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| **Dated 23 Маy 2023** |

**THE REPUBLIC OF SERBIA**

**REPRESENTED BY THE GOVERNMENT OF THE REPUBLIC OF SERBIA ACTING BY AND THROUGH THE MINISTRY OF FINANCE**

**arranged by**

**MERRILL LYNCH INTERNATIONAL**

**with**

**THE FINANCIAL INSTITUTIONS listed in Schedule 1**

**as Original Lenders**

**and**

**GLOBAL LOAN AGENCY SERVICES LIMITED  
acting as Agent**

**FACILITY AGREEMENT  
for a €300,000,000 term loan facility**

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**THIS AGREEMENT** is dated 23 May 2023 and made between:

1. **THE REPUBLIC OF SERBIA**represented by the Government of the Republic of Serbia, acting by and through the Ministry of Finance (the **Borrower**);
2. **MERRILL LYNCH INTERNATIONAL** as mandated lead arranger (the **Arranger**);
3. **THE FINANCIAL INSTITUTIONS** listed in Schedule 1 as lenders (the **Original Lenders**); and
4. **GLOBAL LOAN AGENCY SERVICES LIMITED**, a limited liability company registered in England and Wales with number 8318601 with its registered office at 55 Ludgate Hill, Level 1, West, London EC4M 7JW, in its capacity as agent of the other Finance Parties (the **Agent**).

**IT IS AGREED** as follows:

SECTION 1  
INTERPRETATION

1. Definitions and Interpretation
   1. Definitions

In this Agreement:

**2023 Budget Law** means the Law on Budget of the Republic of Serbia for 2023 (Zakon o budžetu Republike Srbije za 2023. godinu, Official Gazette of the Republic of Serbia no. 138/2022).

**Affiliate** means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company.

**Anti-Corruption Laws** means any law, regulation, order, decree or directive having the force of law and relating to (anti-)bribery, corruption, kickbacks or similar business practices, including the Bribery Act 2010, the United States Foreign Corrupt Practices Act of 1977.

**Anti-money Laundering, Economic or Trade Sanctions and Anti-Terrorism Laws** means any laws relating to economic or trade sanctions, terrorism or anti-money laundering (including, without limitation, the international anti-money laundering standards defined by the Inter-Governmental Action Group against Money Laundering in West Africa (GIABA), the UK Proceeds of Crime Act and USA PATRIOT Act.

**Applicable Law means:**

* + 1. any law, statute, decree, constitution, regulation, rule, by-law, order, authorisation, judgment, injunction or other directive of any Government Entity or otherwise which is applicable in the Republic of Serbia;
    2. any treaty, pact or other binding agreement to which any Government Entity is a signatory or party; or
    3. any judicial or administrative interpretation with binding characteristics or application of those described in paragraph (a) or (b) above,

and in each case, which is applicable to the Borrower, the Borrower's assets or the Finance Documents

**Assignment Agreement** means an agreement substantially in the form set out in Schedule 5 (*Form of Assignment Agreement*) or any other form agreed between the relevant assignor and assignee.

**Authorisation** means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

**Availability Period** means the period from and including the date of this Agreement to and including the date falling 60 days after the date of this Agreement (or such later date as may be approved by the Agent in writing (acting on the instructions of all Lenders)).

**Available Commitment** means, in relation to the Facility or a Tranche (as applicable), a Lender's Commitment under the Facility or that Tranche (as applicable) minus:

* + 1. the amount of its participation in any outstanding Loans under the Facility or that Tranche (as applicable); and
    2. in relation to any proposed Utilisation, the amount of its participation in any Loans that are due to be made under the Facility or that Tranche (as applicable) on or before the proposed Utilisation Date.

**Available Facility** means, in relation to the Facility or a Tranche (as applicable), the aggregate for the time being of each Lender's Available Commitment in respect of the Facility or that Tranche (as applicable).

**Base Rate** means:

* + 1. in respect of the Fixed Rate Tranche Loan, the Fixed Rate; and
    2. in respect of the Floating Rate Tranche Loan, EURIBOR.

**Break Costs** means the amount (if any) by which:

* + 1. the interest which a Lender should have received for the period from the date of receipt of all or any part of its participation in a Loan or Unpaid Sum to the last day of the current Interest Period in respect of that Loan or Unpaid Sum, had the principal amount or Unpaid Sum received been paid on the last day of that Interest Period;

exceeds:

* + 1. the amount which that Lender would be able to obtain by placing an amount equal to the principal amount or Unpaid Sum received by it on deposit with a leading bank for a period starting on the Business Day following receipt or recovery and ending on the last day of the current Interest Period.

**Business Day** means a day (other than a Saturday or Sunday) on which banks are open for general business in Belgrade, Dublin and London and (in relation to any date for payment or purchase of euro) which is a TARGET Day.

**Calculation Date** means the date on which a voluntary prepayment is scheduled to be made pursuant to clause 7.3 (*Voluntary prepayment*)

**Code** means the US Internal Revenue Code of 1986.

**Commitment** means a Fixed Rate Tranche Commitment or a Floating Rate Tranche Commitment.

**Confidential Information** means all information relating to the Borrower, the Finance Documents or the Facility of which a Finance Party becomes aware in its capacity as, or for the purpose of becoming, a Finance Party or which is received by a Finance Party in relation to, or for the purpose of becoming a Finance Party under, the Finance Documents or the Facility from either:

* + 1. the Borrower or any of its advisers; or
    2. another Finance Party, if the information was obtained by that Finance Party directly or indirectly from the Borrower or any of its advisers,

in whatever form, and includes information given orally and any document, electronic file or any other way of representing or recording information which contains or is derived or copied from such information but excludes:

* + - 1. information that:
         1. is or becomes public information other than as a direct or indirect result of any breach by that Finance Party of clause 34 (*Confidential Information*); or
         2. is identified in writing at the time of delivery as non-confidential by the Borrower or any of its advisers; or
         3. is known by that Finance Party before the date the information is disclosed to it in accordance with paragraphs (a) or (b) above or is lawfully obtained by that Finance Party after that date, from a source which is, as far as that Finance Party is aware, unconnected with the Borrower and which, in either case, as far as that Finance Party is aware, has not been obtained in breach of, and is not otherwise subject to, any obligation of confidentiality; and
      2. any Funding Rate.

**Confidentiality Undertaking** means a confidentiality undertaking substantially in a recommended form of the LMA for the secondary trading of loans or in any other form agreed between the Borrower and the Agent.

**Default** means an Event of Default or any event or circumstance specified in clause 20 (*Events of Default*) which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Finance Documents or any combination of any of the foregoing) be an Event of Default.

**Disruption Event** means either or both of:

* + 1. a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made in connection with the Facility (or otherwise in order for the transactions contemplated by the Finance Documents to be carried out) which disruption is not caused by, and is beyond the control of, any of the Parties; or
    2. the occurrence of any other event which results in a disruption (of a technical or systems-related nature) to the treasury or payments operations of a Party preventing that, or any other Party:
       1. from performing its payment obligations under the Finance Documents; or
       2. from communicating with other Parties in accordance with the terms of the Finance Documents,

and which (in either such case) is not caused by, and is beyond the control of, the Party whose operations are disrupted.

**Eligible Institution** means any Lender or other bank, financial institution, trust, fund or other entity selected by the Borrower.

**Environment** means humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media:

* + 1. air (including, without limitation, air within natural or man-made structures, whether above or below ground);
    2. water (including, without limitation, territorial, coastal and inland waters, water under or within land and water in drains and sewers); and
    3. land (including, without limitation, land under water).

**Environmental Claim** means any claim, proceeding, formal notice or investigation by any person in respect of any Environmental Law.

**Environmental Law** means any applicable law or regulation which relates to:

* + 1. the pollution or protection of the Environment;
    2. the conditions of the workplace; or
    3. the generation, handling, storage, use, release or spillage of any substance which, alone or in combination with any other, is capable of causing harm to the Environment, including, without limitation, any waste.

**Environmental Permits** means any permit and other Authorisation and the filing of any notification, report or assessment required under any Environmental Law for the operation of the business of the Borrower conducted on or from the properties owned or used by the Borrower.

**EURIBOR** means, in relation to the Floating Rate Tranche Loan, the applicable Screen Rate:

* + 1. as of the Specified Time for euro and for a period equal in length to the Interest Period of that Floating Rate Tranche Loan; or
    2. as otherwise determined pursuant to clause 10.1 (*Interest calculation if no Screen Rate*),

and if, in either case, that rate is less than zero, EURIBOR shall be deemed to be zero.

**Event of Default** means any event or circumstance specified as such in clause 20 (*Events of Default*).

**Excluded Assets** has the meaning given to it in clause 17.20 (*No immunity*).

**External Financial Indebtedness** means:

* + 1. all Financial Indebtedness expressed or denominated or payable or which, at the option of the relevant creditor may be payable in a Foreign Currency; or
    2. all Financial Indebtedness which is or may be payable to a person which is resident outside the Republic of Serbia or has its registered office or principal place of business outside the Republic of Serbia.

**Facility** means the term loan facility made available under this Agreement as described in clause 2.1 (*The Facility*).

**Facility Office** means the office or offices notified by a Lender to the Agent in writing on or before the date it becomes a Lender (or, following that date, by not less than five Business Days' written notice) as the office or offices through which it will perform its obligations under this Agreement.

**Fallback Interest Period** means one Month.

**FATCA** means:

* + 1. sections 1471 to 1474 of the Code or any associated regulations;
    2. any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or
    3. any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction.

**FATCA Application Date** means:

* + 1. in relation to a "withholdable payment" described in section 1473(1)(A)(i) of the Code (which relates to payments of interest and certain other payments from sources within the US), 1 July 2014; or
    2. in relation to a "passthru payment" described in section 1471(d)(7) of the Code not falling within paragraph (a) above, the first date from which such payment may become subject to a deduction or withholding required by FATCA.

**FATCA Deduction** means a deduction or withholding from a payment under a Finance Document required by FATCA.

**FATCA Exempt Party** means a Party that is entitled to receive payments free from any FATCA Deduction.

**FATCA FFI** means a foreign financial institution as defined in section 1471(d)(4) of the Code which, if any Finance Party is not a FATCA Exempt Party, could be required to make a FATCA Deduction.

**Fee Letter** means any letter or letters dated on or about the date of this Agreement between (a) the Arranger and the Borrower and (b) the Agent and the Borrower, setting out any of the fees referred to in clause 11 (*Fees*).

**Final Repayment Date** means the date falling 84 Months after the Utilisation Date.

**Finance Document** means this Agreement, any Fee Letter and any other document designated as such by the Agent and the Borrower.

**Finance Party** means the Agent, the Arranger or a Lender.

**Financial Indebtedness** means any indebtedness for or in respect of:

* + 1. moneys borrowed;
    2. any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
    3. any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
    4. the amount of any liability in respect of any lease or hire purchase contract which would be treated as a balance sheet liability;
    5. receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
    6. any amount raised under any other transaction (including any forward sale or purchase agreement) of a type not referred to in any other paragraph of this definition having the commercial effect of a borrowing;
    7. any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount) shall be taken into account);
    8. any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
    9. the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (h) above.

**First Repayment Date** means the date falling 24 Months after the Utilisation Date.

**Fixed Rate** means, relation to the Fixed Rate Tranche Loan, the euro 5-year interest swap rate determined by the function of EUSA5 on Bloomberg at 10:00am on the date falling two Business Days prior to the date of this Agreement.

**Fixed Rate Tranche** means the tranche of the Facility made available under this Agreement as described in clause 2.1(a) (*The Facility*).

1. **Fixed Rate Tranche Commitment** means:
   1. in relation to an Original Lender, the amount set opposite its name under the heading "Fixed Rate Tranche Commitment" in Schedule 1 (*The Original Lenders*) and the amount of any other Fixed Rate Tranche Commitment transferred to it under this Agreement; and
   2. in relation to any other Lender, the amount of any Fixed Rate Tranche Commitment transferred to it under this Agreement,
2. to the extent not cancelled, reduced or transferred by it under this Agreement.
3. **Fixed Rate Tranche Loan** means the loan made or to be made under the Fixed Rate Tranche of the Facility or the principal amount outstanding for the time being of that loan.

**Floating Rate Tranche** means the tranche of the Facility made available under this Agreement as described in clause 2.1(b) (*The Facility*).

1. **Floating Rate Tranche Commitment** means:
   1. in relation to an Original Lender, the amount set opposite its name under the heading "Floating Rate Tranche Commitment" in Schedule 1 (*The Original Lenders*) and the amount of any other Floating Rate Tranche Commitment transferred to it under this Agreement; and
   2. in relation to any other Lender, the amount of any Floating Rate Tranche Commitment transferred to it under this Agreement,
2. to the extent not cancelled, reduced or transferred by it under this Agreement.
3. **Floating Rate Tranche Loan** means the loan made or to be made under the Floating Rate Tranche of the Facility or the principal amount outstanding for the time being of that loan.

**Foreign Currency** means any currency other than the lawful currency of the Republic of Serbia.

**Funding Rate** means any individual rate notified in writing by a Lender to the Agent pursuant to clause 10.3(a)(ii) (*Cost of funds*).

**Government** means the government of the Republic of Serbia

**Government Entity** means:

* + 1. any national government or political subdivision of a national government;
    2. any banking or monetary authority of a national government or of a political subdivision of a national government;
    3. any local jurisdiction of a national government or of a political subdivision of a national government;
    4. the European Central Bank or the Council of Ministers of the European Union;
    5. any instrumentality, commission, board commission, authority, department, division, organ, court or agency of any of the foregoing, however constituted; or
    6. any association, organisation or institution of which any of the entities listed in the preceding paragraphs is a member (including, without limitation, any supranational body) or to whose jurisdiction any of them is subject or in whose activities any of them is a participant

**Historic Screen Rate** means, in relation to any Floating Rate Tranche Loan, the most recent applicable Screen Rate for a period equal in length to the Interest Period of that Floating Rate Tranche Loan and which is as of a day which is no more than 10 days before the Quotation Day.

**Holding Company** means, in relation to a person, any other person in respect of which it is a Subsidiary.

1. **IBRD** means the International Bank for Reconstruction and Development

**IMF** means the International Monetary Fund.

**Impaired Agent** means the Agent at any time when:

* + 1. it has failed to make (or has notified a Party that it will not make) a payment required to be made by it under the Finance Documents by the due date for payment; or
    2. the Agent otherwise rescinds or repudiates a Finance Document; or
    3. an Insolvency Event has occurred and is continuing with respect to the Agent;
    4. unless, in the case of (a) above:
       1. its failure to pay is caused by:
          1. administrative or technical error; or
          2. a Disruption Event; and
       2. payment is made within three Business Days of its due date; or
       3. the Agent is disputing in good faith whether it is contractually obliged to make the payment in question.

**Information Memorandum** means the bond base offering memorandum dated 18 January 2023 and the investor presentation dated January 2023, each issued by the Borrower.

**Insolvency Event** in relation to an entity means that the entity:

* + 1. is dissolved (other than pursuant to a consolidation, amalgamation or merger);
    2. becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due;
    3. makes a general assignment, arrangement or composition with or for the benefit of its creditors;
    4. institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding- up or liquidation by it or such regulator, supervisor or similar official;
    5. has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding- up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition is instituted or presented by a person or entity not described in (d) above and:
       1. results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation; or
       2. is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof;
    6. has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);
    7. seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;
    8. has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter;
    9. causes or is subject to any event with respect to it which, under the applicable law of any jurisdiction, has an analogous effect to any of the events specified in (a) to (h) above; or
    10. takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts.

**Interest Payment Date** means the last day of an Interest Period.

**Interest Period** means, in relation to a Loan, each period determined in accordance with clause 9 (*Interest Periods*) and, in relation to an Unpaid Sum, each period determined in accordance with clause 8.3 *(Default interest).*

**Interpolated Historic Screen Rate** means, in relation to the Floating Rate Tranche Loan, the rate (rounded to the same number of decimal places as the Screen Rate) which results from interpolating on a linear basis between:

* + 1. the most recent applicable Screen Rate (as of a day which is not more than 10 days before the Quotation Day) for the longest period (for which that Screen Rate is available) which is less than the Interest Period of that Floating Rate Tranche Loan; and
    2. the most recent applicable Screen Rate (as of a day which is not more than 10 days before the Quotation Day) for the shortest period (for which that Screen Rate is available) which exceeds the Interest Period of that Floating Rate Tranche Loan.

**Interpolated Screen Rate** means, in relation to the Floating Rate Tranche Loan, the rate (rounded to the same number of decimal places as the two relevant Screen Rates) which results from interpolating on a linear basis between:

* + 1. the applicable Screen Rate for the longest period (for which that Screen Rate is available) which is less than the Interest Period of that Floating Rate Tranche Loan; and
    2. the applicable Screen Rate for the shortest period (for which that Screen Rate is available) which exceeds the Interest Period of that Floating Rate Tranche Loan,

each as of the Specified Time.

**Lender** means:

* + 1. any Original Lender; and
    2. any bank, financial institution, trust, fund or other entity which has become a Party as a Lender in accordance with clause 21 (*Changes to the Lenders*),

which in each case has not ceased to be a Party as such in accordance with the terms of this Agreement.

**LMA** means the Loan Market Association.

**Loan** means the Fixed Rate Tranche Loan or the Floating Rate Tranche Loan.

**Majority Lenders** means a Lender or Lenders whose Commitments aggregate more than 662/3 per cent. of the Total Commitments (or, if the Total Commitments have been reduced to zero, aggregated more than 662/3 per cent. of the Total Commitments immediately prior to the reduction).

**Make Whole Amount** means, with respect of a portion of any Tranche, an amount (calculated by the Agent in accordance with clause 23.3(h) (*Duties of the Agent*)) equal to the sum of the present value of the scheduled interest amounts that would have accrued and/or become due and payable on that portion of that Tranche from the relevant Calculation Date up to the Final Repayment Date (**Scheduled Cash Flow**), where

* + 1. the present value is calculated by discounting the relevant Scheduled Cash Flow at the applicable Make Whole Reference Rate;
    2. with respect to the Fixed Rate Tranche Loan, the Scheduled Cash Flow shall be calculated using the Fixed Rate; and
    3. with respect to the Floating Rate Tranche Loan, the Scheduled Cash Flow shall be calculated using a forward rate per annum derived from the Zero Floored EURIBOR Curve on the relevant Calculation Date.

