

MINISTERIO DE FINANZAS PUBLICAS
GUATEMALA, C. A.

International Bank for
Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
U.S.A.

4-000433

Attention: Mr. Miguel Navarro-Martin, Senior Financial Officer
E-mail address: cpl@worldbank.org
Telephone: (1) 202-458-4722

Re: Pool Loans to REPUBLIC OF GUATEMALA (Borrower)
Request to Amend Interest Rate and Prepayment Provisions

Dear sir/madam:

1. We have received the letter of July 10, 2006 (Bank's Letter) from the International Bank for Reconstruction and Development (Bank) offering to amend the interest rate and prepayment provisions of certain loans to the Borrower (referred to in the Bank's Letter and in this letter as Applicable Loans), together with the enclosures mentioned in the Bank's Letter. We have reviewed the Bank's Letter and its enclosures and have had the opportunity to inform ourselves fully of the choices available to the Borrower for the Applicable Loans, namely:

- (a) If the Applicable Loan is in whole or in part subject to CPL terms, it may, in accordance with the provisions of the Bank's Letter:
- (i) amend the Loan Agreement to provide for a variable rate applicable to the amount of the Applicable Loan subject to CPL terms, in the manner set forth in Section I, Part A of the Annex to the Bank's Letter (*Currency Weighted LIBOR-based Variable Rate Amendments*); or
 - (ii) amend the Loan Agreement to provide for a fixed rate applicable to such amount of the Applicable Loan, in the manner set forth in Section I, Part B of the Annex to the Bank's Letter (*Currency Weighted Fixed Rate Amendments*).

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- (b) If the Applicable Loan is in whole or in part subject to SCP terms, it may, in accordance with the provisions of the Bank's Letter:
- (i) amend the Loan Agreement to provide for a variable rate applicable to the amount of the Applicable Loan subject to SCP terms, in the manner set forth in Section II, Part A of the Annex to the Bank's Letter (*USD LIBOR-based Variable Rate Amendments*); or
 - (ii) amend the Loan Agreement to provide for a fixed rate applicable to such amount of the Applicable Loan, in the manner set forth in Section II, Part B of the Annex to the Bank's Letter (*USD Swap Rate-based Fixed Rate Amendments*).

2. ***Request for Amendments.*** We are sending you this letter (Letter of Request) to inform you that the Borrower hereby requests the following amendments:

that the Loan Agreement for each of the ***Applicable Loans listed in Table B*** (Table B) of the Attachment to this Letter of Request be amended in accordance with the provisions of the Bank's Letter to provide for:

USD Swap Rate-based Fixed Rate Amendments (as provided in Section II, Part B of the Annex to the Bank's Letter) if a mark has been made in ***column 4*** of Table B next to the loan number for such Applicable Loan. provided however that we propose to modify the definition of "USD Rate Fixing Date" set forth in sub-paragraph (viii) of paragraph 1(c) of Section II, Part B of the Annex to the Bank's letter, to introduce a new definition of "Bank Interest Date" and to renumber the remaining definitions accordingly, both the modified and the new definitions to read as set forth below:

- "(i) "Bank Interest Date" means each day that is the first or the fifteenth day of the month.**

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- (ix) **“USD Rate Fixing Date” means: (1) the day two London Banking Days prior to the first Bank Interest Date occurring on or immediately following the date of acceptance by the Bank of the Borrower’s letter of request to apply the USD Swap Rate-based fixed rate to the Loan; or (2) if commercial banks are not open for general business (including dealings in foreign exchange and foreign currency deposits) in New York on such London Banking Day, the immediately preceding London Banking Day on which commercial banks in New York are open for such business.”**

We understand and agree that if the Bank agrees with the above modification, the amended interest terms for each Applicable Loan for which the Borrower requests that the Loan Agreement be amended to provide for *USD Swap Rate-based Fixed Rate Amendments* (as so modified) will apply from the first Payment Date occurring on or after the date of acceptance by the Bank of such request. However, the Bank may require up to 30 days (from the date of receipt of this Letter of Request) before it may accept such request.

