

LOAN AGREEMENT

BY AND BETWEEN

THE EXPORT-IMPORT BANK OF THE REPUBLIC OF CHINA

AND

THE REPUBLIC OF GUATEMALA

LOAN NUMBER: 6020357003

January 23, 1998

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LOAN AGREEMENT

THIS LOAN AGREEMENT dated as of the 23rd day of January, 1998 by and between the Republic of Guatemala, as the "Borrower" and The Export-Import Bank of the Republic of China, as the "Lender" (the "Agreement").

The parties hereto hereby agree as follows:

ARTICLE I

DEFINITIONS

As used in this Agreement, the following terms shall have the respective meanings indicated unless the context otherwise requires:

(a) "Advance" shall mean a disbursement to the Borrower made under Section 2.02; provided that the aggregate amount of all Advances shall not exceed the amount of the commitment.

(b) "Banking Day" shall mean, for the purpose of making Advances hereunder, a day on which banks are open for business in Taipei and in New York City, and for the purpose of making payment of interest and other amounts hereunder and repayment of the Advances, a day on which banks are open for business in New York City, the State of New York, United States of America.

(c) "Commitment" shall mean the agreement of the Lender hereunder to make available to the Borrower loan facilities in the aggregate principal amount not to exceed Twenty Million U.S. Dollars (US\$20,000,000.00).

(d) "Commitment Period", except as otherwise agreed to by the Lender in writing or provided herein, shall mean the period of eighteen (18) months, commencing the date of this Agreement; provided, however, that all Requests for Advances given pursuant to Section 2.02 hereof shall be received by the Lender not later than ten (10) days prior to the expiry of the Commitment Period.

(e) "Default" or an "Event of Default" shall mean an event specified in Section 6.01 hereof, whether or not any requirement of notice, lapse of time, or both, contained therein, shall have been satisfied.

(f) "Dollars" or the sign "\$" shall mean lawful currency of the United States of America.

(g) "Loan" shall mean the aggregate principal amount of all Advances from time to time made to the Borrower pursuant to Section 2.02 of this Agreement, or where the context may require, the amount thereof for the time

being outstanding.

(h) "Note" shall mean the Borrower's promissory note in the form and substance set out in Appendix "A" hereto, or any promissory note delivered by the Borrower in extension or renewal thereof or substitution therefor.

(i) "Process Agent" shall mean, except as otherwise agreed upon by parties hereto, Consulado General de Guatemala in New York with an official address on the date hereof at 57 Park Avenue, New York, NY 10016, U.S.A.

ARTICLE II

THE LOAN

2.01 Purpose of the Loan

The Loan shall be used solely for assisting the Borrower in providing financing to the infrastructure development projects of the Republic of Guatemala; provided, however, that the Lender or any person designated by the Lender in connection with the administration of the Loan shall in no event be responsible for the Borrower's actual use of the proceeds of the Loan or any part thereof.

2.02 Disbursement Procedure

(a) Subject to the terms and conditions set out in this Agreement, and so long as no Default or Event of Default shall have occurred and/or be continuing, the Lender hereby agrees to make one or more Advances to the Borrower, in an aggregate amount not to exceed the Commitment during the Commitment Period.

(b) Any request by the Borrower for an Advance hereunder shall be preceded by the Lender's receipt from the Borrower of a Request For An Advance, in the form and substance set out in Appendix "B" hereto. The Lender shall, subject to the Borrower's fulfillment of all conditions precedent set out in Article V hereof, within ten (10) Banking Days from the date of the Lender's receipt of such Request, certificates, opinion and all other documents to be given under this Agreement, in the form and substance satisfactory to the Lender, credit the amount of requested Advance to the account of Banco de Guatemala account no. 0210-8407-6 in the Federal Reserve Bank of New York, State of New York, United States of America.

(c) Any and all Advances made under the preceding paragraph shall constitute the absolute and unconditional obligation of the Borrower under this Agreement.

2.03 Interest

(a) Interest shall accrue hereunder on each Advance from the time when

it is made until its maturity hereunder, at the rate of five percent (5%) per annum payable to the Lender semi-annually commencing the last day six (6) months from the date of this Agreement and thereafter semi-annually on the last day of each successive six-month period.

