

CONFORMED COPY

LOAN NUMBER 3211 AL

(Industrial Restructuring Demonstration Project - BCR)

between

INTERNATIONAL BANK FOR RECONSTRUCTION  
AND DEVELOPMENT

and

FONDS DE PARTICIPATION NUMERO (3) - BIENS D'EQUIPEMENT

and

FONDS DE PARTICIPATION NUMERO (4) - CONSTRUCTION

and

FONDS DE PARTICIPATION NUMERO (6) - ELECTRONIQUE,  
TELECOMMUNICATIONS ET INFORMATIQUE

and

FONDS DE PARTICIPATION NUMERO (7) - INDUSTRIES DIVERSES

Dated January 8, 1991

LOAN NUMBER 3211 AL

#### SHAREHOLDERS AGREEMENT

AGREEMENT, dated January 8, 1991, between the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (the Bank) and each of the FONDS DE PARTICIPATION NUMERO (3) - BIENS D'EQUIPEMENT, FONDS DE PARTICIPATION NUMERO (4) - CONSTRUCTION, FONDS DE PARTICIPATION NUMERO (6) - ELECTRONIQUE, TELECOMMUNICATIONS ET INFORMATIQUE, and FONDS DE PARTICIPATION NUMERO (7) - INDUSTRIES DIVERSES (individually the Shareholder, and collectively the Shareholders).

WHEREAS (A) by the Loan Agreement of even date herewith (the Loan Agreement) entered into between the Bank and ENTREPRISE NATIONALE DE PRODUCTION DE BOULONNERIE, COUTELLERIE ET ROBINETTERIE (the Borrower), the Bank has agreed to extend to the Borrower a loan in various currencies equivalent to twenty-nine million two hundred thousand dollars (\$29,200,000) on the terms and conditions set forth in the Loan Agreement and in the Guarantee Agreement of even date herewith (the Guarantee Agreement) entered into between the Bank and the DEMOCRATIC AND POPULAR REPUBLIC OF ALGERIA (the Guarantor), but only on condition that the Shareholders agree to undertake such obligations toward the Bank as provided in this Shareholders

Agreement;

(B) the Shareholders together are the owners and holders of the entirety of the issued and outstanding voting shares of the Borrower;

(C) the Shareholders are Fonds de Participation duly established and validly existing under the laws of the Guarantor, pursuant to the Guarantor's Law No. 88-03, dated January 12, 1988, as the same may be amended from time to time;

(D) the Shareholders warrant and represent that they are authorized, under the laws of the Guarantor, to undertake the obligations provided in this Shareholders Agreement; and

(E) the Shareholders, in consideration of the Bank's entering into the Loan Agreement with the Borrower and the Guarantee Agreement with the Guarantor, have agreed to undertake the obligations set forth in this Shareholders Agreement;

NOW THEREFORE the parties hereto hereby agree as follows:

#### ARTICLE I

##### Definitions

Section 1.01. Whenever used in this Agreement, unless the context shall otherwise require, the several terms defined in the Loan Agreement, the Guarantee Agreement, the Preamble to this Shareholders Agreement and the General Conditions (as so defined) have the respective meanings therein set forth.

#### ARTICLE II

##### Particular Covenants of the Shareholders (Punctual Performance; Provision of Funds)

Section 2.01. The Shareholders shall take all such action as shall be necessary on their part: (a) to enable the Borrower to carry out the Project with due diligence and efficiency, and in conformity with appropriate administrative, financial, engineering and environmental practices; and (b) to ensure the punctual performance by the Borrower of its covenants, agreements and obligations set forth in the Loan Agreement.

Section 2.02. Without any limitation or restriction upon the provisions of Section 2.01 of this Shareholders Agreement, the Shareholders specifically undertake, whenever there is reasonable cause to believe that the funds available to the Borrower will be inadequate to meet the estimated expenditures required for the carrying out of the Project, to make arrangements, satisfactory to the Bank, promptly to provide the Borrower, or cause the Borrower to be provided, with such funds as are needed to meet such expenditures.

#### ARTICLE III

##### Effective Date; Termination; Cancellation and Suspension

Section 3.01. This Shareholders Agreement shall come into force and effect on the date upon which the Loan Agreement becomes effective.

Section 3.02. This Shareholders Agreement and all obligations of the Bank and of the Shareholders under this Shareholders Agreement shall terminate on the date on which the Loan Agreement shall terminate in accordance with its terms, and the Bank shall promptly notify the Shareholders thereof.

#### ARTICLE IV

##### Miscellaneous Provisions (Addresses; Representatives)

Section 4.01. Any notice or request required or permitted to be given or made under this Shareholders Agreement, and any Agreement between the parties contemplated by this Shareholders Agreement, shall be in writing. Such notice or request shall be deemed to have been duly given or made when it shall have been delivered by hand or by mail, telegram, cable, telex or radiogram to the party to which it is required or permitted to be given or made at such party's address hereinafter specified, or at

such other address as such party shall have designated by notice to the party giving such notice or making such request. The addresses so specified are:

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:

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

For the Shareholders:

Fonds de Participation Numero (3) -  
Biens d'Equipement  
12, Boulevard du Colonel Amirouche  
Algiers 16000  
Democratic and Popular  
Republic of Algeria

Telex:

67526

Fonds de Participation Numero (4) -  
Construction  
12, Boulevard du Colonel Amirouche  
Algiers 16000  
Democratic and Popular  
Republic of Algeria

Telex:

67212

Fonds de Participation Numero (6) -  
Electronique, Telecommunications  
et Informatique  
12, Boulevard du Colonel Amirouche  
Algiers 16000  
Democratic and Popular  
Republic of Algeria

Telex:

67233

Fonds de Participation Numero (7) -  
Industries Diverses  
12, Boulevard du Colonel Amirouche  
Algiers 16000  
Democratic and Popular  
Republic of Algeria

Telex:

67232

Section 4.02. Any action required or permitted to be taken, and any document required or permitted to be executed, under this Shareholders Agreement on behalf of the Shareholders may be taken or executed by the respective boards of directors of the Shareholders, or such other person or persons as such boards of directors shall designate in writing.

Section 4.03. Each Shareholder shall furnish to the Bank sufficient evidence of

the authority and the authenticated specimen signature of the person or persons who will, on behalf of said Shareholder, take any action or execute any documents required or permitted to be taken or executed by said Shareholder pursuant to any of the provisions of this Shareholders Agreement.

IN WITNESS WHEREOF, the parties hereto, acting through their duly authorized representatives, have caused this Shareholders Agreement to be signed in their respective names in Algiers, Democratic and Popular Republic of Algeria, as of the day and year first above written.

INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT

By /s/ Kemal Dervis

Acting Regional Vice President  
Europe, Middle East and North Africa

FONDS DE PARTICIPATION NUMERO (3) -  
BIENS D'EQUIPEMENT

By /s/ M. Harrati

Authorized Representative

FONDS DE PARTICIPATION NUMERO (4) -  
CONSTRUCTION

By /s/ C. Bouahouir

Authorized Representative

FONDS DE PARTICIPATION NUMERO (6) -  
ELECTRONIQUE, TELECOMMUNICATIONS  
ET INFORMATIQUE

By /s/ M. Kerkebane

Authorized Representative

FONDS DE PARTICIPATION NUMERO (7) -  
INDUSTRIES DIVERSES

By /s/ R. Lammali

Authorized Representative