If the Make Whole Amount is less than zero, it shall be deemed to be zero.

**Make Whole Reference Rate** means, on the relevant Calculation Date:

* + 1. with respect to the Fixed Rate Tranche Loan, the EUR swap rate with a maturity closest to the remaining weighted average tenor of the Fixed Rate Tranche Loan (rounded to the nearest half-year), as notified to the Agent by the Reference Bank upon request of the Agent; and
    2. with respect to the Floating Rate Tranche Loan, the forward rate derived from the standard EURIBOR forward curve, as notified to the Agent by the Reference Bank upon request of the Agent.

If the Make Whole Reference Rate is less than zero, it shall be deemed to be zero.

**Margin** means 4.20 per cent. per annum.

**Material Adverse Effect** means in the reasonable opinion of the Majority Lenders a material adverse effect on:

* + 1. the economic condition of the Borrower;
    2. the ability of the Borrower to perform any of its obligations under the Finance Documents; or
    3. the validity or enforceability of the Finance Documents or the rights or remedies of any Finance Party under any of the Finance Documents.

**Month** means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that:

* + 1. (subject to paragraph (c) below) if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the immediately preceding Business Day;
    2. if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month; and
    3. if an Interest Period begins on the last Business Day of a calendar month, that Interest Period shall end on the last Business Day in the calendar month in which that Interest Period is to end.

The above rules will only apply to the last Month of any period.

**NBS** means the National Bank of Serbia (Narodna banka Srbije).

**New Lender** has the meaning given to that term in clause 21 (*Changes to the Lenders*).

**OFAC** means the Department of the Treasury's Office of Foreign Assets Control of the United States of America.

**Participating Member State** means any member state of the European Union that has the euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

**Party** means a party to this Agreement.

**Public Assets** means the whole or any part of present or future undertaking, assets, revenues and international monetary reserves (including gold, special drawing rights and foreign currency) held by the Borrower or its agencies, including the NBS and its successor(s).

**Quotation Day** means, in relation to any period for which an interest rate is to be determined for a Floating Rate Tranche Loan, two TARGET Days before the first day of that period unless market practice differs in the Relevant Market, in which case the Quotation Day will be determined by the Agent in accordance with market practice in the Relevant Market (and if quotations would normally be given on more than one day, the Quotation Day will be the last of those days).

**Reference Bank** means Bank of America, N.A., acting through its London Branch (or any other Lender selected by the Agent (acting on the instructions of the Majority Lenders)).

**Related Fund** in relation to a fund (the **first fund**), means a fund which is managed or advised by the same investment manager or investment adviser as the first fund or, if it is managed by a different investment manager or investment adviser, a fund whose investment manager or investment adviser is an Affiliate of the investment manager or investment adviser of the first fund.

**Relevant Market** means the European interbank market.

**Repayment Date** means:

* + 1. the First Repayment Date; and
    2. each date falling at six monthly intervals after the First Repayment Date until (and including) the Final Repayment Date.

**Repeating Representations** means each of the representations set out in clause 17 (*Representations*).

**Representative** means any delegate, agent, manager, administrator, nominee, attorney, trustee or custodian.

**Reserves** of a state means the official external reserves of that state, by whoever and in whatever form owned, held, administered or controlled (including any not owned or not held or not administered or not controlled by that state but customarily regarded and held out as its official external reserves).

**Sanctioned Country** means, at any time, a country, region or territory which is itself the subject or target of any Sanctions Laws and Regulations (at the time of this Agreement, the so-called Donetsk People’s Republic, the so-called Luhansk People’s Republic, the Crimea Region of Ukraine, Cuba, Myanmar, Iran, North Korea, Sudan, South Sudan and Syria).

**Sanctioned Person** means, at any time:

* + 1. any person listed in any Sanctions Laws and Regulations-related list of designated persons maintained by any of the Sanctions Authorities (including the Specially Designated Nationals and Blocked Persons list or Foreign Sanctions Evaders list published and maintained by OFAC), each as amended, supplemented or substituted from time to time;
    2. any person operating, organised or resident in a Sanctioned Country;
    3. any person owned or controlled by any such person or persons described in the foregoing paragraphs (a) and (b);
    4. any person who has been (within the previous five (5) years) engaged in any transaction with any person who is the subject or target of any Sanctions Laws and Regulations or who is located, organized or residing in any Sanctioned Country; or
    5. any person otherwise the subject of any Sanctions Laws and Regulations.

**Sanctions Authority** means:

* + 1. the United Nations Security Council;
    2. the European Union;
    3. the government of the US (including OFAC and the U.S. Department of State);
    4. each member state of the European Union; and
    5. the United Kingdom (including His Majesty’s Treasury).

**Sanctions Laws and Regulations** means any economic, financial or trade sanctions laws, regulations, embargoes or restrictive measures administered, enacted or enforced by any Sanctions Authority from time to time.

**Screen Rate** means the euro interbank offered rate administered by the European Money Markets Institute (or any other person which takes over the administration of that rate) for the relevant period displayed (before any correction, recalculation or republication by the administrator) on page EURIBOR01 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate)

**Security** means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

**Specified Time** means a day or time determined in accordance with Schedule 7 (*Timetables*).

**Subsidiary** means any person (referred to as the **first person**) in respect of which another person (referred to as the **second person**):

* + 1. holds a majority of the voting rights in that first person or has the right under the constitution of the first person to direct the overall policy of the first person or alter the terms of its constitution; or
    2. is a member of that first person and has the right to appoint or remove a majority of its board of directors or equivalent administration, management or supervisory body; or
    3. has the right to exercise a dominant influence (which must include the right to give directions with respect to operating and financial policies of the first person which its directors are obliged to comply with whether or not for its benefit) over the first person by virtue of provisions contained in the articles (or equivalent) of the first person or by virtue of a control contract which is in writing and is authorised by the articles (or equivalent) of the first person and is permitted by the law under which such first person is established; or
    4. is a member of that first person and controls alone, pursuant to an agreement with other shareholders or members, a majority of the voting rights in the first person or the rights under its constitution to direct the overall policy of the first person or alter the terms of its constitution; or
    5. has the power to exercise, or actually exercises dominant influence or control over the first person; or
    6. together with the first person are managed on a unified basis,

and, for the purposes of this definition, a person shall be treated as a member of another person if any of that person's Subsidiaries is a member of that other person or if any shares in that other person are held by a person acting on behalf of it or any of its Subsidiaries.

**T2** means the real time gross settlement system operated by the Eurosystem, or any successor system.

**TARGET Day** means any day on which T2 is open for the settlement of payments in euro.

**Tax** means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

**Third Parties Act** means the Contracts (Rights of Third Parties) Act 1999.

**Total Commitments** means the aggregate of the Fixed Rate Tranche Commitments and the Floating Rate Tranche Commitments, being €300,000,000 at the date of this Agreement.

**Tranche** means the Fixed Rate Tranche or the Floating Rate Tranche of the Facility.

**Transfer Certificate** means a certificate substantially in the form set out in Schedule 4 (*Form of Transfer Certificate*) or any other form agreed between the Agent and the Borrower.

**Transfer Date** means, in relation to an assignment or a transfer, the later of:

* + 1. the proposed Transfer Date specified in the relevant Assignment Agreement or Transfer Certificate; and
    2. the date on which the Agent executes the relevant Assignment Agreement or Transfer Certificate.

**Unpaid Sum** means any sum due and payable but unpaid by the Borrower under the Finance Documents.

**US** meansthe United States of America.

**US Tax Obligor** means the Borrower if:

* + 1. it is or becomes resident for tax purposes in the US; or
    2. some or all of its payments under the Finance Documents are from sources within the US for US federal income tax purposes.

**Utilisation** means a utilisation of the Facility or a Tranche.

**Utilisation Date** means the date of a Utilisation, being the date on which the relevant Loan is to be made.

**Utilisation Request** means a notice substantially in the form set out in Schedule 3 (*Form of Utilisation Request*).

**VAT** means:

* + 1. value added tax as provided for in the Value Added Tax Act (Zakon o porezu na dodatu vrednost), Official Gazette of the Republic of Serbia, nos. 84/2004, 86/2004, 61/2005, 61/2007,93/2012, 108/2013, 6/2014, 68/2014, 142/2014, 5/2015. 83/2015, 5/2016, 108/2016, 7/2017,113/2017, 13/2018, 30/2018,4/2019, 72/19, 8/2020, 153/2020 and 138/2022;
    2. any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and
    3. any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraphs (a) or (b) above, or imposed elsewhere.

**World Bank** means the World Bank Group, including the IBRD, The International Development Association (IDA), The International Finance Corporation (IFC) and The Multilateral Investment Guarantee Agency (MIGA).

**Zero Floored EURIBOR Curve** means the curve calculated on the relevant Calculation Date by the Agent in accordance with clause 23.3(h) (*Duties of the Agent*), derived from the standard EURIBOR forward curve applicable on that date, where if any rate of that curve is less than zero, it shall be deemed to be zero.

* 1. Construction
     1. Unless a contrary indication appears, any reference in this Agreement to:
        1. the **Agent**, the **Arranger**, any **Finance Party**, any **Lender**, the **Borrower** or any **Party** shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under the Finance Documents;
        2. an **agency** shall be construed so as to give any governmental, intergovernmental or supranational agency, authority, body, central bank, commission, department, ministry, organisation, statutory corporation or tribunal (including any political sub-division, national, regional or municipal government and any administrative, fiscal, judicial, regulatory or self-regulatory body or person);
        3. **assets** includes present and future properties, revenues and rights of every description;
        4. a Lender's **cost of funds** in relation to its participation in a Loan is a reference to the average cost (determined either on an actual or a notional basis) which that Lender would incur if it were to fund, from whatever source(s) it may reasonably select, an amount equal to the amount of that participation in that Loan for a period equal in length to the Interest Period of that Loan;
        5. a **Finance Document** or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended or restated;
        6. a **group of Lenders** includes all the Lenders;
        7. **guarantee** means any guarantee, letter of credit, bond, indemnity or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person or to make an investment in or loan to any person or to purchase assets of any person where, in each case, such obligation is assumed in order to maintain or assist the ability of such person to meet its indebtedness;
        8. **indebtedness** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
        9. a **person** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);
        10. a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any agency;
        11. a provision of law is a reference to that provision as amended or re-enacted from time to time; and
        12. a time of day is a reference to London time.
     2. The determination of the extent to which a rate is **for a period equal in length** to an Interest Period shall disregard any inconsistency arising from the last day of that Interest Period being determined pursuant to the terms of this Agreement.
     3. Section, clause and Schedule headings are for ease of reference only.
     4. Unless a contrary indication appears, a term used in any other Finance Document or in any notice given under or in connection with any Finance Document has the same meaning in that Finance Document or notice as in this Agreement.
     5. A Default (other than an Event of Default) is **continuing** if it has not been remedied or waived and an Event of Default is **continuing** if it has not been waived.
  2. Currency symbols and definitions

**€**, **EUR** and **euro** denote the single currency of the Participating Member States.

* 1. Third party rights
     1. Unless expressly provided to the contrary in a Finance Document a person who is not a Party has no right under the Third Parties Act to enforce or to enjoy the benefit of any term of this Agreement.
     2. Notwithstanding any term of any Finance Document the consent of any person who is not a Party is not required to rescind or vary this Agreement at any time.
  2. Agent provisions
     1. Where the Agent is referred to as acting "reasonably” or "in a reasonable manner” or as coming to an opinion or determination that is "reasonable” (or any similar or analogous wording is used), or acting or exercising any discretion (or refraining from acting or exercising any discretion) this shall mean that the Agent shall be acting or coming to an opinion or determination on the instructions of the Lenders or the Majority Lenders (as the case may be) acting reasonably or in a reasonable manner and the Agent shall be under no obligation to determine the reasonableness of such instructions or whether in giving such instructions the Lenders or the Majority Lenders (as the case may be) are acting reasonably or in a reasonable manner.
     2. Where acceptability to or satisfaction of the Agent is referred to in relation to a matter not affecting the personal interests of the Agent (including, for the avoidance of doubt, any satisfaction or determination in relation to conditions precedent) this shall mean the acceptability to or satisfaction of the Lenders or the Majority Lenders (as the case may be) as notified by it to the Agent.
     3. In respect of paragraphs (a) and (b) above, the Agent shall not be responsible for any liability occasioned or by any delay or failure on the part of the Lenders or the Majority Lenders (as the case may be) to give any such instructions or direction or to form any such opinion.

SECTION 2  
THE FACILITY

1. The Facility
   1. The Facility

Subject to the terms of this Agreement, the Lenders make available to the Borrower a euro term loan facility in an aggregate amount equal to the Total Commitments, comprising:

* + 1. the Fixed Rate Tranche in an amount equal to the Fixed Rate Tranche Commitments; and
    2. the Floating Rate Tranche in an amount equal to the Floating Rate Tranche Commitments.
  1. Finance Parties' rights and obligations
     1. The obligations of each Finance Party under the Finance Documents are several. Failure by a Finance Party to perform its obligations under the Finance Documents does not affect the obligations of any other Party under the Finance Documents. No Finance Party is responsible for the obligations of any other Finance Party under the Finance Documents.
     2. The rights of each Finance Party under or in connection with the Finance Documents are separate and independent rights and any debt arising under the Finance Documents to a Finance Party from the Borrower is a separate and independent debt in respect of which a Finance Party shall be entitled to enforce its rights in accordance with paragraph (c) below. The rights of each Finance Party include any debt owing to that Finance Party under the Finance Documents and, for the avoidance of doubt, any part of a Loan or any other amount owed by the Borrower which relates to a Finance Party's participation in a Facility or its role under a Finance Document (including any such amount payable to the Agent on its behalf) is a debt owing to that Finance Party by the Borrower.
     3. A Finance Party may, except as specifically provided in the Finance Documents, separately enforce its rights under or in connection with the Finance Documents.

1. Purpose
   1. Purpose
      1. The Borrower shall apply all amounts borrowed by it under the Fixed Rate Tranche towards financing of:
         1. investment and program projects specified in the following items of the 2023 Budget Law:

|  |  |
| --- | --- |
| Reference | Description |
| Article 3.B.XI.1 | Road Ruma-Šabac-Loznica |
| Article 3.B.IX.8 | High Speed road construction project Bački Breg – Kikinda |

* + - 1. the budget deficit for the following line items of the 2023 Budget Law:

|  |  |  |
| --- | --- | --- |
| Programme | Item | Description |
| 0702 | 5056 | Capacity expansion Port Sremska Mitrovica |
| 5057 | Capacity expansion Port Bogojevo |
| 5058 | Capacity expansion Port Prahovo |
| 1511 | 5001 | Renovation and construction of public purpose facilities in the field of healthcare |
| 5002 | Renovation and construction of public purpose facilities in the field of education and science |
| 5003 | Renovation and construction of public purpose facilities in the field of sports infrastructure |
| 5004 | Renovation and construction of public purpose facilities in the field of social protection |
| 5005 | Renovation and construction of public purpose facilities in the field of culture |
| 5006 | Renovation and construction of public purpose facilities in the field of culture |

* + - 1. provided that at least 50% of the proceeds of the Fixed Rate Tranche Loan shall be applied to Programme 1511 of the 2023 Budget Law as described above by the date falling 12 Months after the date of this Agreement.
    1. The Borrower shall apply all amounts borrowed by it under the Floating Rate Tranche towards procurement of financial assets of line item 62 of the 2023 Budget Law (“*Izdaci za nabavku finansijske imovine*”). The funds will be dedicated specifically to financing state subsidies for the purchase of:
       1. natural gas (excluding from the Russian Federation or any Sanctioned Country) by Srbijagas; and
       2. electricity by Elektroprivreda Srbije (EPS).
  1. Monitoring

No Finance Party is bound to monitor or verify the application of any amount borrowed pursuant to this Agreement.

1. Conditions of Utilisation
   1. Initial conditions precedent
      1. The Borrower may not deliver a Utilisation Request unless the Agent has received all of the documents and other evidence listed in Schedule 2 (*Conditions Precedent*) in form and substance satisfactory to the Agent (acting on the instructions of the Majority Lenders). The Agent shall notify the Borrower and the Lenders promptly upon being so satisfied.
      2. Other than to the extent that the Majority Lenders notify the Agent in writing to the contrary before the Agent gives the notification described in paragraph (a) above, the Lenders authorise (but do not require) the Agent to give that notification. The Agent shall not be liable for any damages, costs or losses whatsoever as a result of giving any such notification.
   2. Further conditions precedent

The Lenders will only be obliged to comply with clause 5.4 (*Lenders' participation*) if on the date of the Utilisation Request and on the proposed Utilisation Date:

* + 1. no Default is continuing or would result from the proposed Loan;
    2. the Repeating Representations to be made by the Borrower are true in all material respects;
    3. no External Financial Indebtedness is due and unpaid;
    4. no Sanctions Laws and Regulations would apply to or otherwise affect the receipt by the Borrower of proceeds from a proposed Loan and or the incurring of debt in relation to a proposed Loan; and
    5. it would not be unlawful or contrary to any Sanctions Laws and Regulations applicable to a Lender for the proposed Loan to be made.
  1. Maximum number of Loans

The Borrower may not deliver a Utilisation Request if as a result of the proposed Utilisation more than one Loan under each Tranche would be outstanding.

SECTION 3  
UTILISATION

1. Utilisation
   1. Delivery of a Utilisation Request

The Borrower may utilise the Facility by delivery to the Agent of a duly completed Utilisation Request not later than the Specified Time.

