

CONFORMED COPY

LOAN NUMBER 7904-TU

Guarantee Agreement

(Second Access to Finance for Small and Medium Enterprises Project)

between

REPUBLIC OF TURKEY

and

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT**

Dated July 6, 2010

LOAN NUMBER 7904-TU

GUARANTEE AGREEMENT

AGREEMENT, dated July 6, 2010, entered into between REPUBLIC OF TURKEY (“Guarantor”) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”) (“Guarantee Agreement”) in connection with the Loan Agreement of same date between the Bank and T. VAKIFLAR BANKASI T.A.O. (“Vakif Bank”) (“Vakif 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 Vakif 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 Vakif 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 Vakif Bank pursuant to the Vakif Loan Agreement.

ARTICLE III - REPRESENTATIVE; ADDRESSES

Section 3.01. The Guarantor’s Representative is Undersecretary of Treasury.

Section 3.02. The Guarantor’s Address is:

Basbakanlik
Hazine Mustesarligi
Inonu Bulvari
Emek-Ankara
Turkey

Facsimile:

(90) (312) 212 8550
(90) (312) 212 8737

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 Ankara, Republic of Turkey, as of the day and year first above written.

REPUBLIC OF TURKEY

By /s/ Memduh Aslan Akcay
Authorized Representative

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By /s/ Ulrich Zachau
Authorized Representative