(b) Interest shall accrue on each installment payment of the principal amount of the Loan which is overdue hereunder, from and including the date due (as scheduled or by acceleration hereunder or otherwise) to the date of its full payment, at the rate of ten percent (10%) per annum.

(c) Interest shall accrue on the basis of the number of days actually elapsed and a year of 360 days.

2.04 Repayment of Loan

The aggregate principal amount of the Loan made under the Commitment shall be repaid by the Borrower in Dollars in twenty (20) consecutive equal semi-annual installments, the first of which shall be made on the last day sixty-six (66) months from the date of this Agreement, and thereafter on the last day of each successive six-month period, each installment to be in the amount of One Million United States Dollars (US\$1,000,000.00). To evidence the Borrower's obligation to repay the Loan hereunder, the Borrower shall execute and deliver to the Lender the Note, in the form and substance satisfactory to the Lender, for the full amount of the Commitment, before the Lender makes initial Advance hereunder. In the event that the Borrower does not draw down the entire amount of the Commitment, the amount of each installment shall be adjusted so that it bears the same relationship to the amount of each installment set forth in the first sentence of this Section as the aggregate amount actually drawn down bears to the amount of the Commitment.

2.05 Payments in Dollars

This is an international loan transaction in which the specification of Dollars and Borrower's obligation to make repayments in New York City, the State of New York, the United States of America are of the essence. All sums payable to the Lender hereunder or under the Note or any judgment, or otherwise, shall be payable in New York City, the State of New York, the United States of America in same day funds not later than 11:00 a.m. (New York City Time) on the date due hereunder. All amounts payable to the Lender hereunder shall be paid in Dollars to the Lender's account No. 36999645 at Citibank N.A., 399 Park Avenue, New York, N.Y., United States of America, or to such other bank account of the Lender in New York City, the United States of America, as the Lender shall designate in writing to the Borrower. In the event that any payment to the Lender, whether pursuant to any judgment or otherwise upon conversion and transfer, does not result in payment of such amount of Dollars in New York City upon the Lender's receipt thereof, the Borrower shall pay such additional amount as shall be necessary to yield the full amount due to the Lender hereunder.

2.06 Payment on Banking Day

Whenever any payment hereunder shall become due on a day which is not a Banking Day, the due date thereof shall be extended to the next succeeding Banking Day, unless such next succeeding Banking Day falls in the following calendar month, in which event such payment shall be made on the immediately preceding Banking Day, and interest shall be adjusted and paid accordingly.

ARTICLE III

TAXES AND EXPENSES

3.01 Taxes, Duties, Fees and Charges

All sums payable by the Borrower hereunder or under the Note shall be paid to the Lender, free and clear of all present and future taxes, levies, duties, charges, fees, deductions and withholdings imposed by any government other than the Government of the Republic of China (hereinafter collectively the "Taxes"). If the Taxes must be deducted from any payment to the Lender hereunder or under the Note, the Borrower shall pay such additional amount so that the actual amount received by the Lender hereunder shall equal the amount that would have been received if such deductions were not made, after allowance for any increase in the Taxes by virtue of Lender's receipt of such additional amount.

3.02 Expenses

Upon the occurrence of an Event of Default, the Borrower shall pay the Lender on demand all expenses and taxes incurred by the Lender in connection with its enforcement of this Agreement and the Note.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Lender that until all amounts payable to the Lender hereunder are paid in full:

4.01 Binding Obligations of the Borrower

The Borrower has full power, authority and legal right to make and perform this Agreement and the Note; and this Agreement does, and the Note when duly executed and delivered by the Borrower will, constitute legal, valid and binding obligations of the Borrower, enforceable in accordance with their respective terms.

4.02 Due Authorization; Absence of Conflicts

The making and performance by the Borrower of this Agreement have been, and the making and performance by the Borrower of the Note, upon delivery to the

Lender hereunder, will be duly authorized by all necessary actions, governmental and/or otherwise, under the laws of the Republic of Guatemala, and do not and will not violate any provision of any applicable constitutional provision, treaty, law, decree or regulation of the Republic of Guatemala, or any agreement or instrument to which the Borrower is subject or by which the Borrower or its property is bound.

