

**Mr. Z. Nogaideli,
Prime Minister,
Government of Georgia,
Tbilisi,
Georgia**

RE: Amendment to Agreement between the BTC Pipeline Company and the Government of Georgia on the Provision of Security Equipment, Facilities and Operations Funding for the Baku- Tbilisi – Ceyhan Pipeline Project ('Agreement')

Dear Prime Minister,

I refer to your letter received on 26th December, 2005 (Attachment 1 hereto) referring to the subject Agreement and requesting broadening its applicability to all of the sectors of the BTC pipeline towards making more effective and equitable use of BTC support for its security.

This proposal is acceptable to BTC Co. and BTC Co. proposes that the Agreement is amended as follows:

A new Article 13 be added:

Article 13: Use of Equipment and Operational Expense Funds outside of the Borjomi Zone

To the extent that:

- (a) Operational Expense Funds provided by BTC Co. exceed the requirements of the Government in the Borjomi Zone for the uses outlined in Article 3, the Government may use such excess funds to support the provision of security by the Government in the other zones of the BTC Project;
- (b) Equipment provided by BTC Co. is determined by the Government pursuant to its provision of pipeline security to be more optimally deployed in BTC Project zones other than the Borjomi Zone, the Government may deploy such Equipment accordingly;

Provided always that the use of Operational Expense Funds and Equipment in zones other than the Borjomi Zone will be subject to all other terms and conditions of the Agreement.

This amendment prevails over any inconsistent provision in the Agreement but does not vary any other aspects of the Agreement or the mutual obligations contained therein.

This countersigned letter constitutes an amendment to the Agreement dated 19th October 2004 in accordance with Article 12 of the Agreement.


For and on behalf of the Baku-Tiblisi-Ceyhan Pipeline Company



WTJ Digings

Agreed to and accepted

For and on behalf of the Government of Georgia

By: 

Name: Zurab Nogaideli

Title: Prime Minister