIC OF COSTA RICA (the "GOCR"), THE CENTRAL BANK OF COSTA RICA (the "CBCR"), THE NATURE CONSERVANCY ("TNC") and CONSERVATION INTERNATIONAL FOUNDATION ("CI").

WITNESSETH:

WHEREAS, the GOCR, the CBCR, TNC and CI have entered into a Forest Conservation Agreement dated as of September 13, 2007 (as amended, modified or supplemented from time to time, the "FCA");

WHEREAS, the parties hereto desire to amend the FCA on the terms and subject to the conditions set forth herein.

NOW THEREFORE, in consideration of the premises and mutual agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

Section 1. Definitions and Interpretation. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to them in Section 1.1 of the FCA. The Rules of Interpretation set forth in Section 1.2 of the FCA shall apply to this Amendment.

Section 2. Amendments to FCA. The FCA is hereby amended as follows:

(a) Section 11.1.1 of the FCA is hereby amended to read as follows: "In the event that the Closing has not taken place on or before October 12, 2007; or".

(b) Section 13.1.1 of the FCA is hereby amended by deleting ", the Debt Swap Program Agreement".

(c) Section 13.2 of the FCA is hereby amended to read as follows:

13.2. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Republic of Costa Rica.

Section 3. Execution; Binding Effect. This Amendment is executed and shall be construed as an amendment to the FCA and, as provided in the FCA, this Amendment forms a part thereof. This Amendment shall be effective as of the date hereof, provided that (a) each of the parties to the FCA shall have executed and delivered this Amendment; and (b) the USG shall have approved this Amendment.

Section 4. Miscellaneous.

4.1. Waiver. This Amendment is made in amendment and modification of, but not extinguishment of, the obligations set forth in the FCA and the other Transaction Documents and, except as specifically modified pursuant to the terms of this Amendment, the terms and conditions of the FCA and the other Transaction Documents remain in full force and effect.

4.2. Counterparts. This Amendment may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. Copies of executed counterparts transmitted by telecopy, facsimile or other electronic transmission service (such as pdf file) shall be considered original executed counterparts for purposes of this Section.

4.3. Headings. Headings herein are for convenience only and shall not be relied upon in interpreting or enforcing this Amendment.

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective authorized officers as of the day and year first above written.



THE GOVERNMENT OF THE REPUBLIC OF
COSTA RICA

By:  _____

Name:

Title: *Ministro.*

THE CENTRAL BANK OF COSTA RICA

By: _____

Name: *Francisco de Paula Gutiérrez*
Title: *Presidente*

By: _____

Name:
Title:


Vo. Bo. Director
Div. As. Juridica

J

THE NATURE CONSERVANCY

By: Stephanie K. Meeks
Name: STEPHANIE K. MEES
Title: CHIEF OPERATING OFFICER

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CONSERVATION INTERNATIONAL
FOUNDATION

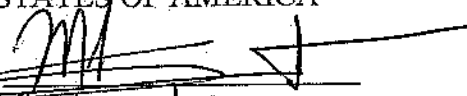
By: *M. Cron*
Name: *MILES CRON*
Title: *COO*

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APPROVAL for the FIRST AMENDMENT to the FOREST CONSERVATION AGREEMENT among the GOVERNMENT OF THE REPUBLIC OF COSTA RICA, the CENTRAL BANK OF COSTA RICA, THE NATURE CONSERVANCY, and CONSERVATION INTERNATIONAL FOUNDATION dated as of September 13, 2007

Pursuant to section 4.4 of the Swap Fee Contractual Agreement Among the Government of the United States of America, Conservation International Foundation, and The Nature Conservancy, and section 5.4 of the Agreement Between the Government of the United States of America and the Central Bank of Costa Rica Regarding a Debt-for-Nature Swap with Respect to Certain Debt Owed by the Central Bank of Costa Rica to the Government of the United States of America, both dated September 13, 2007, the Government of the United States of America hereby approves the proposed First Amendment attached hereto as Annex A.

THE GOVERNMENT OF THE
UNITED STATES OF AMERICA

Signed by 

Title: *Ambassador*

Date: 9-25-2007

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Ministry of Environment and Energy
Dirección de Cooperación y Relaciones Internacionales
Calle 25 avenida 8 y 10 Apartado 10100
San José, Costa Rica
Attn: Minister of Environment

Ministry of Finance
Tesorería Nacional
Avenida 2da, Calles 1 y 3
San Jose, Costa Rica
Attn: Minister of Finance

Central Bank of Costa Rica
Gerencia, Avenidas Central y Primera,
Calle Dos y Cuatro, San José, Costa Rica
Attn: Gerencia

October 4, 2007

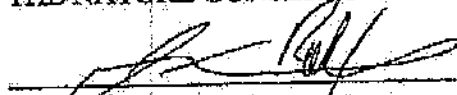
Reference is hereby made to Sections 3.2.1 and 3.3 of the Forest Conservation Agreement (the "FCA") dated as of September 13, 2007, as amended by the First Amendment to Forest Conservation Agreement dated September 25, 2007, among the Government of the Republic of Costa Rica, the Central Bank of Costa Rica, The Nature Conservancy and Conservation International Foundation. All capitalized terms shall have the meanings set forth in Section 1.1 of the FCA.