4.03 Government Authorizations

All authorizations, approvals, consents and licenses from all bodies of government, ministries, agencies, exchange control authorities and other authorities required by the laws of the Republic of Guatemala for all respects herein contemplated have been duly obtained and shall be maintained in full force and effect.

4.04 Ranking

Except to the extent as the Lender shall otherwise agree in writing, the Borrower's obligations under this Agreement and the Note will at all times rank at least pari passu with Borrower's any other indebtedness (direct or contingent) outstanding from time to time, which is denominated in a currency other than the lawful currency of the Republic of Guatemala and is payable to any party who is a resident, or is incorporated, outside the Republic of Guatemala.

4.05 Commercial Obligations

(a) The Borrower is subject to civil and commercial law with respect to its obligations under this Agreement and the Note; (b) its borrowing under this Agreement constitutes a private and commercial act and is wholly independent of and different from any governmental or public act of the Republic of Guatemala (whether or not this Agreement or any part thereof or the purpose of any Advance may in any way be related to any such governmental or public act of the Republic of Guatemala); (c) in respect of its obligations under this Agreement and the Note, neither it nor any property owned by it enjoys any right of immunity, on ground of sovereignty or otherwise, from suit or any other legal process, jurisdiction of any court, attachment (prior to or in aid of execution of a judgement), or set-offs; and (d) to the extent that the Borrower now has or may hereafter acquire such right of immunity, the Borrower hereby irrevocably waives it for itself and any property owned by it.

ARTICLE V

CONDITIONS PRECEDENT

Unless the Lender otherwise agrees in writing, the Lender's obligation to make available any Advance hereunder is subject to (a) its receipt of the Note and all consents, permits, approvals, certificates, opinion, statements and other documents described in Section 5.01 through 5.06 hereof, satisfactory to it, prior

to or on the date of the initial Advance, if that Advance is such initial Advance, or, if it is not such initial Advance, the continued accuracy and validity (without any subsequent change, modification or qualification whatsoever) on the date of such subsequent Advance, of the Note and such consents, permits, approvals, certificates, opinion, statements and other documents, and (b) the condition that no Default or Event of Default has occurred and is continuing on the date of that Advance or will occur by reason of the making of that Advance.

5.01 Authorized Signatures

The Lender shall have received from the Borrower a Certificate of Incumbency and Specimen Signatures in the form and substance set out in Appendix "C" hereto, showing the names and specimen signatures of the persons duly authorized by the Borrower to execute and deliver this Agreement, the Note and other instruments, certificates and documents required to be given under or in connection with this Agreement, duly certified by the Attorney General of the Republic of Guatemala to be valid and binding on the Borrower until written notice to the contrary is received by the Lender. The said Certificate shall be authenticated by the authentication officer of the Embassy of the Republic of China in the Republic of Guatemala.

5.02 Note

The Lender shall have received the Note duly executed by the Borrower, with blanks appropriately filled in.

5.03 Appointment of Process Agent

The Lender shall have received a certified copy of the written appointment substantially in the form and substance set out in Appendix "D" whereby the Borrower has irrevocably appointed the Process Agent as its agent to accept on its behalf and on behalf of its assets and properties, service of legal processes of any kind which may be served on the Borrower in any judicial or other proceeding arising hereunder, and a certified copy of the Process Agent's irrevocable acceptance of such appointment substantially in the form and substance set out in Appendix "D-1".

5.04 Legal Opinion

The Lender shall have received a favorable opinion, substantially in form and substance of Appendix "E", from the Attorney General of the Republic of Guatemala, addressed to the Lender as to the matters set out in Article IV, which opinion shall have been duly authenticated by the authentication officer of the Embassy of the Republic of China in the Republic of Guatemala.

5.05 Government and Other Approvals

All governmental approvals, consents and licenses with regard to the

Borrower's execution, delivery and performance of this Agreement and the Note, including, without limitation, foreign exchange control approvals, shall have been obtained by the Borrower, and so confirmed in the legal opinion referred to in Section 5.04 hereof.