* 1. Completion of a Utilisation Request
     1. Each Utilisation Request is irrevocable and will not be regarded as having been duly completed unless:
        1. it identifies the Tranche to be utilised;
        2. it is accompanied by a Utilisation Request for the other Tranche (and the proposed Utilisation Date for both Tranches is the same date);
        3. the proposed Utilisation Date is a Business Day within the Availability Period;
        4. the currency and amount of the Utilisation comply with clause 5.3 (*Currency and amount*); and
        5. the proposed Interest Period complies with clause 9 (*Interest Periods*).
     2. Only one Loan may be requested in each Utilisation Request.
  2. Currency and amount
     1. The currency specified in a Utilisation Request must be euro.
     2. The amount of the proposed Loan must be an amount which is not more than:
        1. in respect of the Fixed Rate Tranche, the Fixed Rate Tranche Commitments; and
        2. in respect of the Floating Rate Tranche, the Floating Rate Tranche Commitments.
  3. Lenders' participation
     1. If the conditions set out in this Agreement have been met, each Lender shall make its participation in each Loan available by the Utilisation Date through its Facility Office.
     2. The amount of each Lender's participation in each Loan under a Tranche will be equal to the proportion borne by its Available Commitment under that Tranche to the Available Facility under that Tranche immediately prior to making the Loan.
     3. The Agent shall notify each Lender of the amount of each Loan and the amount of its participation in that Loan by the Specified Time.
  4. Cancellation of Commitment

The Commitments which, at that time, are unutilised shall be immediately cancelled at the end of the Availability Period.

SECTION 4  
REPAYMENT, PREPAYMENT AND CANCELLATION

1. Repayment
   1. Repayment of Loans

The Borrower shall repay the Loans in 11 equal semi-annual instalments, with a repayment due on each Repayment Date.

* 1. Reborrowing

The Borrower may not reborrow any part of the Facility which is repaid.

1. Prepayment and Cancellation
   1. Illegality

If, in any applicable jurisdiction, it becomes unlawful for any Lender (including, without limitation, as a result of Sanctions Laws and Regulations applicable to that Lender) to perform any of its obligations as contemplated by this Agreement or to fund or maintain its participation in any Loan or it becomes unlawful for any Affiliate of a Lender for that Lender to do so:

* + 1. that Lender shall promptly notify the Agent upon becoming aware of that event;
    2. upon the Agent notifying the Borrower, the Available Commitment of that Lender will be immediately cancelled; and
    3. to the extent that the Lender's participation has not been transferred pursuant to paragraph (d) of clause 7.4 (*Right of replacement or repayment and cancellation in relation to a single Lender*), the Borrower shall repay that Lender's participation in the Loans made to the Borrower on the first Interest Payment Date occurring after the Agent has so notified the Borrower or, if earlier, the date specified by the Lender in the notice delivered to the Agent pursuant to paragraph (a) above (being no earlier than the last day of any applicable grace period permitted by law) and that Lender's corresponding Commitment shall be immediately cancelled in the amount of the participations repaid.
  1. Voluntary cancellation prohibited

The Borrower shall not be entitled, under any circumstances to cancel the whole or any part of the Available Facility.

* 1. Voluntary prepayment
     1. Subject to paragraph (c) below, the Borrower may, if it gives the Agent not less than 10 Business Days' (or such shorter period as the Majority Lenders may agree) prior written notice, prepay the whole or any part of the Loans (but, if in part, being an amount that reduces the amount of the Loans by a minimum amount of €10,000,000).
     2. A Loan may only be prepaid after the last day of the Availability Period (or, if earlier, the day on which the Available Facility is zero).
     3. If the Borrower makes a voluntary prepayment under this clause 7.3:
        1. it shall apply such prepayment pro rata against the Fixed Rate Tranche Loan and the Floating Rate Tranche Loan; and
        2. it shall also pay the applicable Make Whole Amounts at the same time in accordance with clause 7.5(b) (*Restrictions*) below.
  2. Right of replacement or repayment and cancellation in relation to a single Lender
     1. If:
        1. any sum payable to any Lender by the Borrower is required to be increased under paragraph (c) of clause 12.2 (*Tax gross-up*); or
        2. any Lender claims indemnification from the Borrower under clause 12.3 (*Tax indemnity*) or clause 13.1 (*Increased Costs*),

the Borrower may, whilst the circumstance giving rise to the requirement for that increase or indemnification continues, give the Agent notice of cancellation of the Commitment of that Lender and its intention to procure the repayment of that Lender's participation in the Loans or give the Agent notice of its intention to replace that Lender in accordance with paragraph (d) below.

* + 1. On receipt of a notice of cancellation referred to in paragraph (a) above, the Available Commitment of that Lender shall be immediately reduced to zero.
    2. On the last day of each Interest Period which ends after the Borrower has given notice of cancellation under paragraph (a) above (or, if earlier, the date specified by the Borrower in that notice), the Borrower shall repay that Lender's participation in that Loan and that Lender’s corresponding Commitment shall be immediately cancelled in the amount of the participations repaid.
    3. If:
       1. any of the circumstances set out in paragraph (a) above apply to a Lender; or
       2. the Borrower becomes obliged to pay any amount in accordance with clause 7.1 (*Illegality*) to any Lender,

the Borrower may, on ten (10) Business Days' prior written notice to the Agent and that Lender, replace that Lender by requiring that Lender to (and, to the extent permitted by law, that Lender shall) transfer pursuant to clause 21 (*Changes to the Lenders*) all (and not part only) of its rights and obligations under this Agreement to an Eligible Institution which confirms its willingness to assume and does assume all the obligations of the transferring Lender in accordance with clause 21 (*Changes to the Lenders*) for a purchase price in cash payable at the time of the transfer in an amount equal to the outstanding principal amount of such Lender's participation in the outstanding Loans and all accrued interest (to the extent that the Agent has not given a notification under clause 21.10 (*Pro rata interest settlement*)), Break Costs and other amounts payable in relation thereto under the Finance Documents.

* + 1. The replacement of a Lender pursuant to paragraph (d) above shall be subject to the following conditions:
       1. the Borrower shall have no right to replace the Agent;
       2. neither the Agent nor any Lender shall have any obligation to find a replacement Lender;
       3. in no event shall the Lender replaced under paragraph (d) above be required to pay or surrender any of the fees received by such Lender pursuant to the Finance Documents; and
       4. the Lender shall only be obliged to transfer its rights and obligations pursuant to paragraph (d) above once it is satisfied that it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to that transfer.
    2. A Lender shall perform the checks described in paragraph (e)(iv) above as soon as reasonably practicable following delivery of a notice referred to in paragraph (d) above and shall notify the Agent and the Borrower when it is satisfied that it has complied with those checks.
  1. Restrictions
     1. Any notice of cancellation or prepayment given by any Party under this clause 7 shall be irrevocable and, unless a contrary indication appears in this Agreement, shall specify the date or dates upon which the relevant cancellation or prepayment is to be made and the amount of that cancellation or prepayment.
     2. Any prepayment under this Agreement shall be made together with:
        1. accrued interest on the amount prepaid;
        2. any Break Costs;
        3. (in the case of a voluntary prepayment under clause 7.3 (*Voluntary prepayment*)) the applicable Make Whole Amounts; and
        4. any other amount payable under the Finance Documents,
     3. but otherwise without any premium or penalty.
     4. The Borrower may not reborrow any part of the Facility which is prepaid.
     5. The Borrower shall not repay or prepay all or any part of the Loans or cancel all or any part of the Commitments except at the times and in the manner expressly provided for in this Agreement.
     6. No amount of the Total Commitments cancelled under this Agreement may be subsequently reinstated.
     7. If the Agent receives a notice under this clause 7 it shall promptly forward a copy of that notice to either the Borrower or the affected Lender, as appropriate.
     8. If all or part of any Lender's participation in a Loan under a Tranche is repaid or prepaid, an amount of that Lender's Commitment (equal to the amount of the participation which is repaid or prepaid) under that Tranche will be deemed to be cancelled on the date of repayment or prepayment.
  2. Application of prepayments
     1. Any prepayment under clause 7.3 (*Voluntary prepayment of Loans*):
     2. shall satisfy the obligations under clause 6.1 (*Repayment of Loans*) in inverse chronological order;
     3. shall be applied rateably between the Fixed Rate Tranche Loan and the Floating Rate Tranche Loan; and
     4. shall be applied rateably among the participations of all Lenders in respect of each Tranche.

SECTION 5  
COSTS OF UTILISATION

1. Interest
   1. Calculation of interest

The rate of interest on each Loan for each Interest Period is the percentage rate per annum which is the aggregate of the applicable:

* + 1. Margin; and
    2. Base Rate.
  1. Payment of interest

The Borrower shall pay accrued interest on the Loans on each Interest Payment Date.

* 1. Default interest
     1. If the Borrower fails to pay any amount payable by it under a Finance Document on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at a rate which, subject to paragraph (c) below, is two per cent. (2.00%) per annum higher than the rate which would have been payable if the overdue amount had, during the period of non-payment, constituted a Loan in the currency of the overdue amount for successive Interest Periods, each of a duration selected by the Agent (acting reasonably).
     2. Any interest accruing under this clause 8.3 shall be immediately payable by the Borrower on demand by the Agent.
     3. If any overdue amount consists of all or part of a Loan which became due on a day which was not the last day of an Interest Period relating to that Loan:
        1. the first Interest Period for that overdue amount shall have a duration equal to the unexpired portion of the current Interest Period relating to that Loan; and
        2. the rate of interest applying to the overdue amount during that first Interest Period shall be two per cent. (2.00%) per annum higher than the rate which would have applied if the overdue amount had not become due.
     4. Default interest (if unpaid) arising on an overdue amount will be compounded with the overdue amount at the end of each Interest Period applicable to that overdue amount but will remain immediately due and payable.
  2. Notification of rates of interest
     1. The Agent shall promptly notify the Lenders and the Borrower of the determination of a rate of interest under this Agreement.
     2. The Agent shall promptly notify the Borrower of each Funding Rate relating to a Loan.

1. Interest Periods

**9.1 Interest Periods**

* + 1. The period for which each Loan is outstanding shall be divided into successive Interest Periods.
    2. The first day of an Interest Period for a Loan shall begin on:
       1. for the first Interest Period for that Loan, its Utilisation Date; and
       2. for each subsequent Interest Period, the preceding Interest Payment Date.
    3. The last day of an Interest Period for each Loan shall be the earlier of:
       1. the date falling six (6) months after the first day of that Interest Period;
       2. the Interest Payment Date of any other Loan; and
       3. the first Repayment Date falling after the first day of that Interest Period.
  1. Non-Business Days

If an Interest Period would otherwise end on a day which is not a Business Day, that Interest Period will instead end on the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).

1. Changes to the Calculation of Interest
   1. Interest calculation if no Screen Rate
      1. *Interpolated Screen Rate*: If no Screen Rate is available for the Interest Period of the Floating Rate Tranche Loan, the applicable EURIBOR shall be the Interpolated Screen Rate for a period equal in length to the Interest Period of the Floating Rate Tranche Loan.
      2. *Shortened Interest Period*: If clause 10.1(a) above applies but it is not possible to calculate the Interpolated Screen Rate, the Interest Period of the Floating Rate Tranche Loan shall (if it is longer than the applicable Fallback Interest Period) be shortened to the applicable Fallback Interest Period and the applicable EURIBOR shall be determined pursuant to the definition of **EURIBOR**.
      3. *Shortened Interest Period and Historic Screen Rate*: If clause 10.1(b) above applies but no Screen Rate is available for the Interest Period of the Floating Rate Tranche Loan and it is not possible to calculate the Interpolated Screen Rate, the applicable EURIBOR shall be the Historic Screen Rate for the Floating Rate Tranche Loan.
      4. *Shortened Interest Period and Interpolated Historic Screen Rate*: If clause 10.1(c) above applies but no Historic Screen Rate is available for the Interest Period of the Floating Rate Tranche Loan, the applicable EURIBOR shall be the Interpolated Historic Screen Rate for a period equal in length to the Interest Period of that Floating Rate Tranche Loan.
      5. *Cost of funds:* If clause 10.1(d) above applies but it is not possible to calculate the Interpolated Historic Screen Rate, there shall be no EURIBOR for that Floating Rate Tranche Loan and clause 10.3 (*Cost of funds*) shall apply to the Floating Rate Tranche Loan for that Interest Period.
   2. Market disruption

If before close of business in London on the Quotation Day for the relevant Interest Period the Agent receives notifications from a Lender or Lenders (whose participations in the Floating Rate Tranche Loan exceed forty per cent. (40.00%) of that Floating Rate Tranche Loan) that the cost to it of funding its participation in that Floating Rate Tranche Loan from whatever source it may reasonably select would be in excess of EURIBOR then clause 10.3 (*Cost of funds*) shall apply to that Floating Rate Tranche Loan for the relevant Interest Period.

* 1. Cost of funds
     1. If this clause 10.3 applies, the rate of interest on the Floating Rate Tranche Loan for the relevant the Interest Period shall be the percentage rate per annum which is the sum of:
        1. the Margin; and
        2. the weighted average of the rates notified to the Agent by each Lender with participations in the Floating Rate Tranche Loan as soon as practicable and in any event before the date on which interest is due to be paid in respect of that Interest Period, to be that which expresses as a percentage rate per annum the cost to the relevant Lender of funding its participation in that Floating Rate Tranche Loan from whatever source it may reasonably select.
     2. If this clause 10.3 applies and the Agent or the Borrower so requires, the Agent and the Borrower shall enter into negotiations (for a period of not more than thirty days) with a view to agreeing a substitute basis for determining the rate of interest.
     3. Any alternative basis agreed pursuant to paragraph (b) above shall, with the prior consent of all the Lenders and the Borrower, be binding on all Parties.
     4. If this clause 10.3 applies pursuant to clause 10.1 (*Interest calculation if no Screen Rate*) but any relevant Lender does not supply a quotation by the time specified in paragraph (a)(ii) above, the rate of interest shall be calculated on the basis of the quotations of the remaining Lenders with participations in the Floating Rate Tranche Loan.
  2. Notification to Borrower

If clause 10.3 (*Cost of funds*) applies the Agent shall, as soon as is practicable, notify the Borrower.

* 1. Break Costs
     1. The Borrower shall, within ten (10) Business Days of demand by a Finance Party, pay to that Finance Party its Break Costs attributable to all or any part of a Loan or Unpaid Sum being paid by the Borrower on a day other than an Interest Payment Date for that Loan or Unpaid Sum.
     2. Each Lender shall, as soon as reasonably practicable after a demand by the Agent, provide a certificate confirming the amount of its Break Costs for any Interest Period in which they accrue.

1. Fees
   1. Arrangement fee

The Borrower shall pay to the Arranger an arrangement fee in the amount and at the times agreed in a Fee Letter.

* 1. Agency fee

The Borrower shall pay to the Agent (for its own account) an agency fee in the amount and at the times agreed in a Fee Letter.

SECTION 6  
ADDITIONAL PAYMENT OBLIGATIONS

1. Tax Gross-Up and Indemnities
   1. Definitions

In this Agreement:

**Protected Party** means a Finance Party which is or will be subject to any liability, or required to make any payment, for or on account of Tax in relation to a sum received or receivable (or any sum deemed for the purposes of Tax to be received or receivable) under a Finance Document.

**Tax Credit** means a credit against, relief or remission for, or repayment of any Tax.

**Tax Deduction** means a deduction or withholding for or on account of Tax from a payment under a Finance Document, other than a FATCA Deduction.

**Tax Payment** means either the increase in a payment made by the Borrower to a Finance Party under clause 12.2 (*Tax gross-up*) or a payment under clause 12.3 (*Tax indemnity*).

Unless a contrary indication appears, in this clause 12 a reference to "determines" or "determined" means a determination made in the absolute discretion of the person making the determination.

* 1. Tax gross-up
     1. The Borrower shall make all payments to be made by it under or in connection with the Finance Documents without any Tax Deduction, unless a Tax Deduction is required by law.
     2. The Borrower shall promptly upon becoming aware that the Borrower must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Agent accordingly. Similarly, a Lender shall notify the Agent on becoming so aware in respect of a payment payable to that Lender. If the Agent receives such notification from a Lender it shall notify the Borrower.
     3. If a Tax Deduction is required by law to be made by the Borrower, the amount of the payment due from the Borrower shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.
     4. If the Borrower is required to make a Tax Deduction, the Borrower shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.
     5. Within thirty days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Borrower shall deliver to the Agent for the Finance Party entitled to the payment evidence reasonably satisfactory to that Finance Party that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.
  2. Tax indemnity
     1. The Borrower shall (within three Business Days of demand by the Agent) pay to a Protected Party an amount equal to the loss, liability or cost which that Protected Party determines will be or has been (directly or indirectly) suffered for or on account of Tax by that Protected Party in respect of a Finance Document.
     2. Paragraph (a) above shall not apply:
        1. with respect to any Tax assessed on a Finance Party:
           1. under the law of the jurisdiction in which that Finance Party is incorporated or, if different, the jurisdiction (or jurisdictions) in which that Finance Party is treated as resident for tax purposes; or
           2. under the law of the jurisdiction in which that Finance Party's Facility Office is located in respect of amounts received or receivable in that jurisdiction,

if that Tax is imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by that Finance Party; or

* + - 1. to the extent a loss, liability or cost:
         1. is compensated for by an increased payment under clause 12.2 (*Tax gross-up*); or
         2. relates to a FATCA Deduction required to be made by a Party.
    1. A Protected Party making, or intending to make a claim under paragraph (a) above shall promptly notify the Agent of the event which will give, or has given, rise to the claim, following which the Agent shall notify the Borrower.
    2. A Protected Party shall, on receiving a payment from the Borrower under this clause 12.3, notify the Agent.
  1. Tax Credit

If the Borrower makes a Tax Payment and the relevant Finance Party determines that:

* + 1. a Tax Credit is attributable to an increased payment of which that Tax Payment forms part, to that Tax Payment or to a Tax Deduction in consequence of which that Tax Payment was required; and
    2. that Finance Party has obtained and utilised that Tax Credit,

the Finance Party shall pay an amount to the Borrower which that Finance Party determines will leave it (after that payment) in the same after-Tax position as it would have been in had the Tax Payment not been required to be made by the Borrower.

* 1. Stamp taxes

The Borrower shall pay and, within five (5) Business Days of demand, indemnify each Finance Party against any cost, loss or liability that Finance Party incurs in relation to all stamp duty, registration and other similar Taxes payable in respect of any Finance Document.

