

October 21, 1999

Mr. Osman Nuri Dogan,
Acting General Manager
Turkiye Elektrik Dagitim A.S.
Genel Mudurlugu Inonu Bulvari,
No. 27 Bahceliever
Ankara, Turkey

Re: TURKEY: Loan No. 3345-1 TU
(TEK Restructuring Project)

Dear Mr. Dogan:

This refers to the Loan Assumption Agreement, dated July 5, 1995, between the International Development Bank for Reconstruction and Development and Turkiye Elektrik Dagitim A.S. for the TEK Restructuring Project.

We hereby agree to amend Paragraph 1 of Schedule 1 to the Loan Assumption Agreement as set forth in the attachment to this letter.

Please indicate your agreement to the proposed amendment by signing, dating and returning the attached copy of this letter. This Agreement will become effective on the date hereof upon receipt of your countersigned copy by the Bank.

Very truly yours,

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By /s/ Ajay Chhibber
Country Director
FYR Macedonia and Turkey Country Unit
Europe and Central Asia Region

CONFIRMED:

TURKIYE ELEKTRIK DAGITIM A.S.

By /s/ Osman Nuri Dogan
Authorized Representative

Date: October 26, 1999

Attachment

SCHEDULE 1

Withdrawal of the Proceeds of the Loan

1. The table below sets forth the Categories of items to be financed out of the proceeds of the Loan, the allocation of the amounts of the Loan to each Category and the percentage of expenditures for items so to be financed in each Category:

Category	Amount of the Loan Allocated (Expressed in Dollar Equivalent)	% of Expenditures to be Financed
----------	--	--

(1)	Goods (including associated works and services) under Part B of the Project	35,000,000	(a) 100% of foreign expenditures and 100% of local expenditures (ex-factory cost) with respect to contracts for goods only; and (b) 85% with respect to turn-key contracts, providing for the supply of goods in addition to associated works and services
(2)	Consultants' services and training under Part B of the Project	3,000,000	100%
(3)	Unallocated	2,000,000	
	TOTAL	40,000,000	