All other provisions of the Bank’s Letter shall remain unchanged.

3. ***Deadline for Receipt of Letter of Request.*** We understand that, unless the Bank otherwise notifies the Borrower, the Bank will not consider any request for amendments to the interest rate provisions of the Applicable Loans which are received by the Bank after June 30, 2009.

4. ***Amending Agreement.*** We understand that, with respect to each Loan Agreement which the Borrower has requested to be amended pursuant to this Letter of Request, this Letter of Request, together with the Bank’s acceptance indicated in this Letter of Request in the space provided for the purpose, will constitute a valid and binding agreement amending the terms of such Loan Agreement as specified in the Attachment and the Bank’s acceptance.

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5. **Authority to Enter into Amending Agreement.** The Borrower hereby represents that it is authorized to make the request for the amendments referred to above, and to enter into such binding agreement. This representation is made pursuant to the provisions relating to action on behalf of the Borrower, which are set forth in the General Conditions applicable to each Loan Agreement for an Applicable Loan with respect to which such amendments are requested. These provisions state that any modification of the provisions of the Loan Agreement may be agreed to by the person designated by the Borrower for that purpose, provided that, in the opinion of such person such modification is reasonable in the circumstances and will not substantially increase the obligations of the Borrower under the Loan Agreement.

6. **Borrower's Responsibility.** The Borrower confirms that it has been given the opportunity to obtain such additional information, and ask such questions of, Bank staff as it considered necessary to evaluate the potential risks and merits of exercising the amendment options available to it under the Bank's offer. Thus, it assumes sole responsibility for the requests specified in the Letter of Request.

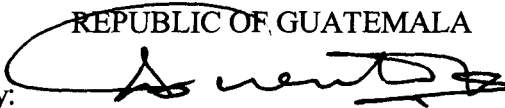
7. **Questions.** If you should have any questions relating to this Letter of Request, please contact:

Name: Licenciado Luis Alejandro Alejos Marroquin

Address: 8av. Avenida y 21 Calle, Zona 1, Nivel 15
Edificio del Ministerio de Finanzas Públicas

Phone: (502) 2248 5080 Fax: (502) 2248 5084 Email: lalejos@minfin.gob.gt

Very truly yours,

REPUBLIC OF GUATEMALA
By: 
Doctor Juan Alberto Fuentes Knight



Title: Minister of Public Finance

Date: June 29, 2009.

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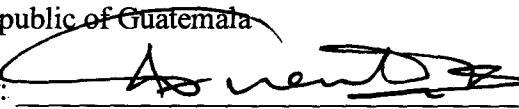
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Table B
USD SCP Loans (or USD SCP Portions) – Table B

Column 1	Column 2	Column 3	Column 4	Column 5
Project Name	Loan Number	Request for <i>USD LIBOR-based Variable Rate</i> Amendments	Request for <i>USD Swap Rate-based Fixed Rate</i> Amendments	For Bank use only: Payment Date from which amended interest terms will apply:
Economic Modernization	3533S		X	11/01/09
Social Investment Fund	3534S		X	11/01/09

Name of Borrower: Republic of Guatemala

Country: Republic of Guatemala

By: 
Doctor Juan Alberto Fuentes Knight



Title: Minister of Public Finance

Date: June 29 2009.

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For Bank use only:

1. Date of receipt by the Bank: ~~7/7/09~~ 06/30/09 S.K.
2. Acceptance by the Bank:

The Borrower's request to amend the Loan Agreement for each of the Applicable Loans as indicated in the Attachment to this Letter of Request is accepted, and the Payment Date from which the amended interest terms applicable to each such Applicable Loan will apply is indicated in column 5 of Table A or Table B (as the case may be) of the Attachment next to the loan number for such Applicable Loan.

If the Bank is unable to accept the Borrower's request with respect to any Applicable Loan, this is indicated in column 5 of the table in Table A or Table B (as the case may be) of the Attachment next to the loan number for such Applicable Loan.

By 
Authorized Representative

Date of Acceptance by the Bank: 7/13/09