* 1. VAT
     1. All amounts expressed to be payable under a Finance Document by any Party to a Finance Party which (in whole or in part) constitute the consideration for any supply for VAT purposes are deemed to be exclusive of any VAT which is chargeable on that supply, and accordingly, subject to paragraph (b) below, if VAT is or becomes chargeable on any supply made by any Finance Party to any Party under a Finance Document and such Finance Party is required to account to the relevant tax authority for the VAT, that Party must pay to such Finance Party (in addition to and at the same time as paying any other consideration for such supply) an amount equal to the amount of the VAT (and such Finance Party must promptly provide an appropriate VAT invoice to that Party).
     2. If VAT is or becomes chargeable on any supply made by any Finance Party (the **Supplier**) to any other Finance Party (the **Recipient**) under a Finance Document, and any Party other than the Recipient (the **Relevant Party**) is required by the terms of any Finance Document to pay an amount equal to the consideration for that supply to the Supplier (rather than being required to reimburse or indemnify the Recipient in respect of that consideration):
        1. (where the Supplier is the person required to account to the relevant tax authority for the VAT) the Relevant Party must also pay to the Supplier (at the same time as paying that amount) an additional amount equal to the amount of the VAT. The Recipient must (where this paragraph (i) applies) promptly pay to the Relevant Party an amount equal to any credit or repayment the Recipient receives from the relevant tax authority which the Recipient reasonably determines relates to the VAT chargeable on that supply; and
        2. (where the Recipient is the person required to account to the relevant tax authority for the VAT) the Relevant Party must promptly, following demand from the Recipient, pay to the Recipient an amount equal to the VAT chargeable on that supply but only to the extent that the Recipient reasonably determines that it is not entitled to credit or repayment from the relevant tax authority in respect of that VAT.
     3. Where a Finance Document requires any Party to reimburse or indemnify a Finance Party for any cost or expense, that Party shall reimburse or indemnify (as the case may be) such Finance Party for the full amount of such cost or expense, including such part thereof as represents VAT, save to the extent that such Finance Party reasonably determines that it is entitled to credit or repayment in respect of such VAT from the relevant tax authority.
     4. Any reference in this clause 12.6 to any Party shall, at any time when such Party is treated as a member of a group for VAT purposes, include (where appropriate and unless the context otherwise requires) a reference to the representative member of such group at such time (the term "representative member" to have the same meaning as in the Value Added Tax Act 1994).
     5. In relation to any supply made by a Finance Party to any Party under a Finance Document, if reasonably requested by such Finance Party, that Party must promptly provide such Finance Party with details of that Party's VAT registration and such other information as is reasonably requested in connection with such Finance Party's VAT reporting requirements in relation to such supply.
  2. FATCA Information
     1. Subject to paragraph (c) below, each Party shall, within 15 Business Days of a reasonable request by another Party:
        1. confirm to that other Party whether it is:
           1. a FATCA Exempt Party; or
           2. not a FATCA Exempt Party;
        2. supply to that other Party such forms, documentation and other information relating to its status under FATCA as that other Party reasonably requests for the purposes of that other Party's compliance with FATCA; and
        3. supply to that other Party such forms, documentation and other information relating to its status as that other Party reasonably requests for the purposes of that other Party's compliance with any other law, regulation, or exchange of information regime.
     2. If a Party confirms to another Party pursuant to paragraph (a)(i) above that it is a FATCA Exempt Party and it subsequently becomes aware that it is not or has ceased to be a FATCA Exempt Party, that Party shall notify that other Party reasonably promptly.
     3. Paragraph (a) above shall not oblige any Finance Party to do anything, and paragraph (a)(iii) above shall not oblige any other Party to do anything, which would or might in its reasonable opinion constitute a breach of:
        1. any law or regulation;
        2. any fiduciary duty; or
        3. any duty of confidentiality.
     4. If a Party fails to confirm whether or not it is a FATCA Exempt Party or to supply forms, documentation or other information requested in accordance with paragraph (a)(i) or (a)(ii) above (including, for the avoidance of doubt, where paragraph (c) above applies), then such Party shall be treated for the purposes of the Finance Documents (and payments under them) as if it is not a FATCA Exempt Party until such time as the Party in question provides the requested confirmation, forms, documentation or other information.
  3. FATCA Deduction
     1. Each Party may make any FATCA Deduction it is required to make by FATCA, and any payment required in connection with that FATCA Deduction, and no Party shall be required to increase any payment in respect of which it makes such a FATCA Deduction or otherwise compensate the recipient of the payment for that FATCA Deduction.
     2. Each Party shall promptly, upon becoming aware that it must make a FATCA Deduction (or that there is any change in the rate or the basis of such FATCA Deduction), and in any case at least 3 Business Days prior to making a FATCA Deduction, notify the Party to whom it is making the payment and, on or prior to the day on which it notifies that Party, shall also notify the Borrower, the Agent and the other Finance Parties.

1. Increased Costs
   1. Increased Costs
      1. Subject to clause 13.3 (*Exceptions*) the Borrower shall, within 20 Business Days of a demand by the Agent, pay for the account of a Finance Party the amount of any Increased Costs incurred by that Finance Party or any of its Affiliates as a result of:
         1. the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation;
         2. compliance with any law or regulation made after the date of this Agreement; or
         3. the implementation of or application of or compliance with Basel III or CRD IV or any other law or regulation which implements Basel III or CRD IV (whether such implementation, application or compliance is by a government, regulator, Finance Party or any of its Affiliates).
      2. In this Agreement:
2. **Basel III** means:
   1. the agreements on capital requirements, a leverage ratio and liquidity standards contained in "Basel III: A global regulatory framework for more resilient banks and banking systems", "Basel III: International framework for liquidity risk measurement, standards and monitoring" and "Guidance for national authorities operating the countercyclical capital buffer" published by the Basel Committee in December 2010, each as amended, supplemented or restated;
   2. the rules for global systemically important banks contained in "Global systemically important banks: assessment methodology and the additional loss absorbency requirement - Rules text" published by the Basel Committee on Banking Supervision in November 2011, as amended or restated; and
   3. any further guidance or standards published by the Basel Committee relating to "Basel III";

**Basel Committee** means the Basel Committee on Banking Supervision;

1. **CRD IV** means:
   1. Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU No 648/2012); and
   2. Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC; and
2. **Increased Costs** means:
   1. a reduction in the rate of return from the Facility or on a Finance Party's (or its Affiliate's) overall capital;
   2. an additional or increased cost; or
   3. a reduction of any amount due and payable under any Finance Document,

which is incurred or suffered by a Finance Party or any of its Affiliates to the extent that it is attributable to that Finance Party having entered into its Commitment or funding or performing its obligations under any Finance Document.

* 1. Increased Cost claims
     1. A Finance Party intending to make a claim pursuant to clause 13.1 (*Increased Costs*) shall notify the Agent of the event giving rise to the claim, following which the Agent shall promptly notify the Borrower.
     2. Each Finance Party shall, as soon as practicable after a demand by the Agent, provide a certificate confirming the amount of its Increased Costs.
  2. Exceptions
     1. Clause 13.1 (*Increased Costs*) does not apply to the extent any Increased Cost is:
        1. attributable to a Tax Deduction required by law to be made by the Borrower;
        2. attributable to a FATCA Deduction required to be made by a Party;
        3. compensated for by clause 12.3 (*Tax indemnity*)(or would have been compensated for under clause 12.3 (*Tax indemnity*) but was not so compensated solely because any of the exclusions in paragraph (b) of clause of clause 12.3 (*Tax indemnity*) applied); or
        4. attributable to the wilful breach by the relevant Finance Party or its Affiliates of any law or regulation.
     2. In this clause 13.3, a reference to a **Tax Deduction** has the same meaning given to that term in clause 12.1 (*Definitions*).

1. Other Indemnities
   1. Currency indemnity
      1. If any sum due from the Borrower under the Finance Documents (a **Sum**), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the **First Currency**) in which that Sum is payable into another currency (the **Second Currency**) for the purpose of:
         1. making or filing a claim or proof against the Borrower; or
         2. obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

the Borrower shall as an independent obligation, within three (3) Business Days of demand, indemnify each Finance Party to whom that Sum is due against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to that person at the time of its receipt of that Sum.

* + 1. The Borrower waives any right it may have in any jurisdiction to pay any amount under the Finance Documents in a currency or currency unit other than that in which it is expressed to be payable.
  1. Other indemnities

The Borrower shall, within ten (10) Business Days of demand, indemnify each Finance Party against any cost, loss or liability incurred by that Finance Party as a result of:

* + 1. the occurrence of any Event of Default;
    2. a failure by the Borrower to pay any amount due under a Finance Document on its due date, including without limitation, any cost, loss or liability arising as a result of clause 25 (*Sharing among the Finance Parties*);
    3. funding, or making arrangements to fund, its participation in a Loan requested by the Borrower in a Utilisation Request but not made by reason of the operation of any one or more of the provisions of this Agreement (other than by reason of default or negligence by that Finance Party alone);
    4. a Loan (or part of a Loan) not being prepaid in accordance with a notice of prepayment given by the Borrower; or
    5. any documented hedging termination costs incurred by a Lender or a sub-participant to that Lender, as a result of a cancellation of Commitments in full or in part.
  1. Indemnity to the Agent

The Borrower shall promptly indemnify the Agent against:

* + 1. any cost, loss or liability incurred by the Agent (acting reasonably) as a result of:
       1. investigating any event which it reasonably believes is a Default;
       2. acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised; or
       3. instructing lawyers, accountants, tax advisers, surveyors or other professional advisers or experts as permitted under this Agreement; and
    2. any cost, loss or liability incurred by the Agent (otherwise than by reason of the Agent's gross negligence or wilful misconduct) in acting as Agent under the Finance Documents.

1. Mitigation by the Lenders
   1. Mitigation
      1. Each Finance Party shall, in consultation with the Borrower, take all reasonable steps to mitigate any circumstances which arise and which would result in any amount becoming payable under or pursuant to, or cancelled pursuant to, any of clause 7.1 (*Illegality*), clause 12 (*Tax gross-up and indemnities*) or clause 13 (*Increased Costs*) including (but not limited to) transferring its rights and obligations under the Finance Documents to another Affiliate or Facility Office.
      2. Paragraph (a) above does not in any way limit the obligations of the Borrower under the Finance Documents.
   2. Limitation of liability
      1. The Borrower shall promptly indemnify each Finance Party for all costs and expenses reasonably incurred by that Finance Party as a result of steps taken by it under clause 15.1 (*Mitigation*).
      2. A Finance Party is not obliged to take any steps under clause 15.1 (*Mitigation*) if, in the opinion of that Finance Party (acting reasonably), to do so might be prejudicial to it.
2. Costs and Expenses
   1. Transaction expenses

The Borrower shall promptly on demand pay the Agent and the Arranger the amount of all costs and expenses (including, without limitation, legal fees, travel and expenses together with any irrecoverable value-added-tax or similar taxes incurred on such costs and expenses) reasonably incurred by any of them in connection with the negotiation, preparation, printing, execution and syndication of:

* + 1. this Agreement and any other documents referred to in this Agreement; and
    2. any other Finance Documents executed after the date of this Agreement.
  1. Amendment costs

If:

* + 1. the Borrower requests an amendment, waiver or consent; or
    2. an amendment is required pursuant to clause 27.10 (*Change of currency*),

the Borrower shall, within five (5) Business Days of demand, reimburse the Agent for the amount of all costs and expenses (including legal fees) reasonably incurred by the Agent in responding to, evaluating, negotiating or complying with that request or requirement.

* 1. Enforcement costs

The Borrower shall, within five (5) Business Days of demand, pay to each Finance Party the amount of all costs and expenses (including legal fees) incurred by that Finance Party in connection with the enforcement of, or the preservation of any rights under, any Finance Document.

* 1. Agent's on-going costs

If:

* + 1. a Default occurs;
    2. the Agent reasonably considers it necessary or expedient; or
    3. the Agent is requested by the Borrower or the Majority Lenders to undertake duties which the Agent and the Borrower agree to be of an exceptional nature or outside the scope of the normal duties of the Agent,

the Borrower must pay to the Agent any additional remuneration which may be agreed between them or, where the Borrower fails to agree any such amount, as otherwise determined by the Agent (acting reasonably and in good faith).

SECTION 8  
REPRESENTATIONS, UNDERTAKINGS AND EVENTS OF DEFAULT

1. Representations

The Borrower makes the representations and warranties set out in this clause 17 to each Finance Party on the date of this Agreement.

* 1. Status
     1. It is a sovereign state, has the power to sue and be sued in its own name and is not subject to any insolvency procedure.
     2. It is legally competent to enter into the transactions contemplated by the Finance Documents on behalf of the Republic of Serbia.
     3. It has the power to own its own assets and to enter into and to perform its obligations under the Finance Documents.
     4. It is not a FATCA FFI or a US Tax Obligor.
  2. Binding obligations

The obligations expressed to be assumed by it in each Finance Document are legal, valid, binding and enforceable obligations (subject only, in relation to the incurrence of indebtedness and the assumption of payment obligations by the Borrower under this Agreement, to the publication of the Official Gazette of the Republic of Serbia in which the law on ratification of this Agreement by the National Assembly of the Republic of Serbia has been published).

* 1. Non-conflict with other obligations

The entry into and performance by it of, and the transactions contemplated by, the Finance Documents do not and will not conflict with:

* + 1. any Applicable Law;
    2. the constitution of the Republic of Serbia or the constitutional documents of any of its government agencies; or
    3. any agreement, mortgage, bond, judgment, arbitral award or other instrument international agreement or treaty, including with the IMF or any other international institution, to which it or its government agencies are party or which is binding upon them or any of their assets or constitute a default or termination event (howsoever described) under any such agreement or instrument.
  1. Power and authority
     1. The Borrower has full power to enter into, perform and deliver, and has taken all necessary actions to authorise the entry into and performance and delivery of, the Finance Documents to which it is or will be a party and the transactions contemplated by those Finance Documents (subject only, in relation to the incurrence of indebtedness and the assumption of payment obligations by the Borrower under this Agreement, to the publication of the Official Gazette of the Republic of Serbia in which the law on ratification of this Agreement by the National Assembly of the Republic of Serbia has been published).
     2. No limit on the powers of the Borrower will be exceeded as a result of the borrowing or giving of guarantees or indemnities contemplated by the Finance Documents to which it is a party.
     3. All Authorisations and acts which are required or advisable in connection with the entry into, performance, legality, validity and enforceability of, and the transactions contemplated by, the relevant Finance Documents have been obtained or performed (as appropriate) and are in full force and effect.
     4. It has the capacity to sue and be sued before any court and/or arbitration tribunal which may be competent pursuant to the Finance Documents.
  2. Validity and admissibility in evidence
     1. All Authorisations and any other acts, conditions or things required or desirable:
     2. to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Finance Documents to which it is a party;
     3. to ensure that the obligations expressed to be assumed by it in the Finance Documents are legal valid, binding and enforceable; and
     4. to make the Finance Documents to which it is a party admissible in evidence in the Republic of Serbia,

have been obtained, effected, done, fulfilled or performed and are in full force and effect (other than, in relation to the incurrence of indebtedness and the assumption of payment obligations by the Borrower under this Agreement, to the publication of the Official Gazette of the Republic of Serbia in which the law on ratification of this Agreement by the National Assembly of the Republic of Serbia has been published).

* 1. Governing law and enforcement
     1. The choice of the law stated to be the governing law of each Finance Document and all non-contractual obligations arising from or connected with them will be recognised and enforced in the Republic of Serbia.
     2. The agreement not to claim immunity in relation to a Finance Document to which the Borrower or its assets may be entitled will be recognised and enforced in the Republic of Serbia.
     3. The submission to arbitration as specified in the Finance Documents and any resulting arbitral award will be recognised and enforced in the Republic of Serbia.
  2. Deduction of Tax

Except for taxes imposed by way of withholding on interest paid to non-residents of the jurisdiction of the Borrower (for which a Tax Deduction (as defined in clause 12.1 (*Definitions*) applies and in respect of which the Borrower is obliged to pay additional amounts pursuant to clause 12 (*Tax Gross-Up and Indemnities*)), it is not required to make any Tax Deduction from any payment it may make under any Finance Document.

* 1. No filing or stamp taxes

Under the law of the Republic of Serbia it is not necessary that the Finance Documents be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration or similar tax be paid on or in relation to the Finance Documents or the transactions contemplated by the Finance Documents, except that the Borrower is obliged to:

* + 1. report to the NBS:
       1. this Agreement and any changes thereto;
       2. any changes to the Lenders; and
       3. each Utilisation and each repayment or prepayment under this Agreement; and
    2. register the relevant information pertaining to this Agreement (including any changes thereto) in the public debt records kept by the Public Debt Administration of the Ministry of Finance of the Republic of Serbia.
  1. No default
     1. No Default is continuing or might reasonably be expected to result from the making of any Utilisation or the entry into, the performance of, or any transaction contemplated by, any Finance Document.
     2. No other event or circumstance is outstanding which constitutes (or, with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default under any other agreement or instrument which is binding on it or to which its assets are subject which might have a Material Adverse Effect.
  2. No misleading information
     1. Any factual information provided by the Borrower for the purposes of the Information Memorandum was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.
     2. Nothing has occurred or been omitted from the Information Memorandum and no information has been given or withheld that results in the information contained in the Information Memorandum being untrue or misleading in any material respect.
     3. All other factual information provided by or on behalf of it (including by its advisers) to a Finance Party in relation to the Facility was true, complete and accurate in all material respects as at the date it was provided and is not misleading in any respect.
  3. Financial position
     1. There has been no material adverse change in the Borrower's economic condition since the date of the Information Memorandum.
     2. Any budgets and forecasts supplied under or in connection with this Agreement were arrived at after careful consideration and have been prepared in good faith on the basis of recent historical information and on the basis of assumptions which were reasonable as at the date they were prepared and supplied.
  4. Pari passu ranking

Its payment obligations under the Finance Documents rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors in respect of External Financial Indebtedness, except for such obligations as may be preferred by provisions of law that are of mandatory application at the date hereof and will be payable out of the public revenues and other assets of the Borrower.

