

CONFORMED COPY

LOAN NUMBER 3355 JO

(Dead Sea Industrial Exports Project)

between

HASHEMITE KINGDOM OF JORDAN

and

INTERNATIONAL BANK FOR RECONSTRUCTION  
AND DEVELOPMENT

Dated July 17, 1991

LOAN NUMBER 3355 JO

GUARANTEE AGREEMENT

AGREEMENT, dated July 17, 1991, between the HASHEMITE KINGDOM OF JORDAN (the Guarantor) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (the Bank).

WHEREAS (A) the Guarantor and Arab Potash Company Ltd. (the Borrower), having been satisfied as to the feasibility and priority of the Project described in Schedule 2 to the Loan Agreement, have requested the Bank to assist in the financing of the Project;

(B) by the Loan Agreement of even date herewith between the Bank and the Borrower, the Bank has agreed to extend to the Borrower a loan in various currencies equivalent to fifteen million dollars (\$15,000,000), on the terms and conditions set forth in the Loan Agreement, but only on condition that the Guarantor agree to guarantee the obligations of the Borrower in respect of such loan as provided in this Agreement; and

WHEREAS the Guarantor, in consideration of the Bank's entering into the Loan Agreement with the Borrower, has agreed so to guarantee such obligations of the Borrower;

NOW THEREFORE the parties hereto hereby agree as follows:

#### ARTICLE I

##### General Conditions; Definitions

Section 1.01. The "General Conditions Applicable to Loan and Guarantee Agreements" of the Bank, dated January 1, 1985, with the modifications set forth below (the General Conditions) constitute an integral part of this Agreement:

(a) The last sentence of Section 3.02 is deleted; and

(b) In Section 6.02, sub-paragraph (k) is re-lettered as sub-paragraph (l) and a new sub-paragraph (k) is added to read:

"(k) An extraordinary situation shall have arisen under which any further withdrawals under the Loan would be inconsistent with the provisions of Article III, Section 3 of the Bank's Articles of Agreement."

Section 1.02. Unless the context otherwise requires, the several terms defined in the General Conditions and in the Preamble to and Section 1.02 of the Loan Agreement have the respective meanings therein set forth.

#### ARTICLE II

##### Guarantee

Section 2.01. The Guarantor declares its commitment to the objectives of the Project as set forth in Schedule 2 to the Loan Agreement, and, to this end, hereby unconditionally guarantees, as primary obligor and not as surety merely, the due and punctual payment of the principal of, and interest and other charges on, the Loan, and the premium, if any, on the prepayment of the Loan, all as set forth in the Loan Agreement.

Section 2.02. The Guarantor shall charge and collect from the Borrower the guarantee fee referred to in Section 2.08 of the Loan Agreement.

#### ARTICLE III

##### Other Covenants

Section 3.01. Without limitation or restriction upon the provisions of Section 2.01 of this Agreement, the Guarantor shall:

(a) cause the Jordan Electricity Authority and the Jordan Petroleum Refinery, respectively, to provide the Borrower with adequate and timely supplies of electric power and petroleum products in order to enable the Borrower to operate its facilities efficiently; and

(b) assist the Borrower to acquire all rights in respect of land as and when required for construction of a water conveyance from Dhira to the Borrower's plant.

#### ARTICLE IV

##### Representative of the Guarantor; Addresses

Section 4.01. The Minister of Planning of the Guarantor is designated as representative of the Guarantor for the purposes of Section 11.03 of the General Conditions.

Section 4.02. The following addresses are specified for the

purposes of Section 11.01 of the General Conditions:

For the Guarantor:

Minister of Planning  
P.O. Box 555  
Amman  
Hashemite Kingdom of Jordan

Cable address:

MINISTRY OF PLANNING  
Amman

Telex:

2131920

For the Bank:

International Bank for  
Reconstruction and Development  
1818 H Street, N.W.  
Washington, D.C. 20433  
United States of America

Cable address:

INTBAFRAD  
Washington, D.C.

Telex:

248423 (RCA),  
82987 (FTCC),  
64145 (WUI) or  
197688 (TRT)

IN WITNESS WHEREOF, the parties hereto, acting through their duly authorized representatives, have caused this Agreement to be signed in their respective names in the District of Columbia, United States of America, as of the day and year first above written.

HASHEMITE KINGDOM OF JORDAN

By /s/ H. Hammami  
Authorized Representative

INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT

By /s/ W. Wapenhans  
Regional Vice President  
Europe, Middle East and North Africa

