

February 12, 1998

Arab Republic of Egypt
c/o Ministry of Economy and
International Cooperation
8 Adly Street
Cairo
Arab Republic of Egypt

Re: Loan No. 4263 EGT
(Pollution Abatement Project)
Supplemental Letter - General Conditions and Effectiveness

Dear Sirs and Mesdames:

We refer to the Guarantee Agreement (the Guarantee Agreement) between the Arab Republic of Egypt (the Guarantor) and the International Bank for Reconstruction and Development (the Bank) and to the Loan Agreement (the Loan Agreement) between the Bank and the National Investment Bank (the Borrower), both of even date herewith for the above project, and to the General Conditions Applicable to Loan and Guarantee Agreements for Single Currency Loans, dated May 30, 1995 (attached as an Annex to this letter and hereinafter referred to as the General Conditions).

We confirm that:

(a) pursuant to the provisions of Section 1.01 of the Guarantee Agreement and Section 1.01 of the Loan Agreement, the General Conditions constitute an integral part of the Guarantee Agreement and the Loan Agreement; and

(b) the legal requirements for the effectiveness of the Guarantee and Loan Agreements are set forth in Article VI of the Loan Agreement and Article XII of the General Conditions.

Please confirm your agreement with the above clarification by signing the form of confirmation below.

Very Truly Yours,

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By /s/ Khalid Ikram
Authorized Representative

CONFIRMED BY:

ARAB REPUBLIC OF EGYPT

By /s/ Zafer El-Bishry
Authorized Representative