* 1. No proceedings
     1. No litigation, arbitration or administrative proceedings or investigations of or before any court, arbitral body or agency which, if adversely determined, might reasonably be expected to have a Material Adverse Effect has or have (to the best of its knowledge and belief) been started or threatened against it and its government agencies.
     2. No judgment or order of a court, arbitral tribunal or other tribunal or any order of any governmental or other regulatory body which might reasonably be expected to have a Material Adverse Effect has (to the best of its knowledge and belief (having made due and careful enquiry)) been made against it or its government agencies.
  2. No breach of laws

It has not breached any law or regulation which breach has or is reasonably likely to have a Material Adverse Effect.

* 1. Environmental laws
     1. The Borrower is in compliance with clause ‎19.6 (*Environmental compliance*) and to the best of its knowledge and belief (having made due and careful enquiry) no circumstances have occurred which would prevent such compliance in a manner or to an extent which has or is reasonably likely to have a Material Adverse Effect.
     2. No Environmental Claim has been commenced or (to the best of its knowledge and belief (having made due and careful enquiry)) is threatened against the Borrower in respect of the Finance Documents, the Facility or the use of proceeds of the Loans, where that claim has or is reasonably likely, if determined against the Borrower, to have a Material Adverse Effect.
  2. Anti-Corruption and Money Laundering Laws
     1. The Borrower has conducted its business in compliance with Anti-Corruption Laws and Anti-money Laundering, Economic or Trade Sanctions and Anti-Terrorism Laws and has instituted and maintains as at the date of this Agreement policies and procedures designed to promote and achieve compliance with such laws.
     2. Neither the Borrower nor to the best of its knowledge and belief (having made due and careful enquiry) any of its agents, ministers, employees or officers has made or received, or directed or authorised any other person to make or receive, any offer, payment or promise to pay, of any money, gift or other thing of value, directly or indirectly, to or for the use or benefit of any person, where this violates or would violate, or creates or would create liability for it or any other person under, any Anti-Corruption Laws or Anti-money Laundering, Economic or Trade Sanctions and Anti-Terrorism Laws.
     3. Neither the Borrower nor to the best of its knowledge and belief (having made due and careful enquiry) any of its agents, ministers, employees or officers is being investigated by any agency, or party to any proceedings, in each case in relation to any Anti-Corruption Laws or Anti-money Laundering, Economic or Trade Sanctions and Anti-Terrorism Laws.
  3. Sanctions Laws and Regulations
     1. Neither the Borrower nor, to the knowledge of the Borrower, any minister, officer, employee, adviser or agent of the Borrower, is a Sanctioned Person.
     2. No Loan, nor the proceeds from any Loan, has been used, directly or indirectly, to lend, contribute, provide or has otherwise been made available to any subsidiary, joint-venture, partner or other persons to fund any activity of or business in any Sanctioned Country or to fund any activity of or business with any Sanctioned Person, or in any other manner that resulted in any violation by any person (including any Finance Party) of any applicable Sanctions Laws and Regulations.
     3. The Borrower is in compliance with Sanctions Laws and Regulations.
     4. The Borrower has instituted and maintains policies and procedures designed to prevent violations of Sanctions Laws and Regulations with respect to the Facility Agreement by it or its ministers, officers, employees, advisers or agents.
     5. The foregoing representations in paragraphs (a) to (d) above will not apply to any party hereto to which:
        1. Council Regulation (EC) 2271/96 (or any law or regulation implementing such Regulation in any member state of the European Union); or
        2. any similar law or regulation in the United Kingdom,
        3. (the **Blocking Law**) applies, if and to the extent that such representations are or would be unenforceable by or in respect of that party pursuant to, or would otherwise result in a breach and/or violation of any provision of, the Blocking Law.
  4. External Financial Indebtedness

None of its External Financial Indebtedness is secured by any Security or Quasi-Security on or with respect to the Public Assets other than as permitted by this Agreement.

* 1. No adverse consequences
     1. It is not necessary under the laws of the Republic of Serbia:
        1. in order to enable any Finance Party to enforce its rights under any Finance Document; or
        2. by reason of the execution of any Finance Document or the performance by it of its obligations under any Finance Document,

that any Finance Party should be licensed, qualified or otherwise entitled to carry on business in the Republic of Serbia.

* + 1. No Finance Party is or will be deemed to be resident, domiciled or carrying on business in the Republic of Serbia by reason only of the execution, performance and/or enforcement of any Finance Document.
  1. No immunity

In any proceedings taken in the Republic of Serbia in relation to Finance Documents, it will not be entitled to claim for itself or any of its assets immunity from suit or other legal process, except for immunity from enforcement in respect of any present or future:

* + 1. "premises of the mission" as such term is defined in the Vienna Convention on Diplomatic Relations signed in 1961;
    2. "consular premises" as such term is defined in the Vienna Convention on Consular Relations signed in 1963;
    3. assets that cannot be in commerce;
    4. military property or military assets and buildings, weapons or equipment designated for defence, state and public security;
    5. receivables the assignment of which is restricted by law;
    6. natural resources, common use items, grids in public ownership, river basin land and water facilities in public ownership, protected natural heritage in public ownership and cultural heritage in public ownership;
    7. real estate in public ownership which is, partly or entirely, used by the authorities of the Republic of Serbia, autonomous provinces or local self-government for the purpose of exercising their rights and duties;
    8. the state's, autonomous province's or local government's stocks and shares in companies and public enterprises, unless the relevant entity consented to the establishment of a pledge over such stocks or shares, or
    9. movable or immovable assets of healthcare institutions, unless a mortgage was established based on the decision of the Government;
    10. monetary assets and financial instruments determined as financial collateral in accordance with the law regulating financial collateral including monetary assets and financial instruments which are pledged in accordance with such law; or
    11. other assets exempt from enforcement by law or international treaties,

the assets listed in paragraphs (a) - (k) above (inclusive) being **Excluded Assets**.

* 1. Private and commercial acts

Its execution of the Finance Documents to which it is a party constitutes, and its exercise of its rights and performance of its obligations thereunder will constitute, private and commercial acts done and performed for private and commercial purposes.

* 1. Exchange controls
     1. Under the laws of the Republic of Serbia, all payments to be made under the Finance Documents may be freely transferred out of the Republic of Serbia and may be paid in, or freely converted into, euro.
     2. The Borrower has obtained all foreign exchange control approvals or such other Authorisations as are required to assure the availability of euro to enable the Borrower to perform all of its obligations under the Finance Documents.
     3. There are no restrictions or requirements currently in effect that limit the availability or transfer of foreign exchange which would restrict the ability of the Borrower to perform its obligations under any Finance Document.
  2. Debt repayment suspension initiative

The Financial Indebtedness owed by the Borrower to the Lenders is not subject to any debt repayment suspension initiative or programme by the IMF, the World Bank, the G20 (or any of its members) or the Paris Club (or any of its members).

* 1. Public procurement rules

All public procurement rules in the Republic of Serbia which are applicable to its entry into and the exercise of its rights and performance of its obligations under the Finance Documents to which it is a party have been complied with.

* 1. Debt Relief

No indebtedness of the Borrower under any Finance Document constitutes, or will constitute, "qualifying debt" within the meaning of the Debt Relief (Developing Countries) Act 2010.

* 1. Budget and limits
     1. The funds necessary for the payment of all of the obligations of the Borrower under the Finance Documents in respect of the relevant period have been provided for under the Law Approving the Budget of the Republic of Serbia for that year (which for the year 2023 is the 2023 Budget Law).
     2. Its borrowings and guarantees are within any limits (if any) under Applicable Law or set by the IMF, the World Bank and applicable international treaties.
  2. Reserves
     1. The Republic of Serbia and the NBS have full ownership, power, control and authority to use the Reserves.
     2. The Borrower has fully disposable to it part of the available Reserves for the satisfaction and discharge of its obligations under the Finance Documents and does not require any licence or any other Authorisation of any person or Government Entity or other agency to use such part of the Reserves.
     3. The Republic of Serbia is the beneficial owner of the Reserves.
     4. The NBS is the central bank and monetary authority of the Republic of Serbia that is empowered to hold and manage the Reserves, including the part of the Reserves that is fully disposable by the Borrower, in a manner that contributes to the due performance of the Republic of Serbia's foreign debt obligations, which will include the obligations under the Finance Documents.
  3. Repetition

The Repeating Representations are deemed to be made by the Borrower by reference to the facts and circumstances then existing on the date of each Utilisation Request and the first day of each Interest Period.

1. Information Undertakings

The undertakings in this clause 18 remain in force from the date of this Agreement for so long as any amount is outstanding under the Finance Documents or any Commitment is in force.

* 1. Financial documents

The Borrower shall deliver to the Agent in a form acceptable to the Agent (in sufficient copies for all the Lenders) as soon as the same become available, but in any event within 180 days after the end of each of its financial years, the law approving the budget of the Republic of Serbia (Zakon o budžetu Republike Srbije) for that financial year.

* 1. Anti-corruption and money laundering information

Unless such disclosure would constitute a breach of any applicable law or regulation, the Borrower shall supply to the Agent (in sufficient copies for all the Lenders, if the Agent so requests):

* + 1. promptly upon becoming aware of them, the details of any actual or potential violation by, or creation of liability for, the Borrower or any of its agents, ministers, employees or officers (or any counterparty of any such person in relation to any transaction contemplated by a Finance Document) of or in relation to any Anti-Corruption Laws or Anti-money Laundering, Economic or Trade Sanctions and Anti-Terrorism Laws, or of any investigation or proceedings relating to the same;
    2. copies of any correspondence delivered to, or received from, any regulatory authorities in relation to any matter referred to in paragraph (a) above at the same time as they are dispatched or promptly upon receipt (as the case may be); and
    3. promptly upon request by any Finance Party (through the Agent), such further information relating to any matter referred to in paragraphs (a) and (b) above as that Finance Party may reasonably require.
  1. Information: miscellaneous

The Borrower shall supply to the Agent (in sufficient copies for all the Lenders, if the Agent so requests):

* + 1. all documents dispatched by the Borrower to External Financial Indebtedness creditors generally at the same time as they are dispatched;
    2. promptly upon becoming aware of them, the details of any litigation, arbitration or administrative proceedings which are current, threatened or pending against the Borrower, and which might, if adversely determined, have a Material Adverse Effect;
    3. promptly such other financial, statistical and general information regarding the financial condition, assets, functions and operations about the Borrower as the Agent may reasonably request, including:
       1. any requested amplification or explanation or projections or any requested amplification or explanation of other material provided by the Borrower under this Agreement; and
       2. any information regarding the Borrower's participation in or negotiations of any debt repayment suspension initiative or programme by the IMF, the World Bank, the G20 (or any of its members) or the Paris Club (or any of its members) which would apply to Financial Indebtedness owed to commercial creditors;
    4. promptly a copy of any changes to:
       1. the constitutional documents of the Borrower that effect the status of it; and
       2. Public Debt Act (Zakon o javnom dugu, Official Gazette of the Republic of Serbia nos. 61/2005, 107/2009, 78/2011, 68/2015, 95/2018, 91/2019 and 149/2020), the Budget System Act (Zakon o budžetskom sistemu), Official Gazette of the Republic of Serbia nos. 54/2009, 73/2010, 101/2010, 101/2011, 93/2012, 62/2013, 63/2013, 108/2013, 142/2014, 68/2015, 103/2015, 99/2016, 113/2017,5/2018, 31/2019, 72/2019, 149/2020, 118/2021 and 138/2022);
    5. promptly, details of any law, decree or regulation in Serbia which will or could reasonably be expected to materially and adversely affect the Borrower’s ability to perform its payment obligations under the Finance Documents;
    6. promptly, details of any capital markets issue made by the Borrower after the date of this Agreement; and
    7. promptly upon becoming aware of it, any information confirming or reasonably suggesting that any breach of clause 19.2 (*Compliance with laws*) has occurred.
  1. Information: Use of Loan proceeds report
     1. The Borrower shall deliver to the Agent, on the dates falling 6 Months and 12 Months after the Utilisation Date (and at any other time as may be reasonably requested by the Agent acting on the instructions of the Majority Lenders), a report substantially in the form set out in Schedule 6 *(Form of Use of Loan Proceeds Report*) setting out (with supporting evidence, if requested by the Agent acting on the instructions of the Majority Lenders) how the relevant Loan proceeds have been applied (such use to be in compliance with clause 3.1 (*Purpose*)).
     2. The Borrower shall ensure that the entire Loan proceeds have been applied in accordance with clause 3.1 (*Purpose*) by the date falling 12 Months after the Utilisation Date.
  2. Notification of default
     1. The Borrower shall notify the Agent of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.
     2. Promptly upon a request by the Agent, the Borrower shall supply to the Agent a certificate signed by the Borrower’s signatory on its behalf certifying that no Default is continuing (or if a Default is continuing, specifying the Default and the steps, if any, being taken to remedy it).
  3. Use of websites
     1. The Borrower may satisfy its obligation under this Agreement to deliver any information in relation to those Lenders (the **Website Lenders**) who accept this method of communication by posting this information onto an electronic website designated by the Borrower and the Agent (the **Designated Website**) if:
        1. the Agent expressly agrees (after consultation with each of the Lenders) that it will accept communication of the information by this method;
        2. both the Borrower and the Agent are aware of the address of and any relevant password specifications for the Designated Website; and
        3. the information is in a format previously agreed between the Borrower and the Agent.
     2. If any Lender (a **Paper Form Lender**) does not agree to the delivery of information electronically then the Agent shall notify the Borrower accordingly and the Borrower shall supply the information to the Agent (in sufficient copies for each Paper Form Lender) in paper form. In any event, the Borrower shall supply the Agent with at least one copy in paper form of any information required to be provided by it.
     3. The Agent shall supply each Website Lender with the address of and any relevant password specifications for the Designated Website following designation of that website by the Borrower and the Agent.
     4. The Borrower shall promptly upon becoming aware of its occurrence notify the Agent if:
        1. the Designated Website cannot be accessed due to technical failure;
        2. the password specifications for the Designated Website change;
        3. any new information which is required to be provided under this Agreement is posted onto the Designated Website;
        4. any existing information which has been provided under this Agreement and posted onto the Designated Website is amended; or
        5. the Borrower becomes aware that the Designated Website or any information posted onto the Designated Website is or has been infected by any electronic virus or similar software.
     5. If the Borrower notifies the Agent under clause 18.6(d)(i) or clause 18.6(d)(v) above, all information to be provided by the Borrower under this Agreement after the date of that notice shall be supplied in paper form unless and until the Agent and each Website Lender is satisfied that the circumstances giving rise to the notification are no longer continuing.
     6. Any Website Lender may request, through the Agent, one paper copy of any information required to be provided under this Agreement which is posted onto the Designated Website. The Borrower shall comply with any such request within ten (10) Business Days.
  4. Direct electronic delivery by Borrower

The Borrower may satisfy its obligation under this Agreement to deliver any information in relation to a Lender by delivering that information directly to that Lender in accordance with clause 29.5 (*Electronic communication*) to the extent that Lender and the Agent agree to this method of delivery.

* 1. "Know your customer" checks
     1. If:
        1. the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date of this Agreement;
        2. any change in the status of the Borrower after the date of this Agreement; or
        3. a proposed assignment or transfer by a Lender of any of its rights and obligations under this Agreement to a party that is not a Lender prior to such assignment or transfer,

obliges the Agent or any Lender (or, in the case of paragraph (iii) above, any prospective new Lender) to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, the Borrower shall promptly upon the request of the Agent or any Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Agent (for itself or on behalf of any Lender) or any Lender (for itself or, in the case of the event described in paragraph (iii) above, on behalf of any prospective new Lender) in order for the Agent, such Lender or, in the case of the event described in paragraph (iii) above, any prospective new Lender to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.

* + 1. Each Lender shall promptly upon the request of the Agent supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Agent (for itself) in order for the Agent to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.

1. General Undertakings

The undertakings in this clause 19 remain in force from the date of this Agreement for so long as any amount is outstanding under the Finance Documents or any Commitment is in force.

* 1. Authorisations

The Borrower shall obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all Authorisations required in or by the laws of the Republic of Serbia to enable it lawfully to enter into and perform its obligations under the Finance Documents and to ensure the legality, validity, enforceability and admissibility in evidence in the Republic of Serbia of the Finance Documents (and supply certified copies to the Agent thereof) including any necessary Authorisation, if one is required, to ensure that the Borrower may fully dispose of any Reserves in order to perform its obligations under the Finance Documents.

* 1. Compliance with laws
     1. The Borrower shall comply in all respects with the Applicable Law, if failure so to comply would materially impair the Borrower's ability to perform its obligations under the Finance Documents.
     2. The Borrower will maintain in effect and enforce policies and procedures designed to ensure compliance by the Borrower, its Subsidiaries and its officers, employees and agents with Anti-Corruption Laws and Anti-money Laundering, Economic or Trade Sanctions and Anti-Terrorism Laws.
  2. IMF

The Borrower shall fulfil its obligations as a member of the IMF and IBRD (or any successor of the IMF or IBRD) at all times.