5.06 Compliance of Agreement

All representations, warranties and covenants made by the Borrower herein, and all certificates, statements, opinions and other documents given under or in connection with this Agreement and the Note, shall remain true and correct.

ARTICLE VI

EVENTS OF DEFAULT

6.01 Events of Default

The following are events of Default under this Agreement:

(a) Representation, Payment and Performance Default

Any representation, warranty, statement or opinion made or deemed made under or in connection with this Agreement or the Note by the Borrower or any other party shall prove to have been untrue when made, or shall subsequently become untrue; or the Borrower shall fail to perform any obligation hereunder, including, without limitation, its obligation to pay any amount hereunder or under the Note; or the Borrower shall default in the payment of any amount due under any other agreement for the borrowing of money or extension of credit, whether or not the Lender is a party thereto, and such default shall continue beyond any period of grace specified for such payment; or if any other instrument, certificate, government consent, permit or approval or other document or condition described in Article V hereof shall cease to be fully valid and effective for any reason whatsoever.

(b) Moratorium Default

The Borrower or any competent government or legislative authority of the Republic of Guatemala shall declare a moratorium on the payment of any indebtedness denominated in a currency other than the lawful currency of the Republic of Guatemala.

(c) Illegality Default

(i) It becomes unlawful or, in the Lender's opinion, is contrary to any applicable official statement, guideline or policy of any authority (not having the force of law but is recommended or understood for voluntary observance) of the Republic of Guatemala or Republic of China, for any Advance to be made or the Loan to be maintained or for the Borrower to perform any of its obligations

hereunder; or

(ii) There occurs such a change of circumstances which the Lender determines as having materially changed the basis of this Agreement or would materially adversely affect the Lender's continuing administration of the Loan or this Agreement or any part thereof.

6.02 Consequences of Default

If an Event of Default shall occur and is continuing, the Lender may by written notice to the Borrower cancel any part or all of the Commitments and/or declare the aggregate outstanding principal amount of the Loan hereunder and under the Note, together with all interest thereon until the date of payment and other sums payable hereunder, to be immediately due and payable, without presentment, demand, protest or notice of any kind (other than the notice specifically required under this Article), all of which are hereby expressly waived by the Borrower.

ARTICLE VII

MISCELLANEOUS

7.01 Entire Agreement

This Agreement and the Note constitute the entire understanding and agreement of the parties hereto, and represent the full and exhaustive implementation of their respective rights and obligations in respect of all matters provided herein. This Agreement may be amended only in writing signed by parties hereto.

7.02 Waiver

No failure or delay by the Lender to exercise any right, power or privilege under this Agreement or the Note and no course of dealings between parties hereto shall operate as a waiver of any such right, power or privilege.

7.03 Assignment

The Borrower shall not assign or transfer its right, interest or obligations under, in or to this Agreement or the Note without the Lender's prior written consent.

7.04 Governing Law; Submission to Jurisdiction

This Agreement and the Note shall be governed by the laws of the State of New York, United States of America (without however giving effect to the conflict of law rules thereof). The Borrower agrees, until all of its obligations hereunder and under the Note are paid in full, to always maintain in New York City, the State

of New York, U.S.A., the Process Agent or his substitute (as approved by the Lender) to accept service of process in connection with any suit, action or proceeding against the Borrower or any property owned by it, and to advise the Lender of any change of the Process Agent (or his substitute) or change of his address (or the address of his substitute). The Borrower hereby further irrevocably consents to the service of process in any such suit, action or proceeding in said courts by the mailing of copies thereof by the Lender by registered or certified mail, postage prepaid, to the Borrower at its address given in Section 7.06. Such services shall be deemed to have been received by the Borrower ten (10) days following posting.

Each party hereto irrevocably agrees:

- (a) To submit to the non-exclusive jurisdiction of any State or Federal Court in New York City, the State of New York, United States of America in any suit, action or proceeding arising out of this Agreement or the Note;
- (b) To waive (i) any objection which it may have to the laying of venue of any suit, action or proceeding in any of the courts mentioned herein, (ii) any claim that any suit, action or proceeding brought in any such court has been brought in an inconvenient forum; and
- (c) That nothing herein shall affect the other party's right to serve legal process on it in any other manner permitted by law or preclude the other party from instituting proceedings in any other competent court.

