

Public Disclosure Authorized

**CONFORMED COPY**

**LOAN NUMBER 7655-BR**

# **Guarantee Agreement**

**(Additional Financing for the Espírito Santo Water and Coastal Pollution  
Management Project - *Programa de Gerenciamento da Poluição Costeira e de Águas  
do Espírito Santo – Projeto Águas Limpas II* )**

**between**

**FEDERATIVE REPUBLIC OF BRAZIL**

**and**

**INTERNATIONAL BANK FOR RECONSTRUCTION  
AND DEVELOPMENT**

**Dated September 17, 2009**

Public Disclosure Authorized

**GUARANTEE AGREEMENT**

AGREEMENT, dated September 17, 2009, entered into between FEDERATIVE REPUBLIC OF BRAZIL (“Guarantor”) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”) (“Guarantee Agreement”) in connection with the Loan Agreement of same date between the Bank and STATE OF ESPÍRITO SANTO (“Borrower”) (“Loan Agreement”). 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. 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.

**ARTICLE III – REPRESENTATIVE; ADDRESSES**

Section 3.01. The Guarantor’s Representative is its Minister of Finance.

Section 3.02. The Guarantor’s Address is:

Ministério da Fazenda  
Procuradoria-Geral da Fazenda Nacional  
Esplanada dos Ministérios, Bloco "P" - 8º andar  
70048-900 Brasília, DF  
Brazil

Facsimile: 55-61-3412-1740

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

Cable:	Telex:	Facsimile:
INTBAFRAD Washington, D.C.	248423 (MCI) or 64145 (MCI)	(202) 477-6391

AGREED at Vitória, Brazil as of the day and year first above written.

**FEDERATIVE REPUBLIC OF BRAZIL**

**By /s/ Fabiani Fadel Borin**  
**Authorized Representative**

**INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT**

**By /s/ Makhtar Diop**  
**Authorized Representative**