* 1. Negative pledge
     1. In this clause 19.4, **Quasi-Security** means an arrangement or transaction described in paragraph (a) below.
     2. The Borrower shall not, and shall ensure that each of its government agencies shall not, create or permit to subsist any Security over the Public Assets, owned or subsequently acquired, securing the payment of the Borrower's External Financial Indebtedness, unless at the same time or prior thereto, it or its agencies (as applicable) secure the Loans equally and rateably with such Security or provide such other arrangement (whether or not comprising Security) as is satisfactory to the Agent.
     3. The Borrower shall ensure that neither it nor any of its government agencies will:
        1. sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by the Borrower or its government agencies;
        2. sell, transfer or otherwise dispose of any of its receivables on recourse terms;
        3. enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
        4. enter into any other preferential arrangement having a similar effect,
     4. in circumstances where the arrangement or transaction is entered into primarily as a method of raising External Financial Indebtedness.
     5. Paragraphs (a) and (b) above do not apply to any Security or (as the case may be) Quasi- Security, listed below:
        1. any netting or set-off arrangement entered into by the Borrower or any of its government agencies in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances;
        2. any payment or close out netting or set-off arrangement pursuant to any hedging transaction entered into by the Borrower and its government agencies for the purpose of:
           1. hedging any risk to which any government agencies are exposed in their ordinary course of trading; or
           2. its interest rate or currency management operations which are carried out in the ordinary course of business and for non-speculative purposes only,
        3. excluding, in each case, any Security or Quasi-Security under a credit support arrangement in relation to a hedging transaction;
        4. any lien arising by operation of law;
        5. any Security or Quasi Security upon property incurred solely for the purpose of financing the acquisition or construction of such property;
        6. any Security or Quasi Security existing on property at the time of its acquisition;
        7. any renewal or extension of any Security or Quasi Security of the kind described in paragraphs (i) to (v) above, provided that the principal amount of the External Financial Indebtedness secured is not increased and such renewal or extension is limited to the original property covered thereby; and
        8. in addition to the Security or Quasi Security described in paragraphs (i) to (vi) above, Security over Public Assets in any calendar year having a market value of €1,000,000 or its equivalent in other currencies.
  2. Disposals
     1. The Borrower shall not transfer or permit the transfer of any Public Assets to any separate agency, Government Entity or other legal entity controlled directly or indirectly by the Borrower or any of its agencies (i) for the purpose of avoiding the negative pledge in clause 19.4 (*Negative pledge*) or (ii) if the transfer would impair its ability to perform its obligations under the Finance Documents, other than:
     2. disposals in the ordinary course of trading;
     3. disposals of assets (otherwise than in the ordinary course of business) for full cash consideration;
     4. disposals of assets in exchange for other assets comparable or superior as to type, value or quality;
     5. disposals of cash raised or borrowed for the purpose for which it was raised or borrowed;
     6. disposals with the prior written consent of the Agent; and
     7. any other disposal for full value of an asset unless such disposal might (in the opinion of the Majority Lenders) have a Material Adverse Effect.
  3. Environmental compliance

The Borrower shall:

* + 1. comply with all Environmental Laws;
    2. obtain, maintain and ensure compliance with all requisite Environmental Permits;
    3. implement procedures to monitor compliance with and to prevent liability under any Environmental Law,

in respect of the Finance Documents, the Facility and the use of proceeds of the Loans, where failure to do so has or is reasonably likely to have a Material Adverse Effect.

* 1. Environmental Claims

The Borrower shall, promptly upon becoming aware of the same, inform the Agent in writing of:

* + 1. any Environmental Claim against the Borrower which is current, pending or threatened in respect of the Finance Documents, the Facility or the use of proceeds of the Loans; and
    2. any facts or circumstances which are reasonably likely to result in any Environmental Claim being commenced or threatened against the Borrower in respect of the Finance Documents, the Facility or the use of proceeds of the Loans,

where the claim, if determined against the Borrower, has or is reasonably likely to have a Material Adverse Effect.

* 1. Anti-corruption law
     1. The Borrower shall:
     2. comply with and conduct its functions and operations in compliance with applicable Anti-Corruption Laws and Anti-money Laundering, Economic or Trade Sanctions and Anti-Terrorism Laws; and
     3. not directly or indirectly use the proceeds of the Facility for any purpose which would breach the Bribery Act 2010, the United States Foreign Corrupt Practices Act of 1977 or other Anti-Corruption Laws or Anti-money Laundering, Economic or Trade Sanctions and Anti-Terrorism Laws;
     4. maintain policies and procedures designed to promote and achieve compliance with Anti-Corruption Laws or Anti-money Laundering, Economic or Trade Sanctions and Anti-Terrorism Laws;
     5. not request any Loan, and shall not use, and shall procure that its ministers, officers, employees and agents shall not use, the proceeds of any Loan in furtherance of an offer, payment, promise to pay, or authorisation of the payment or giving of money, or anything else of value, to any person in violation of any Anti-Corruption Laws or Anti-money Laundering, Economic or Trade Sanctions and Anti-Terrorism Laws;
     6. not directly or indirectly, authorise, offer, promise, or make payments of anything of value, including but not limited to cash, cheques, wire transfers, tangible and intangible gifts, favours, services, and those entertainment and travel expenses that go beyond what is reasonable and customary and of modest value to:
        1. an executive, official, employee or agent of a governmental department, agency or instrumentality;
        2. a director, officer, employee or agent of a wholly or partially government-owned or controlled company or business;
        3. a political party or official thereof, or candidate for political office;
        4. a foreign public official; or
        5. any other person; while knowing or having a reasonable belief that all or some portion will be used for any the purpose of:
           1. influencing any act, decision or failure to act by any such person in his or her official capacity;
           2. inducing any such person to use his or her influence with a government or instrumentality to affect any act or decision of such government or entity; or
     7. securing an unlawful advantage; in order to obtain, retain or direct business.
  2. Sanctions Laws and Regulations
     1. The Borrower will not:
        1. become (and shall procure that its ministers, directors, officers, employees, advisers and agents shall not become) a Sanctioned Person;
        2. request any Utilisation, and the Borrower shall not use, and shall procure that its ministers, directors, officers, employees, advisers and agents shall not use, the proceeds of any Utilisation directly or indirectly:
           1. for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country; or
           2. in any manner that would result in the violation of any Sanctions Laws and Regulations applicable to any party; or
        3. fund and shall procure that its ministers, officers, employees, advisers and agents shall not fund all or part of any payment under the Facility out of proceeds derived directly or indirectly from any activity or transaction with a Sanctioned Person or in any Sanctioned Country or which would otherwise cause any person to be in breach of any Sanctions Laws and Regulations.
     2. The foregoing undertaking in clause 19.9(a) will not apply to any party hereto to which the Blocking Law applies, if and to the extent that such undertakings are or would be unenforceable by or in respect of that party pursuant to, or would otherwise result in a breach and/or violation of any provision of, the Blocking Law.
  3. Pari passu ranking

The Borrower shall ensure that at all times all its unsecured and unsubordinated obligations to the Finance Parties (or any of them) against it under the Finance Documents rank at least *pari passu* with its obligations to all of its other unsecured and unsubordinated creditors save for such obligations as may be preferred by provisions of law that are of mandatory application at the date hereof and will be payable out of the public revenues and other assets of the Borrower.

* 1. Filing and reporting requirements
     1. The Borrower shall register, promptly after the Utilisation, the relevant details of this Agreement in the public debt records kept by the Public Debt Administration of the Ministry of Finance of the Republic of Serbia.
     2. The Borrower shall comply with all of its reporting obligations to the NBS in connection with this Agreement, including any changes thereto and any changes to the Lenders, pursuant to the Foreign Exchange Act (Zakon o deviznom poslovanju, Official Gazette of the Republic of Serbia nos. 62/2006, 31/2011, 119/2012, 139/2014 and 30/2018) and its implementing regulations, or any other legislation or regulation that may amend, supplement or replace the foregoing.
  2. Budget and limits
     1. The Borrower shall include all amounts due and payable or that will fall due and payable to the Finance Parties under the Finance Documents during a calendar year in its law approving the budget of the Republic of Serbia for that year and its budget statements and other financial plans for that calendar year and shall ensure that there will at no time be any restriction on the ability of the Borrower to meet its obligations under the Finance Documents.
     2. The Borrower shall maintain the funds necessary for the repayment of all of its obligations under the Finance Documents that have been provided for and incurred under the 2023 Budget Law.
     3. The Borrower shall ensure that, at all times, its borrowings and guarantees remain within any limit under Applicable Law or set by the IMF, the World Bank and the applicable international treaties.
  3. Public procurement

The Borrower shall ensure that at all times all public procurement rules in the Republic of Serbia which are applicable to its entry into and the exercise of its rights and performance of its obligations under the Finance Documents are complied with or irrevocably and unconditionally waived by the relevant authorities in that jurisdiction.

* 1. Use of proceeds

The Borrower will apply the proceeds of the Loans in accordance with clause 3.1 (*Purpose*).

* 1. World Bank and IMF

The Borrower shall (to the extent applicable) comply with all borrowing limits and requirements imposed by the IMF or the World Bank from time to time.

* 1. Debt repayment suspension initiative

Any Financial Indebtedness owed by the Borrower to the Lenders will not become subject to any debt repayment suspension initiative or programme by the IMF, the World Bank, the G20 (or any of its members) or the Paris Club (or any of its members), except with the prior consent of all the Lenders.

1. Events of Default

Each of the events or circumstances set out in clause 20 is an Event of Default (save for clause 20.16 (*Acceleration*)).

* 1. Non-payment

The Borrower does not pay on the due date any amount payable pursuant to a Finance Document at the place and in the currency in which it is expressed to be payable unless:

* + 1. its failure to pay is caused by:
       1. administrative or technical error; or
       2. a Disruption Event; and
    2. payment is made within three (3) Business Days of its due date.
  1. Other obligations
     1. The Borrower does not comply with any provision of the Finance Documents (other than those referred to in clause 20.1 (*Non-payment*)).
     2. No Event of Default under paragraph (a) above will occur if the failure to comply is capable of remedy and is remedied within ten (10) Business Days of the earlier of:
        1. the Agent giving notice to the Borrower; and
        2. the Borrower becoming aware of the failure to comply.
  2. Misrepresentation

Any representation or statement made or deemed to be made by the Borrower in the Finance Documents or any other document delivered by or on behalf of the Borrower under or in connection with any Finance Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made.

* 1. Cross default
     1. Any External Financial Indebtedness of the Borrower is not paid when due nor within any originally applicable grace period.
     2. Any External Financial Indebtedness of the Borrower is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described).
     3. Any commitment for any External Financial Indebtedness of the Borrower is cancelled or suspended by a creditor of the Borrower as a result of an event of default (however described).
     4. Any creditor of the Borrower becomes entitled to declare any External Financial Indebtedness of the Borrower due and payable prior to its specified maturity as a result of an event of default (however described).
     5. No Event of Default will occur under this clause 20.4 if the aggregate amount of External Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (a) to (d) above is less than €1,000,000 (or its equivalent in any other currency or currencies as determined by the Agent).
  2. Moratorium

A moratorium is declared or de facto comes into effect on the payment of any External Financial Indebtedness of the Borrower or the Borrower commences negotiations with any one or more of its External Financial Indebtedness creditors with a view to the general readjustment or rescheduling of its indebtedness.

* 1. Creditors' process

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of the Borrower or any government agencies having an aggregate value of €5,000,000 or more and is not discharged within thirty (30) days.

* 1. Unlawfulness and invalidity
     1. It is or becomes unlawful for the Borrower to perform any of its obligations under the Finance Documents.
     2. Any obligation or obligations of the Borrower under any Finance Documents are not or cease to be legal, valid, binding or enforceable and the cessation individually or cumulatively materially and adversely affects the interests of the Lenders under the Finance Documents.
     3. Any Finance Document ceases to be in full force and effect or is alleged by a party to it (other than a Finance Party) to be ineffective.
  2. Validity and Admissibility
     1. At any time any act, condition or thing required to be done, fulfilled or performed in order:
     2. to enable the Borrower lawfully to enter into, exercise its rights under and perform and comply with the obligations expressed to be assumed by it in the Finance Documents;
     3. to ensure that the obligations expressed to be assumed by the Borrower in the Finance Documents are legal, valid, binding and enforceable; or
     4. to make the Finance Documents admissible in evidence in Serbia,
     5. is not done, fulfilled or performed.
  3. Repudiation and rescission of agreements

The Borrower rescinds or purports to rescind or repudiates or purports to repudiate a Finance Document or evidences an intention to rescind or repudiate a Finance Document.

* 1. IMF and World Bank

The Borrower:

* + 1. ceases to be a member in good standing of the IMF or the World Bank;
    2. becomes ineligible to use the resources of the IMF; or
    3. is unable for any reason to draw or make use of funds available to it under any IMF funding programme or any such programme is cancelled or suspended.
  1. Exchange controls

Any event or series of events occurs which limits the acquisition or the transfer of foreign exchange by the Borrower and such event or events has or is reasonably likely to affect the ability of the Borrower to perform its obligations under any Finance Document.

* 1. Convertibility/Transferability

Any foreign exchange law is amended, enacted or introduced or is reasonably likely to be amended, enacted or introduced in the Republic of Serbia that (in the opinion of the Majority Lenders):

* + 1. has or is reasonably likely to have the effect of prohibiting, or restricting or delaying in any material respect any payment that the Borrower is required to make pursuant to the terms of any of the Finance Documents; or
    2. is materially prejudicial to the interests of the Finance Parties under or in connection with any of the Finance Documents.
  1. Litigation

Any litigation, arbitration, administrative, governmental, regulatory or other investigations, proceedings or disputes are commenced or threatened, or any judgment or order of a court, arbitral body or agency is made, in relation to the Finance Documents or the transactions contemplated in the Finance Documents, the Borrower or the Borrower's assets which have or are reasonably likely to have a Material Adverse Effect.

* 1. Prevention of performance

Legislation is enacted, or any action is taken or proceedings commenced, in each case in order to prevent or restrain performance by the Borrower of its obligations under the Finance Documents.

* 1. Material adverse change

Any event or circumstance occurs which the Majority Lenders reasonably believe has or is reasonably likely to have a Material Adverse Effect.

* 1. Acceleration
     1. On and at any time after the occurrence of an Event of Default which is continuing the Agent may, and shall if so directed by (i) the Majority Lenders or (ii) by a relevant Lender pursuant to paragraph (b) below, by notice to the Borrower:
        1. cancel the Available Commitment of each Lender whereupon each such Available Commitment shall immediately be cancelled and the Facility shall immediately cease to be available for further utilisation;
        2. declare that all or part of the Loans, together with accrued interest, and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, whereupon they shall become immediately due and payable; and/or
        3. declare that all or part of the Loans be payable on demand, whereupon they shall immediately become payable on demand by the Agent on the instructions of the Majority Lenders.
     2. A Lender whose Commitments are 5% or more of the Total Commitments (or, if the Total Commitments have been reduced to zero, were 5% or more of the Total Commitments immediately prior to the reduction) may direct the Agent to deliver a notice to the Borrower pursuant to paragraph (a) above if:
        1. an Event of Default has arisen under clause 20.1 (*Non-payment*); and
        2. such non-payment Event of Default has been continuing for at least 30 days.

SECTION 9  
CHANGES TO PARTIES

1. Changes to the Lenders
   1. Assignments and transfers by the Lenders

Subject to this clause 21, a Lender (the **Existing Lender**) may:

* + 1. assign any of its rights;
    2. enter into any participation or sub-participation in respect of any of its rights and obligations; or
    3. transfer by novation any of its rights and obligations,

to another bank or financial institution, insurance company or to a trust, fund, special purpose vehicle or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities or other financial assets (the **New Lender**).

* 1. Conditions of assignment or transfer
     1. An assignment will only be effective on:
        1. receipt by the Agent (whether in the Assignment Agreement or otherwise) of written confirmation from the New Lender (in form and substance satisfactory to the Agent) that the New Lender will assume the same obligations to the other Finance Parties as it would have been under if it had been an Original Lender; and
        2. performance by the Agent of all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to such assignment to a New Lender, the completion of which the Agent shall promptly notify to the Existing Lender and the New Lender.
     2. A transfer will only be effective if the procedure set out in clause 21.5 (*Procedure for transfer*) is complied with.
     3. Each New Lender, by executing the relevant Transfer Certificate or Assignment Agreement, confirms, for the avoidance of doubt, that the Agent has authority to execute on its behalf any amendment or waiver that has been approved by or on behalf of the requisite Lender or Lenders in accordance with this Agreement on or prior to the date on which the transfer or assignment becomes effective in accordance with this Agreement and that it is bound by that decision to the same extent as the Existing Lender would have been had it remained a Lender.
  2. Assignment or transfer fee

The New Lender shall, on the date upon which an assignment or transfer takes effect (other than if the New Lender is an Affiliate of a Lender), pay to the Agent (for its own account) a fee of €3,500.

* 1. Limitation of responsibility of Existing Lenders
     1. Unless expressly agreed to the contrary, an Existing Lender makes no representation or warranty and assumes no responsibility to a New Lender for:
        1. the legality, validity, effectiveness, adequacy or enforceability of the Finance Documents or any other documents;
        2. the financial condition of the Borrower;
        3. the performance and observance by the Borrower of its obligations under the Finance Documents or any other documents; or
        4. the accuracy of any statements (whether written or oral) made in or in connection with any Finance Document or any other document,

and any representations or warranties implied by law are excluded.