7.05 English Language

Each document to be delivered hereunder, unless submitted in English, shall be accompanied by an English translation certified as true and correct, which translation shall in all cases prevail. The Note shall be in the English language alone.

7.06 Notices

(a) Except as otherwise notified by any party hereto of its change of address, any notice required hereunder shall be in writing and shall be sent to the following address:

| | | |
|-----------------|---|-------------------------------|
| To the Borrower | : | The Republic of Guatemala |
| Address | : | Ministry of Public Finance |
| | | 8a, Avenida Y21 Calle, Zona 1 |
| | | Ciudad De Guatemala |
| | | Guatemala |
| Telex No. | : | 9207 MINFIP GU |
| Answerback | : | MINFIP GU |

Fax No. : (502)-2-300333
Attention : Minister of Public Finance
(acting for the Republic of Guatemala)

To the Lender : The Export-Import Bank of the
Republic of China
Address : 3, Nan Hai Road, 8th Floor,
Taipei, Taiwan, Republic of China

Telex No. : 26044
Answerback : "EXIMBANK" Taipei
Fax No. : 886-2-3940630
Attention : Senior Vice President and General Manager
Loan and Guarantee Department


7.07 Severability

The invalidity or unenforceability of any provision of this Agreement in any jurisdiction shall not impair the validity or enforceability of such provision in any other jurisdiction nor any other provision of this Agreement.

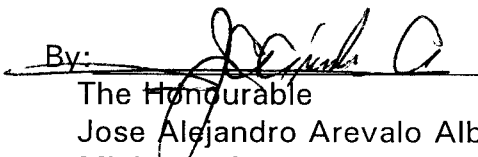
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives as of the date and year first above written.

The Export-Import Bank of
the Republic of China

The Republic of Guatemala

By: 

Pauline Fu
President

By: 

The Honourable
Jose Alejandro Arevalo Alburez
Minister of Public Finance
acting on behalf of
The Republic of Guatemala

APPENDIX "A"

PROMISSORY NOTE

Principal Amount: US\$20,000,000.00

Date: _____

Place: _____

FOR VALUE RECEIVED, the Republic of Guatemala (the "Borrower") hereby unconditionally promises to pay to The Export-Import Bank of the Republic of China (the "Lender"), to the Lender's account no. 36999645 at Citibank N.A., 399 Park Avenue, New York, N.Y. 10043, United States of America, or to the Lender's order, the principal Sum of Twenty Million United States Dollars (US\$20,000,000.00) or such lesser amount as may be advanced by the Lender pursuant to the Loan Agreement, Loan No. 6020357003 dated January 23, 1998, by and between the Lender and the Borrower (the "Agreement"), to which reference is hereby made, in twenty (20) semi-annual installment payments, each of which shall be in the amount of One Million United States Dollars (US\$1,000,000.00). The first installment shall be made on the last day sixty-six (66) months from the date of the Agreement, and thereafter semi-annually on the last day of each successive six-month period. If the aggregate of the amounts from time to time advanced by the Lender to the Borrower pursuant to the Agreement is less than the amount of this Note, the amount of each installment payment shall be adjusted so that it bears the same relationship to the amount of each installment set forth in the first sentence of this paragraph as the aggregate amount actually advanced to the Borrower bears to the principal amount of this Note. Interest shall accrue on the amount of each Advance at the rate of five percent (5%) per annum until its maturity and thereafter at the rate of ten percent (10%) per annum until that Advance is fully repaid, and shall be paid, all in accordance with the provisions of the Agreement. The first payment of interest shall be made on the last day six (6) months from the date of the Agreement, and thereafter on the last day of each successive six-month period.

