

CONFORMED COPY

LOAN NUMBER 7855-BR

Guarantee Agreement

**(São Paulo Metro Line 5 Project -
Expansão da Linha 5 – Lilás do Metrô de São Paulo, Trecho Largo Treze – Chácara Klabin)**

between

FEDERATIVE REPUBLIC OF BRAZIL

and

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT**

Dated September 27, 2010

LOAN NUMBER 7855 - BR

GUARANTEE AGREEMENT

AGREEMENT, dated September 27, 2010, entered into between the FEDERATIVE REPUBLIC OF BRAZIL (“Guarantor”) and the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”) (“Guarantee Agreement”) in connection with the Loan Agreement of same date between the Bank and the State of São Paulo (“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. 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 São Paulo, Federative Republic of Brazil, as of the day and year first above written.

FEDERATIVE REPUBLIC OF BRAZIL

By /s/ Suely Dib de Sousa e Silva

Authorized Representative

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT**

By /s/ Makhtar Diop

Authorized Representative