* + 1. Each New Lender confirms to the Existing Lender and the other Finance Parties that it:
       1. has made (and shall continue to make) its own independent investigation and assessment of the financial condition and affairs of the Borrower and its related entities in connection with its participation in this Agreement and has not relied exclusively on any information provided to it by the Existing Lender in connection with any Finance Document; and
       2. will continue to make its own independent appraisal of the creditworthiness of the Borrower and its related entities whilst any amount is or may be outstanding under the Finance Documents or any Commitment is in force.
    2. Nothing in any Finance Document obliges an Existing Lender to:
       1. accept a re-transfer or re-assignment from a New Lender of any of the rights and obligations assigned or transferred under this clause 21; or
       2. support any losses directly or indirectly incurred by the New Lender by reason of the non-performance by the Borrower of its obligations under the Finance Documents or otherwise.
  1. Procedure for transfer
     1. Subject to the conditions set out in clause 21.2 (*Conditions of assignment or transfer*) a transfer is effected in accordance with paragraph (d) below when the Agent executes an otherwise duly completed Transfer Certificate delivered to it by the Existing Lender and the New Lender. The Agent shall, subject to paragraph (c) below, as soon as reasonably practicable after receipt by it of a duly completed Transfer Certificate appearing on its face to comply with the terms of this Agreement and delivered in accordance with the terms of this Agreement, execute that Transfer Certificate.
     2. The Borrower and the other Finance Parties irrevocably authorise the Agent to execute any Transfer Certificate on their behalf, without any consultation with them.
     3. The Agent shall only be obliged to execute a Transfer Certificate delivered to it by the Existing Lender and the New Lender once it is satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to the transfer to such New Lender.
     4. Subject to clause 21.10 (*Pro rata interest settlement*), on the Transfer Date:
        1. to the extent that in the Transfer Certificate the Existing Lender seeks to transfer by novation its rights and obligations under the Finance Documents the Borrower and the Existing Lender shall be released from further obligations towards one another under the Finance Documents and their respective rights against one another under the Finance Documents shall be cancelled (being the **Discharged Rights and Obligations**);
        2. the Borrower and the New Lender shall assume obligations towards one another and/or acquire rights against one another which differ from the Discharged Rights and Obligations only insofar as the Borrower and the New Lender have assumed and/or acquired the same in place of the Borrower and the Existing Lender;
        3. the Agent, the Arranger, the New Lender and other Lenders shall acquire the same rights and assume the same obligations between themselves as they would have acquired and assumed had the New Lender been an Original Lender with the rights and/or obligations acquired or assumed by it as a result of the transfer and to that extent the Agent, the Arranger and the Existing Lender shall each be released from further obligations to each other under the Finance Documents; and
        4. the New Lender shall become a Party as a "Lender".
  2. Procedure for assignment
     1. Subject to the conditions set out in clause 21.2 (*Conditions of assignment or transfer*) an assignment may be effected in accordance with paragraph (c) below when the Agent executes an otherwise duly completed Assignment Agreement delivered to it by the Existing Lender and the New Lender. The Agent shall, subject to paragraph (b) below, as soon as reasonably practicable after receipt by it of a duly completed Assignment Agreement appearing on its face to comply with the terms of this Agreement and delivered in accordance with the terms of this Agreement, execute that Assignment Agreement.
     2. The Agent shall only be obliged to execute an Assignment Agreement delivered to it by the Existing Lender and the New Lender once it is satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to the assignment to such New Lender.
     3. Subject to clause 21.10 (*Pro rata interest settlement*), on the Transfer Date:
        1. the Existing Lender will assign absolutely to the New Lender its rights under the Finance Documents expressed to be the subject of the assignment in the Assignment Agreement;
        2. the Existing Lender will be released by the Borrower and the other Finance Parties from the obligations owed by it (the **Relevant Obligations**) and expressed to be the subject of the release in the Assignment Agreement; and
        3. the New Lender shall become a Party as a "Lender" and will be bound by obligations equivalent to the Relevant Obligations.
     4. Lenders may utilise procedures other than those set out in this clause 21.6 to assign their rights under the Finance Documents (but not, without the consent of the Borrower or unless in accordance with clause 21.5 (*Procedure for transfer*), to obtain a release by the Borrower from the obligations owed to the Borrower by the Lenders nor the assumption of equivalent obligations by a New Lender) **provided that** they comply with the conditions set out in clause 21.2 (*Conditions of assignment or transfer*).
  3. Notification of transfer or assignment to the Borrower and to NBS
     1. The Agent shall, as soon as reasonably practicable after it has executed a Transfer Certificate or an Assignment Agreement but in any event by the date falling three Business Days after such execution, notify the Borrower of the relevant transfer or assignment and the identity of the New Lender.
     2. The Borrower shall, as soon as reasonably practicable after it has been notified of a transfer or assignment pursuant to paragraph (a) but in any event within the time period prescribed by Serbian law:
        1. deliver to the NBS (copied to the Agent) a written statement:
           1. of acknowledgment of the transfer or assignment of the Lenders' rights under the Finance Documents, and
           2. (if such consent is required as a matter of Serbian law) consenting to the transfer of the Lenders' obligations under the Finance Documents for the purposes of reporting the change to the Lender.
        2. make appropriate corrections of the Lender’s identity in the law approving the budget of the Republic of Serbia for each subsequent year following the transfer or assignment and in the records relating to the Finance Documents kept by the Ministry of Finance of the Republic of Serbia,
        3. provided that, save as expressly set out in clause 21.7(b)(i)(B), the requirements set out in this clause 21.7(b) shall not constitute a general right for the Borrower to consent to any assignment or transfer made by a Lender pursuant to this clause 21.
     3. The Borrower shall deliver to the Agent:
        1. promptly after delivering a statement to the NBS pursuant to paragraph (b)(i) above, a copy of the relevant statement which has been duly stamped by NBS; and
        2. as soon as reasonably practicable after being notified of the final decision of the NBS in connection with such statement, a copy of such final decision.
  4. Borrower assistance

The Borrower shall execute and do all such transfers, assignments, assurances, acts and things as the relevant Lender may require for perfecting and completing any assignment or transfer of rights and obligations pursuant to this clause 21.

* 1. Security over Lenders' rights
     1. In addition to the other rights provided to Lenders under this clause 21, each Lender may without consulting with or obtaining consent from the Borrower, at any time charge, assign or otherwise create Security in or over (whether by way of collateral or otherwise) all or any of its rights under any Finance Document to secure obligations of that Lender including, without limitation:
        1. any charge, assignment or other Security to secure obligations to a federal reserve or central bank;
        2. in the case of any Lender which is a fund, any charge, assignment or other Security granted to any holders (or trustee or representatives of holders) of obligations owed, or securities issued, by that Lender as security for those obligations or securities; and
        3. any charge, assignment or other Security granted to any holders (or trustee or representatives of holders) of obligations owed, or securities issued, by that Lender as security for those obligations or securities,

except that no such charge, assignment or Security shall:

* + - * 1. release a Lender from any of its obligations under the Finance Documents or substitute the beneficiary of the relevant charge, assignment or Security for the Lender as a party to any of the Finance Documents; or
        2. require any payments to be made by the Borrower other than or in excess of, or grant to any person any more extensive rights than, those required to be made or granted to the relevant Lender under the Finance Documents.
    1. The limitations on assignments and transfers by a Lender set out in any Finance Document, in particular in clause 21.1 (*Assignments and transfers by the Lenders*), clause 21.2 (*Conditions of assignment or transfer*), clause 21.3 (*Assignment or transfer fee*), clause 21.5 (*Procedure for transfer*), clauses 21.6 (*Procedure for assignment*) and 21.7 (*Copy of Transfer Certificate or Assignment Agreement to the Borrower and to NBS*) shall not apply to the creation of Security pursuant to clause 21.9(a) above.
    2. By virtue of the enforcement of any assignment, charge or Security created pursuant to clause 21.9(a) above, subject to any applicable law, as from the date on which the Agent is notified by the beneficiary of such enforcement of any such assignment, charge or Security, such beneficiary shall be deemed to become a Party as a "Lender" in respect of the rights of the Lender which are subject to any such enforcement.
  1. Pro rata interest settlement
     1. If the Agent has notified the Lenders that it is able to distribute interest payments on a "pro rata basis" to Existing Lenders and New Lenders then (in respect of any transfer pursuant to clause 21.5 (*Procedure for transfer*) or any assignment pursuant to clause 21.6 (*Procedure for assignment*) the Transfer Date of which, in each case, is after the date of such notification and is not on the last day of an Interest Period):
        1. any interest or fees in respect of the relevant participation which are expressed to accrue by reference to the lapse of time shall continue to accrue in favour of the Existing Lender up to but excluding the Transfer Date (**Accrued Amounts**) and shall become due and payable to the Existing Lender (without further interest accruing on them) on the last day of the current Interest Period (or, if the Interest Period is longer than six Months, on the next of the dates which falls at six Monthly intervals after the first day of that Interest Period); and
        2. the rights assigned or transferred by the Existing Lender will not include the right to the Accrued Amounts, so that, for the avoidance of doubt:
           1. when the Accrued Amounts become payable, those Accrued Amounts will be payable to the Existing Lender; and
           2. the amount payable to the New Lender on that date will be the amount which would, but for the application of this clause 21.10, have been payable to it on that date, but after deduction of the Accrued Amounts.
     2. In this clause ‎21.10 references to **Interest Period** shall be construed to include a reference to any other period for accrual of fees.
     3. An Existing Lender which retains the right to the Accrued Amounts pursuant to this clause 21.10 but which does not have a Commitment shall be deemed not to be a Lender for the purposes of ascertaining whether the agreement of any specified group of Lenders has been obtained to approve any request for a consent, waiver, amendment or other vote of Lenders under the Finance Documents.

1. Changes to the Borrower

The Borrower may not assign any of its rights or transfer any of its rights or obligations under the Finance Documents.

SECTION 10  
THE FINANCE PARTIES

1. Role of the Agent and the Arranger
   1. Appointment of the Agent
      1. Each of the Arranger and the Lenders appoints the Agent to act as its agent under and in connection with the Finance Documents.
      2. Each of the Arranger and the Lenders authorises the Agent to perform the duties, obligations and responsibilities and to exercise the rights, powers, authorities and discretions specifically given to the Agent under or in connection with the Finance Documents together with any other incidental rights, powers, authorities and discretions.
   2. Instructions
      1. The Agent shall:
         1. unless a contrary indication appears in a Finance Document, exercise or refrain from exercising any right, power, authority or discretion vested in it as Agent in accordance with any instructions given to it by:
            1. all Lenders if the relevant Finance Document stipulates the matter is an all Lender decision; and
            2. in all other cases, the Majority Lenders; and
         2. not be liable for any act (or omission) if it acts (or refrains from acting) in accordance with paragraph (i) above.
      2. The Agent shall be entitled to request instructions, or clarification of any instruction, from the Majority Lenders (or, if the relevant Finance Document stipulates the matter is a decision for any other Lender or group of Lenders, from that Lender or group of Lenders) as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion. The Agent may refrain from acting unless and until it receives any such instructions or clarification that it has requested.
      3. Save in the case of decisions stipulated to be a matter for any other Lender or group of Lenders under the relevant Finance Document and unless a contrary indication appears in a Finance Document, any instructions given to the Agent by the Majority Lenders shall override any conflicting instructions given by any other Parties and will be binding on all Finance Parties.
      4. The Agent may refrain from acting in accordance with any instructions of any Lender or group of Lenders until it has received any indemnification and/or security that it may in its discretion require (which may be greater in extent than that contained in the Finance Documents and which may include payment in advance) for any cost, loss or liability which it may incur in complying with those instructions.
      5. In the absence of instructions, the Agent may act (or refrain from acting) as it considers to be in the best interest of the Lenders.
      6. The Agent is not authorised to act on behalf of a Lender (without first obtaining that Lender's consent) in any legal or arbitration proceedings relating to any Finance Document.
   3. Duties of the Agent
      1. The Agent's duties under the Finance Documents are solely mechanical and administrative in nature.
      2. Subject to paragraph (c) below, the Agent shall promptly forward to a Party the original or a copy of any document which is delivered to the Agent for that Party by any other Party.
      3. Without prejudice to clause 21.7 (*Copy of Transfer Certificate or Assignment Agreement to the Borrower and to NBS*), paragraph (b) above shall not apply to any Transfer Certificate or any Assignment Agreement.
      4. Except where a Finance Document specifically provides otherwise, the Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party.
      5. If the Agent receives notice from a Party referring to this Agreement, describing a Default and stating that the circumstance described is a Default, it shall promptly notify the other Finance Parties.
      6. If the Agent is aware of the non-payment of any principal, interest, commitment fee or other fee payable to a Finance Party (other than the Agent or the Arranger) under this Agreement it shall promptly notify the other Finance Parties.
      7. The Agent shall have only those duties, obligations and responsibilities expressly specified in the Finance Documents to which it is expressed to be a party (and no others shall be implied).
      8. The Agent shall:
         1. (acting reasonably and on the instructions of the Majority Lenders) calculate any Make Whole Amount payable to the Lenders; and
         2. notify the aggregate amount of such Make Whole Amount (along with its calculation in reasonable detail) to the Borrower.
   4. Role of the Arranger

Except as specifically provided in the Finance Documents, the Arranger has no obligations of any kind to any other Party under or in connection with any Finance Document.

* 1. No fiduciary duties
     1. Nothing in any Finance Document constitutes the Agent or the Arranger as a trustee or fiduciary of any other person.
     2. Neither the Agent nor the Arranger shall be bound to account to any Lender for any sum or the profit element of any sum received by it for its own account.
  2. Business with the Borrower

The Agent and the Arranger may accept deposits from, lend money to and generally engage in any kind of banking or other business with the Borrower.

* 1. Rights and discretions
     1. The Agent may:
        1. rely on any representation, communication, notice or document believed by it to be genuine, correct and appropriately authorised;
        2. assume that:
           1. any instructions received by it from the Majority Lenders, any Lenders or any group of Lenders are duly given in accordance with the terms of the Finance Documents; and
           2. unless it has received notice of revocation, that those instructions have not been revoked; and
        3. rely on a certificate from any person:
           1. as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person; or
           2. to the effect that such person approves of any particular dealing, transaction, step, action or thing,

as sufficient evidence that that is the case and, in the case of paragraph (A) above, may assume the truth and accuracy of that certificate.

* + 1. The Agent may assume (unless it has received notice to the contrary in its capacity as agent for the Lenders) that:
       1. no Default has occurred (unless it has actual knowledge of a Default arising under clause 20.1 (*Non-payment*)); and
       2. any right, power, authority or discretion vested in any Party or any group of Lenders has not been exercised.
    2. The Agent may engage and pay for the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts.
    3. Without prejudice to the generality of paragraph (c) above or paragraph (e) below, the Agent may at any time engage and pay for the services of any lawyers to act as independent counsel to the Agent (and so separate from any lawyers instructed by the Lenders) if the Agent in its reasonable opinion deems this to be desirable.
    4. The Agent may rely on the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts (whether obtained by the Agent or by any other Party) and shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of its so relying.
    5. The Agent may act in relation to the Finance Documents through its officers, employees and agents and the Agent shall not:
       1. be liable for any error of judgment made by any such person; or
       2. be bound to supervise, or be in any way responsible for any loss incurred by reason of misconduct, omission or default on the part of any such person,
       3. unless such error or such loss was directly caused by the Agent's gross negligence or wilful misconduct.
    6. Unless a Finance Document expressly provides otherwise the Agent may disclose to any other Party any information it reasonably believes it has received as agent under this Agreement.
    7. Notwithstanding any other provision of any Finance Document to the contrary, neither the Agent nor the Arranger is obliged to do or omit to do anything if it would, or might in its reasonable opinion constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.
    8. Notwithstanding any provision of any Finance Document to the contrary, the Agent is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.
    9. The Agent shall act on the instructions of a Lender provided in connection with any split of its Commitment under clause 33.2 (*Split voting*) and shall not be liable for any act (or omission) if it acts (or refrains from acting) in accordance with such instructions.
  1. Responsibility for documentation

Neither the Agent nor the Arranger is responsible or liable for:

* + 1. the adequacy, accuracy or completeness of any information (whether oral or written) supplied by the Agent, the Arranger, the Borrower or any other person in or in connection with any Finance Document or the Information Memorandum or the transactions contemplated in the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document;
    2. the legality, validity, effectiveness, adequacy or enforceability of any Finance Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document; or
    3. any determination as to whether any information provided or to be provided to any Finance Party is non-public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise.
  1. No duty to monitor

The Agent shall not be bound to enquire:

* + 1. whether or not any Default has occurred;
    2. as to the performance, default or any breach by any Party of its obligations under any Finance Document; or
    3. whether any other event specified in any Finance Document has occurred.
  1. Exclusion of liability
     1. Without limiting paragraph (b) below (and without prejudice to any other provision of any Finance Document excluding or limiting the liability of the Agent), the Agent will not be liable for:
        1. any damages, costs or losses to any person, any diminution in value, or any liability whatsoever arising as a result of taking or not taking any action under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct;
        2. exercising, or not exercising, any right, power, authority or discretion given to it by, or in connection with, any Finance Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, any Finance Document, other than by reason of its gross negligence or wilful misconduct; or
        3. without prejudice to the generality of paragraphs (i) and (ii) above, any damages, costs or losses to any person, any diminution in value or any liability whatsoever (including, without limitation, for negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Agent) arising as a result of:
           1. any act, event or circumstance not reasonably within its control; or
           2. the general risks of investment in, or the holding of assets in, any jurisdiction,

including (in each case and without limitation) such damages, costs, losses, diminution in value or liability arising as a result of: nationalisation, expropriation or other governmental actions; any regulation, currency restriction, devaluation or fluctuation; market conditions affecting the execution or settlement of transactions or the value of assets (including any Disruption Event); breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; natural disasters or acts of God; war, terrorism, insurrection or revolution; or strikes or industrial action.

* + 1. No Party (other than the Agent) may take any proceedings against any officer, employee or agent of the Agent in respect of any claim it might have against the Agent or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Finance Document and any officer, employee or agent of the Agent may rely on this paragraph (b) subject to clause 1.4 (*Third party rights*) and the provisions of the Third Parties Act.
    2. The Agent will not be liable for any delay (or any related consequences) in crediting an account with an amount required under the Finance Documents to be paid by the Agent if the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.
    3. Nothing in this Agreement shall oblige the Agent or the Arranger to carry out:
       1. any "know your customer" or other checks in relation to any person; or
       2. any check on the extent to which any transaction contemplated by this Agreement might be unlawful for any Lender or for any Affiliate of any Lender,

on behalf of any Lender and each Lender confirms to the Agent and the Arranger that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Agent or the Arranger.

