Guarantee Agreement

(Rio de Janeiro Mass Transit 2 Project – Programa Estadual de Transportes – PET II)

between

FEDERATIVE REPUBLIC OF BRAZIL

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Dated September 24, 2009
GUARANTEE AGREEMENT

AGREEMENT, dated September 24, 2009, 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 Rio de Janeiro ("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: INTBAFRAD  
Telex: 248423 (MCI) or 64145 (MCI)  
Facsimile: (202) 477-6391

AGREED at Rio de Janeiro, Brazil, as of the day and year first above written.

FEDERATIVE REPUBLIC OF BRAZIL

By /s/ Ana Lúcia Gatto de Oliveira  
Authorized Representative

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By /s/ Makhtar Diop  
Authorized Representative