We, the undersigned, hereby inform you that the legal opinion from the Procurador General of the Republic of Costa Rica dated September 27, 2007 addressed to the Minister of Foreign Affairs of Republic Costa Rica and delivered to us on September 28, 2007, is not responsive to the requirements contained in Section 3.2.1 of the FCA and thus not satisfactory. However, we will waive the requirements of Section 3.2.1 of the FCA in order to proceed to Closing.

This letter shall not constitute a waiver of any action or transaction other than as specifically provided herein, and shall not constitute a modification of any provision, term or condition of the FCA except solely to the extent and solely for the purposes described herein. Except to the extent that provisions of the FCA are hereby expressly waived, the other provisions of the FCA shall remain unchanged and in full force and effect.

This letter may be executed in one or more counterparts, and when executed and delivered by the parties listed below, shall constitute a single binding agreement.

THE NATURE CONSERVANCY



Name: JONATHAN R. POTTER

Title: ASSISTANT SECRETARY

CONSERVATION INTERNATIONAL
FOUNDATION



Name: NIELS CRONÉ

Title: COO

cc: Government of the United States of America
Deputy Assistant Secretary for International
Development Finance and Debt
U.S. Department of the Treasury
1500 Pennsylvania Avenue, N.W.
Washington, D.C. 20220 U.S.A.



República de Costa Rica
Ministerio de Hacienda
Despacho del Ministro

**RATIFICACION DEL ACUERDO DE CONSERVACIÓN DE BOSQUES
SUSCRITO ENTRE EL GOBIERNO DE LA REPUBLICA DE COSTA RICA, EL BANCO
CENTRAL DE COSTA RICA, THE NATURE CONSERVANCY Y CONSERVATION
INTERNATIONAL FOUNDATION**

4 de octubre de 2007

Banco Central de Costa Rica
Avenidas Central y Primera
Calle Dos y Cuatro
San José, Costa Rica
Attn: Gerencia

The Nature Conservancy
4245 North Fairfax Drive, Suite 100
Arlington, Virginia 22203-1606
Attn: Office of the General Counsel

Conservation International Foundation
2011 Crystal Drive, Suite 500
Arlington, VA 22202
Attn: General Counsel

Ministry of Environment and Energy
Dirección de Cooperación y Relaciones Internacionales
Calle 25, avenida 8 y 10, Apartado 10100
San José, Costa Rica
Attn: Minister of Environment and Energy

Estimados Señores,

Yo, Guillermo Zúñiga Chaves, Ministro de Hacienda de la República de Costa Rica actuando con fundamento en el artículo 28, inciso h) de la *Ley General de la Administración Pública*, ley número 6227, por este medio ratifico todas las obligaciones, acuerdos, declaraciones y garantías, incurridas o hechas por el Gobierno de la República de Costa Rica, representado por el Ministerio de Ambiente y Energía, que son de la competencia del Ministerio de Hacienda, en el Acuerdo de Conservación de Bosques de fecha 13 de setiembre de 2007, y su primera enmienda de fecha 25 de setiembre de 2007, bajo los términos y condiciones establecidos en dicho Acuerdo y su Primera Enmienda.

Esta ratificación retrotrae sus efectos a la fecha en la que se firmó el Acuerdo de Conservación de Bosques.

En fe de lo anterior, esta ratificación se firma el 4 de octubre de 2007.


~~Guillermo E. Zuñiga Claves~~
Ministro
Gobierno de la República de Costa Rica





República de Costa Rica
Ministerio de Hacienda
Despacho del Ministro

**RATIFICATION OF THE FOREST CONSERVATION AGREEMENT
AMONG THE GOVERNMENT OF THE REPUBLIC OF COSTA RICA,
THE CENTRAL BANK OF COSTA RICA, THE NATURE CONSERVANCY AND
CONSERVATION INTERNATIONAL FOUNDATION**

October 4, 2007

Central Bank of Costa Rica
Avenidas Central y Primera
Calle Dos y Cuatro
San José, Costa Rica
Attn: Gerencia

The Nature Conservancy
4245 North Fairfax Drive, Suite 100
Arlington, Virginia 22203-1606
Attn: Office of the General Counsel

Conservation International Foundation
2011 Crystal Drive, Suite 500
Arlington, VA 22202
Attn: General Counsel

Ministry of Environment and Energy
Dirección de Cooperación y Relaciones Internacionales
Calle 25, avenida 8 y 10, Apartado 10100
San José, Costa Rica
Attn: Minister of Environment and Energy

Dear Sirs,

I, Guillermo Zúñiga Chaves, Minister of Finance of the Republic of Costa Rica acting in conformity with section 28, paragraph h) of the Public Administration General Act ("*Ley General de la Administración Pública*"), Law number 6227, hereby ratify all the obligations, covenants, representations and warranties incurred or made by the Government of the Republic of Costa Rica, represented by the Ministry of the Environment and Energy, that are within the scope of authority of the Ministry of Finance, in the Forest Conservation Agreement dated September 13, 2007, and its First Amendment dated September 25, 2007, under the terms and conditions established in such Agreement and its First Amendment.

This ratification shall be effective as of the date in which the Forest Conservation Agreement was executed and entered into.

In witness hereof this ratification is executed and delivered as of October 4, 2007.



Guillermo E. Zúñiga Chaves
Minister of Finance
Government of the Republic of Costa Rica