The principal of this Note and all interest accrued thereon shall be payable in lawful money of the United States of America in freely transferable same day funds in New York City, the State of New York, United States of America, without set-offs or counterclaims and free and clear of and without deductions for the Taxes. If the Borrower is required to pay any of the Taxes from any such payment, the Borrower shall pay such additional amounts as are provided in the Agreement. This Note shall be entitled to the benefits of the Agreement and governed by the law of the State of New York, United States of America, to the exclusion of its conflict of law rules.

In case an Event of Default shall occur, the principal amount of this Note may be declared to become immediately due and payable in the manner and with the effect provided in the Agreement, presentment, demand, protest and notice of any kind being hereby expressly waived by the Borrower.

All terms used herein shall have the meanings set out in the Agreement, unless the context otherwise requires.

The Borrower hereby authorizes and empowers the Lender to acknowledge on its behalf by endorsement below the Borrower's receipt of each Advance.

The Republic of Guatemala

By: _____
Name: Jose Alejandro Arevalo Alburez
Title: Minister of Public Finance
acting on behalf of
The Republic of Guatemala

| <u>Date of Advance</u> | <u>Amount of Advance</u> | <u>Outstanding Principal of Note to Date</u> | <u>Acknowledgement of Borrower</u> |
|------------------------|--------------------------|--|------------------------------------|
|------------------------|--------------------------|--|------------------------------------|

APPENDIX "B"
REQUEST FOR AN ADVANCE

The Export-Import Bank of
the Republic of China
3, Nan Hai Road, 8th Floor
Taipei, Taiwan, Republic of China

Date: _____

Attention: Senior Vice President & General Manager
Loan & Guarantee Department

Re: Loan Agreement dated January 23, 1998 by and between The Export-Import
Bank of the Republic of China and the Republic of Guatemala.
Loan No.6020357003

Dear Sirs:

I. In accordance with Section 2.02 of the captioned Loan Agreement, we hereby request that an Advance in the amount of US\$ _____ be made to the account at the bank identified below:

| | |
|-----------------------------|---|
| Name of Account Holder: | Banco de Guatemala |
| Account Number: | 0210-8407-6 |
| Name of Bank: | Federal Reserve Bank of New York |
| Address: | 33 Liberty Street, New York, New York 10045-0001, U.S.A. |
| Telex Address of said Bank: | 667362 VW |

Such Advance shall be made by you within ten (10) Banking Days from the date of your receipt of this Request for an Advance and all certificates, opinion and all other documents to be given under the Loan Agreement, in the form and substance satisfactory to you.

II. We hereby certify that on the date hereof and the date on which the amount of the Advance requested herein shall be made, all representations, warranties, covenants and statements made in the Loan Agreement and in all certificates, opinion and other documents given under the Loan Agreement remain true and correct, and no Default or Event of Default had occurred and/or is continuing, or will occur, on the date hereof or by the making of said Advance.

Yours faithfully,
The Republic of Guatemala

By _____
Name:
Title:

APPENDIX "C"

CERTIFICATE OF INCUMBENCY AND SPECIMEN SIGNATURES

Reference is hereby made to the Loan Agreement dated as of the 23rd day of January, 1998 by and between The Export-Import Bank of the Republic of China and the Republic of Guatemala.

I, the Attorney General of the Republic of Guatemala, do hereby certify that each person named below, holding the office set opposite his/her name, is duly authorized to execute the Loan Agreement, the Note and all instruments and other documents to be delivered pursuant to, in connection with, or under the Loan Agreement on behalf of the Borrower and has signed this Certificate in the space below opposite his/her name with his/her true signature.

| Name | Office | Signature |
|-------|--------|-----------|
| _____ | _____ | _____ |
| _____ | _____ | _____ |

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 199__.

By: _____
Name:
Title: Attorney General
of the Republic of Guatemala

APPENDIX "D"

APPOINTMENT OF AGENT

Consulado General de Guatemala
in New York
57 Park Avenue
New York, NY 10016
U.S.A.

Date: _____

Gentlemen:

Under a Loan Agreement (No. 6020357003) for the amount of US\$20,000,000.00 dated January 23, 1998 by and between The Export-Import Bank of the Republic of China, of 3 Nan Hai Road, 8th Floor, Taipei, Taiwan, Republic of China (the "Lender") and the Republic of Guatemala (the "Borrower"), the Borrower is required to appoint you as the agent in New York City to receive and accept on its behalf service of processes in any suit, action or proceeding brought in the State of New York in connection with said Loan Agreement and/or any promissory note given by the Borrower to the Lender thereunder.

We, the Borrower, hereby irrevocably appoint you to accept on our behalf service of processes in any suit, action or proceeding brought in the Supreme Court of the State of New York, County of New York or in the U.S. District Court for the Southern District of New York, United States of America, arising or purporting to arise under said Loan Agreement and/or said promissory note.

Until the obligations of the Borrower under the Loan Agreement are fully performed and/or discharged, your duties under this appointment will be as follows:

1. Upon receipt of any such process addressed to us, you will on our behalf accept service thereof and will without delay notify us by telex, cable or facsimile to the effect that you have accepted service of process on our behalf; and
2. You will without delay confirm such acceptance in writing to us by registered air-mail, enclosing the documents which you have received in connection with service of such process.

Other than as stated herein, you shall have no other duties under the terms of this letter.

If the foregoing is agreeable and acceptable to you, please sign the written acceptance, which is enclosed herewith, and return it to us at your earliest convenience.

Sincerely,
The Republic of Guatemala

By _____
Name:
Title:

I, _____, certify that this document is a true copy of the original.*

By _____
Name:
Title:

* Certification is required on the copy to the Lender.

APPENDIX "D-1"

ACCEPTANCE OF APPOINTMENT

The Republic of Guatemala
Ministry of Public Finance
8a, Avenida Y 21 Calle,
Zona 1
Ciudad De Guatemala
Guatemala

Date: _____

Attention: Mr. Jose Alejandro Arevalo Alburez
Minister of Public Finance
(Acting for the Republic of Guatemala)

Re: Acceptance of Appointment as New York Process Agent under
Loan Agreement (No. 6020357003) dated as of January 23, 1998
for the Amount of US\$20,000,000.00 between The Export-Import
Bank of the Republic of China, as the Lender and
the Republic of Guatemala, as the Borrower

Dear Sirs:

Reference is hereby made to your appointment of the undersigned, in his/her official capacity as the Consul General of the Republic of Guatemala in New York (and not in his personal capacity), as your duly authorized agent in New York City, the State of New York, U.S.A., to receive and accept on your behalf and in your name the service of any and all legal processes in any suit, action or proceeding brought in the State of New York, U.S.A. in connection with the captioned Loan Agreement and/or the promissory note issued thereunder by you to the Lender. Until the obligations of the Borrower under the above-captioned Loan Agreement are fully performed and/or discharged, the undersigned, and his/her successor in his/her official capacity as such Consul General of the Republic of Guatemala in New York, hereby irrevocably agrees to receive or to accept and not to raise diplomatic, sovereign or other immunity as defence or ground for refusal to receive or to accept the service on him/her in such official capacity as your such agent of any such legal process. A copy of this written acceptance is hereby sent to The Export-Import Bank of the Republic of China at 8th Floor, 3, Nan Hai Road, Taipei, Taiwan, Republic of China for its reference and record.

Yours faithfully,
Consulado General de Guatemala
in New York

By _____
Name:
Title: Consul General

cc: The Export-Import Bank of the Republic of China

I, _____, certify that this document is a true copy of the original.*

By _____
Name:
Title:

* Certification is required on the copy to the Lender.

APPENDIX "E"

LEGAL OPINION

The Export-Import Bank
of the Republic of China
3 Nan Hai Road, 8th Floor,
Taipei, Taiwan,
Republic of China

Date: _____

Re: US\$20,000,000.00 Loan Agreement (No. 6020357003)
dated as of January 23, 1998 by and between
The Export-Import Bank of the Republic of China
(the "Lender") and the Republic of Guatemala (the "Borrower")

Dear Sirs,

We, the Office of the Attorney General of the Republic of Guatemala, are requested to provide a legal opinion in connection with the Loan Agreement (the "Agreement") dated as of January 23, 1998 by and between the Republic of Guatemala and The Export-Import Bank of the Republic of China, providing for the making of loans to the Borrower not exceeding US\$20,000,000.00.

All terms used herein have the meanings defined in the Agreement unless the context requires otherwise. In connection herewith, we have examined the following documents:

- (a) An executed copy of the Agreement with the form of the Note attached thereto;
- (b) All laws governing the establishment and organization of the Borrower, to the extent that they may be relevant to our opinion expressed herein;
- (c) Certificate of Incumbency and Specimen Signatures given by an authorized officer of the Borrower, certifying the authority and specimen signatures of the representatives authorized by the Borrower to execute and deliver, on behalf of the Borrower, the Agreement, the Note and such certificates, statements, instruments and other documents relating thereto; and
- (d) All government approvals with regard to execution, delivery and performance of this Agreement and the Note.

We have also reviewed such matters of law and examined the original, certified, confirmed or photographic copies of such other documents, records, agreements, certificates as we considered relevant thereto.

Based upon the foregoing, and having regard to such legal consideration as we consider relevant, we are of the following opinion that:

(1) Binding Obligations of the Borrower

The Borrower has full power, authority and legal right to make and perform the Agreement and the Note; and the Agreement does, and the Note when duly executed and delivered by the Borrower will, constitute legal, valid and binding obligations of the Borrower, enforceable in accordance with their respective terms.

(2) Due Authorization; Absence of Conflicts

The making and performance by the Borrower of the Agreement and the Note have been duly authorized by the Congress of the Republic of Guatemala and by all other necessary actions, governmental and/or otherwise, under the laws of the Republic of Guatemala and do not and will not violate any provision of any applicable constitutional provision, treaty, law, degree or regulation of the Republic of Guatemala or any agreement or instrument to which the Borrower is subject or by which the Borrower or its property is bound.

(3) Government Authorization

All authorizations, approvals, consents and licenses from all governmental bodies, ministries, agencies, exchange control authorities and other authorities, including, without limitation, foreign exchange control approvals, required by the laws of the Republic of Guatemala in connection with the execution, delivery and performance of the Agreement, the Note and related documents and in connection with all actions taken or to be taken in respect thereof have been duly obtained by the Borrower.

(4) Ranking

The Borrower's obligations under the Agreement and the Note will at all times rank at least pari passu with Borrower's any other indebtedness (direct or contingent) outstanding from time to time, which is denominated in a currency other than the lawful currency of the Republic of Guatemala and is payable to any party who is a resident or is incorporated outside the Republic of Guatemala, except to the extent as the Lender shall otherwise agree in writing.

(5) Commercial Obligations

(a) The Borrower is subject to civil and commercial law with respect to its obligations under the above-captioned Agreement and the Note; (b) the Borrower's borrowing under the Agreement constitutes a private and commercial act and is wholly independent of and different from any governmental or public act of the Republic of Guatemala (whether or not the Agreement or any part thereof or the purpose of any Advance may in any way be related to any such governmental or public act of the Republic of Guatemala); (c) in respect of the

Borrower's obligations under the Agreement and the Note, neither it nor any property owned by it enjoys any right of immunity, on ground of sovereignty or otherwise, from suit, attachment (prior to or in aid of execution of a judgement), or set-offs; and (d) the Borrower's irrevocable waiver of such right of immunity, given under the Agreement for itself and all property and assets owned by it is valid, effective and binding on the Borrower under the laws of the Republic of Guatemala.

(6) Taxes

There are no income or other taxes, assessments or charges of the Republic of Guatemala or of any political subdivision or taxing authority thereof, imposed by way of withholding, deduction or otherwise, applicable to any payment to be made by the Borrower pursuant to the terms of the Agreement or the Note, or to be imposed on or by virtue of the execution and delivery of the Agreement or the Note.

(7) Authorized Signatory

The Honorable Jose Alejandro Arevalo Alburez, the Minister of Public Finance of the Republic of Guatemala is duly vested with the full power, authority and legal right to execute the Agreement and the Note on behalf of the Republic of Guatemala, and to take such other actions in connection with the Agreement.

Office of the Attorney General

By: _____
Name:
Title: Attorney General