* + 1. Without prejudice to any provision of any Finance Document excluding or limiting the Agent's liability, any liability of the Agent arising under or in connection with any Finance Document shall be limited to the amount of actual loss which has been finally judicially determined to have been suffered (as determined by reference to the date of default of the Agent or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Agent at any time which increase the amount of that loss. In no event shall the Agent be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive, indirect or consequential damages, whether or not the Agent has been advised of the possibility of such loss or damages.
  1. Lenders' indemnity to the Agent
     1. Each Lender shall (in proportion to its share of the Total Commitments or, if the Total Commitments are then zero, to its share of the Total Commitments immediately prior to their reduction to zero) indemnify the Agent, within three Business Days of demand, against any cost, loss or liability (including, without limitation, for negligence, in relation to any FATCA-related liability or any other category of liability whatsoever) incurred by the Agent (otherwise than by reason of the Agent's gross negligence or wilful misconduct) (or, in the case of any cost, loss or liability pursuant to clause 27.11 (*Disruption to payment systems etc.*) notwithstanding the Agent's negligence, gross negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Agent) in acting as Agent under the Finance Documents (unless the Agent has been reimbursed by the Borrower pursuant to a Finance Document).
     2. The Borrower shall immediately on demand reimburse any Lender for any payment that Lender makes to the Agent pursuant to clause 23.11(a) above.
  2. Resignation of the Agent
     1. The Agent may resign and appoint one of its Affiliates as successor by giving notice to the Lenders and the Borrower.
     2. Alternatively the Agent may resign by giving 30 days' notice to the Lenders and the Borrower, in which case the Majority Lenders (after consultation with the Borrower) may appoint a successor Agent.
     3. If the Majority Lenders have not appointed a successor Agent in accordance with paragraph (b) above within 20 days after notice of resignation was given, the retiring Agent (after consultation with the Borrower) may appoint a successor Agent.
     4. If the Agent wishes to resign because (acting reasonably) it has concluded that it is no longer appropriate for it to remain as agent and the Agent is entitled to appoint a successor Agent under paragraph (c) above, the Agent may (if it concludes (acting reasonably) that it is necessary to do so in order to persuade the proposed successor Agent to become a party to this Agreement as Agent) agree with the proposed successor Agent amendments to this clause 23 and any other term of this Agreement dealing with the rights or obligations of the Agent consistent with then current market practice for the appointment and protection of corporate trustees together with any reasonable amendments to the agency fee payable under this Agreement which are consistent with the successor Agent's normal fee rates and those amendments will bind the Parties.
     5. The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents. The Borrower shall, within three Business Days of demand, reimburse the retiring Agent for the amount of all costs and expenses (including legal fees) properly incurred by it in making available such documents and records and providing such assistance.
     6. The Agent's resignation notice shall only take effect upon the appointment of a successor.
     7. Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents (other than its obligations under paragraph (e) above) but shall remain entitled to the benefit of clause 14.3 (*Indemnity to the Agent*) and this clause 23 (and any agency fees for the account of the retiring Agent shall cease to accrue from (and shall be payable on) that date). Any successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.
     8. After consultation with the Borrower, the Majority Lenders may, by notice to the Agent, require it to resign in accordance with paragraph (b) above. In this event, the Agent shall resign in accordance with paragraph (b) above.
     9. The Agent shall resign in accordance with paragraph (b) above (and, to the extent applicable, shall use reasonable endeavours to appoint a successor Agent pursuant to paragraph (c) above) if on or after the date which is three months before the earliest FATCA Application Date relating to any payment to the Agent under the Finance Documents:
        1. the Agent fails to respond to a request under Clause 12.7 (*FATCA Information*) and a Lender reasonably believes that the Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date;
        2. the information supplied by the Agent pursuant to Clause 12.7 (*FATCA Information*) indicates that the Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date; or
        3. the Agent notifies the Borrower and the Lenders that the Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date,
     10. and (in each case) a Lender reasonably believes that a Party will be required to make a FATCA Deduction that would not be required if the Agent were a FATCA Exempt Party, and that Lender, by notice to the Agent, requires it to resign.
  3. Replacement of the Agent
     1. After consultation with the Borrower, the Majority Lenders may, by giving 30 days' notice to the Agent (or, at any time the Agent is an Impaired Agent, by giving any shorter notice determined by the Majority Lenders) replace the Agent by appointing a successor Agent.
     2. The retiring Agent shall (at its own cost if it is an Impaired Agent and otherwise at the expense of the Lenders) make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
     3. The appointment of the successor Agent shall take effect on the date specified in the notice from the Majority Lenders to the retiring Agent. As from this date, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents (other than its obligations under clause 23.13(b) above) but shall remain entitled to the benefit of clause 14.3 (*Indemnity to the Agent*) and this clause 23 (*Role of the Agent and the Arranger*) (and any agency fees for the account of the retiring Agent shall cease to accrue from (and shall be payable on) that date).
     4. Any successor Agent and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.
  4. Confidentiality
     1. In acting as agent for the Finance Parties, the Agent shall be regarded as acting through its agency division which shall be treated as a separate entity from any other of its divisions or departments.
     2. If information is received by another division or department of the Agent, it may be treated as confidential to that division or department and the Agent shall not be deemed to have notice of it.
  5. Relationship with the Lenders
     1. Subject to clause 21.10 (*Pro rata interest settlement*), the Agent may treat the person shown in its records as Lender at the opening of business (in the place of the Agent's principal office as notified to the Finance Parties from time to time) as the Lender acting through its Facility Office:
        1. entitled to or liable for any payment due under any Finance Document on that day; and
        2. entitled to receive and act upon any notice, request, document or communication or make any decision or determination under any Finance Document made or delivered on that day,

unless it has received not less than five Business Days' prior notice from that Lender to the contrary in accordance with the terms of this Agreement.

* + 1. Any Lender may by notice to the Agent appoint a person to receive on its behalf all notices, communications, information and documents to be made or despatched to that Lender under the Finance Documents. Such notice shall contain the address, fax number and (where communication by electronic mail or other electronic means is permitted under clause 29.5 (*Electronic communication*)) electronic mail address and/or any other information required to enable the transmission of information by that means (and, in each case, the department or officer, if any, for whose attention communication is to be made) and be treated as a notification of a substitute address, fax number, electronic mail address (or such other information), department and officer by that Lender for the purposes of clause 29.2 (*Addresses*) and paragraph (a)(ii) of clause 29.5 (*Electronic communication*) and the Agent shall be entitled to treat such person as the person entitled to receive all such notices, communications, information and documents as though that person were that Lender.
  1. Credit appraisal by the Lenders

Without affecting the responsibility of the Borrower for information supplied by it or on its behalf in connection with any Finance Document, each Lender confirms to the Agent and the Arranger that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with any Finance Document including but not limited to:

* + 1. the financial condition, status and nature of the Borrower;
    2. the legality, validity, effectiveness, adequacy or enforceability of any Finance Document and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document;
    3. whether that Lender has recourse, and the nature and extent of that recourse, against any Party or any of its respective assets under or in connection with any Finance Document, the transactions contemplated by the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document; and
    4. the adequacy, accuracy or completeness of the Information Memorandum and any other information provided by the Agent, any Party or by any other person under or in connection with any Finance Document, the transactions contemplated by any Finance Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document.
  1. Agent's management time

Any amount payable to the Agent under clause 14.3 (*Indemnity to the Agent*), clause 16 (*Costs and expenses*) and clause 23.11 (*Lenders' indemnity to the Agent*) shall include the cost of utilising the Agent's management time or other resources and will be calculated on the basis of such reasonable daily or hourly rates as the Agent may notify to the Borrower and the Lenders, and is in addition to any fee paid or payable to the Agent under clause 11 (*Fees*).

* 1. Deduction from amounts payable by the Agent

If any Party owes an amount to the Agent under the Finance Documents the Agent may, after giving notice to that Party, deduct an amount not exceeding that amount from any payment to that Party which the Agent would otherwise be obliged to make under the Finance Documents and apply the amount deducted in or towards satisfaction of the amount owed. For the purposes of the Finance Documents that Party shall be regarded as having received any amount so deducted.

* 1. Amounts paid in error
     1. If the Agent pays an amount to another Party and within three Business Days of the date of payment the Agent notifies that Party that such payment was an Erroneous Payment then the Party to whom that amount was paid by the Agent shall on demand refund the same to the Agent.
     2. Neither:
        1. the obligations of any Party to the Agent; nor
        2. the remedies of the Agent,
     3. (whether arising under this clause 23.19 or otherwise) which relate to an Erroneous Payment will be affected by any act, omission, matter or thing which, but for this paragraph (b), would reduce, release or prejudice any such obligation or remedy (whether or not known by the Agent or any other Party).
     4. All payments to be made by a Party to the Agent (whether made pursuant to this clause 23.19 or otherwise) which relate to an Erroneous Payment shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.
     5. In this Agreement, **Erroneous Payment** means a payment of an amount by the Agent to another Party which the Agent determines (in its sole discretion) was made in error.
  2. Role of Reference Bank
     1. The Reference Bank will not be liable for any action taken by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct.
     2. No Party (other than the Reference Bank) may take any proceedings against any officer, employee or agent of the Reference Bank in respect of any claim it might have against the Reference Bank or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Finance Document, and any officer, employee or agent of the Reference Bank may rely on this clause 23.20 subject to clause 1.4 (*Third party rights*) and the provisions of the Third Parties Act.

1. Conduct of business by the Finance Parties

No provision of this Agreement will:

* + 1. interfere with the right of any Finance Party to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;
    2. oblige any Finance Party to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim; or
    3. oblige any Finance Party to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of Tax.

1. Sharing among the Finance Parties
   1. Payments to Finance Parties

If a Finance Party (a **Recovering Finance Party**) receives or recovers any amount from the Borrower other than in accordance with clause 27 (*Payment mechanics*) (a **Recovered Amount**) and applies that amount to a payment due under the Finance Documents then:

* + 1. the Recovering Finance Party shall, within three Business Days, notify details of the receipt or recovery to the Agent;
    2. the Agent shall determine whether the receipt or recovery is in excess of the amount the Recovering Finance Party would have been paid had the receipt or recovery been received or made by the Agent and distributed in accordance with clause 27 (*Payment mechanics*), without taking account of any Tax which would be imposed on the Agent in relation to the receipt, recovery or distribution; and
    3. the Recovering Finance Party shall, within three Business Days of demand by the Agent, pay to the Agent an amount (the **Sharing Payment**) equal to such receipt or recovery less any amount which the Agent determines may be retained by the Recovering Finance Party as its share of any payment to be made, in accordance with clause 27.6 (*Partial payments*).
  1. Redistribution of payments

The Agent shall treat the Sharing Payment as if it had been paid by the Borrower and distribute it between the Finance Parties (other than the Recovering Finance Party) (the **Sharing Finance Parties**) in accordance with clause 27.6 (*Partial payments*) towards the obligations of the Borrower to the Sharing Finance Parties.

* 1. Recovering Finance Party's rights

On a distribution by the Agent under clause 25.2 (*Redistribution of payments*) of a payment received by a Recovering Finance Party from the Borrower, as between the Borrower and the Recovering Finance Party, an amount of the Recovered Amount equal to the Sharing Payment will be treated as not having been paid by the Borrower.

* 1. Reversal of redistribution

If any part of the Sharing Payment received or recovered by a Recovering Finance Party becomes repayable and is repaid by that Recovering Finance Party, then:

* + 1. each Sharing Finance Party shall, upon request of the Agent, pay to the Agent for the account of that Recovering Finance Party an amount equal to the appropriate part of its share of the Sharing Payment (together with an amount as is necessary to reimburse that Recovering Finance Party for its proportion of any interest on the Sharing Payment which that Recovering Finance Party is required to pay) (the **Redistributed Amount**); and
    2. as between the Borrower and each relevant Sharing Finance Party, an amount equal to the relevant Redistributed Amount will be treated as not having been paid by the Borrower.
  1. Exceptions
     1. This clause 25 shall not apply to the extent that the Recovering Finance Party would not, after making any payment pursuant to this clause, have a valid and enforceable claim against the Borrower.
     2. A Recovering Finance Party is not obliged to share with any other Finance Party any amount which the Recovering Finance Party has received or recovered as a result of taking legal or arbitration proceedings, if:
        1. it notified that other Finance Party of the legal or arbitration proceedings; and
        2. that other Finance Party had an opportunity to participate in those legal or arbitration proceedings but did not do so as soon as reasonably practicable having received notice and did not take separate legal or arbitration proceedings.

1. Limited recourse and non-petition
   1. Limited recourse
      1. All payments to be made by a Lender that is a special purpose trust, fund, company or other vehicle which is engaged in or established solely for the purpose of making, purchasing or investing in loans, securities or other financial assets and which finances such activities directly or indirectly through the issuance of asset backed commercial paper, notes or other financial instruments or the entry into of loans (a **SPV Lender**) in respect of this Agreement will be made only from and to the extent of the sums received or recovered from time to time by or on behalf of such SPV Lender or its security trustee in respect of the mortgaged property relating to the obligations incurred or securities issued by that SPV Lender (the **Funding Source**) in order to fund a participation by that SPV Lender in the Loans and subject always to any security created over such rights (such that each Party shall only have a claim against such mortgaged property only to the extent that any and all persons with a secured claim over such rights have been paid in full (such available property, the **Available Property**)).
   2. Non-petition
      1. Once the mortgaged property referred to in 26.1 (*Limited recourse*)has been exhausted (whether following liquidation or any enforcement of security or otherwise):
         1. none of the other Parties, or anyone acting on their behalf, may take any further steps against that SPV Lender or any of its directors, shareholders, officers, members or administrators to recover any further outstanding claim, debt or liability; and
         2. such outstanding claim, debt, or liability, as the case may be, shall be extinguished and no debt shall be owed by the SPV Lender in respect thereof.
      2. Following extinguishment of such claim, debt, or liability, as the case may be, referred to in paragraph (a):
         1. no Party (or any other person acting on behalf of them) shall be entitled to take any further steps against the SPV Lender or any of its of its officers, shareholders, members, incorporators, corporate service providers or directors to recover any further sum in respect of the extinguished claim, debt or liability; and
         2. no debt shall be owed to any such persons by the SPV Lender or any of its officers, shareholders, members, incorporators, corporate service providers or directors in respect of such further sum.
      3. Notwithstanding the other provisions of this Agreement and solely in relation to any SPV Lender:
         1. each Party agrees that it will not, at any time bring, institute or join with any other person in bringing, instituting or taking any corporate action or other steps or legal proceedings for the winding-up, dissolution, bankruptcy, administration, reorganisation or other insolvency proceedings (whether court based or otherwise) or for the appointment of a receiver, examiner, administrator, administrative receiver, trustee, liquidator or similar officer or analogous person in relation to that SPV Lender or over any or all of that SPV Lender's revenues and assets; and
         2. no other Party will have any claim over any sum relating to any of that SPV Lender's assets other than the Available Property.
      4. Each Party agrees that shall not (and shall not permit anyone under its control or acting on its behalf to) initiate against an SPV Lender, or join in any initiation against an SPV Lender of:
         1. any bankruptcy, reorganisation, arrangement, examinership, insolvency or liquidation or similar proceedings; or
         2. any proceedings with a view to realising (or otherwise seek to recover) any amount that cannot be realised from the Available Property.

SECTION 11  
ADMINISTRATION

1. Payment Mechanics
   1. Payments to the Agent
      1. On each date on which the Borrower or a Lender is required to make a payment under a Finance Document, the Borrower or that Lender shall make the same available to the Agent (unless a contrary indication appears in a Finance Document) for value on the due date at the time and in such funds specified by the Agent as being customary at the time for settlement of transactions in the relevant currency in the place of payment.
      2. Payment shall be made to such account in the principal financial centre of the country of that currency (or, in relation to euro, in a principal financial centre in such Participating Member State or London, as specified by the Agent) and with such bank as the Agent, in each case, specifies.
   2. Distributions by the Agent

Each payment received by the Agent under the Finance Documents for another Party shall, subject to clause 27.3 (*Distributions to the Borrower*) and clause 27.4 (*Clawback and pre-funding*) be made available by the Agent as soon as practicable after receipt to the Party entitled to receive payment in accordance with this Agreement (in the case of a Lender, for the account of its Facility Office), to such account as that Party may notify to the Agent by not less than five Business Days' notice with a bank specified by that Party in the principal financial centre of the country of that currency (or, in relation to euro, in the principal financial centre of a Participating Member State or London, as specified by that Party).

* 1. Distributions to the Borrower

The Agent may (with the consent of the Borrower or in accordance with clause 28 (*Set-off*)) apply any amount received by it for the Borrower in or towards payment (on the date and in the currency and funds of receipt) of any amount due from the Borrower under the Finance Documents or in or towards purchase of any amount of any currency to be so applied.

* 1. Clawback and pre-funding
     1. Where a sum is to be paid to the Agent under the Finance Documents for another Party, the Agent is not obliged to pay that sum to that other Party (or to enter into or perform any related exchange contract) until it has been able to establish to its satisfaction that it has actually received that sum.
     2. Unless paragraph (c) (below applies, if the Agent pays an amount to another Party and it proves to be the case that the Agent had not actually received that amount, then the Party to whom that amount (or the proceeds of any related exchange contract) was paid by the Agent shall on demand refund the same to the Agent together with interest on that amount from the date of payment to the date of receipt by the Agent, calculated by the Agent to reflect its cost of funds.
     3. If the Agent has notified the Lenders that it is willing to make available amounts for the account of the Borrower before receiving funds from the Lenders then if and to the extent that the Agent does so but it proves to be the case that it does not then receive funds from a Lender in respect of a sum which it paid to the Borrower:
        1. the Agent shall notify the Borrower of that Lender's identity and the Borrower shall on demand refund it to the Agent; and
        2. the Lender by whom those funds should have been made available or, if that Lender fails to do so, the Borrower, shall on demand pay to the Agent the amount (as certified by the Agent) which will indemnify the Agent against any funding cost incurred by it as a result of paying out that sum before receiving those funds from that Lender.
  2. Impaired Agent
     1. If, at any time, the Agent becomes an Impaired Agent, the Borrower or a Lender which is required to make a payment under the Finance Documents to the Agent in accordance with clause 27.1 (*Payments to the Agent*) may instead pay that amount direct to the required recipient(s).
     2. A Party which has made a payment in accordance with this clause 27.5 (*Impaired Agent*) shall be discharged of the relevant payment obligation under the Finance Documents.
  3. Partial payments
     1. If the Agent receives a payment that is insufficient to discharge all the amounts then due and payable by the Borrower under the Finance Documents, the Agent shall apply that payment towards the obligations of the Borrower under the Finance Documents in the following order:
        1. **first**, in or towards payment pro rata of any unpaid amounts owing to the Agent under the Finance Documents;
        2. **secondly**, in or towards payment pro rata of any accrued interest, fee or commission due but unpaid under this Agreement;
        3. **thirdly**, in or towards payment pro rata of any principal due but unpaid under this Agreement; and
        4. **fourthly**, in or towards payment pro rata of any other sum due but unpaid under the Finance Documents.
     2. The Agent shall, if so directed by the Majority Lenders, vary the order set out in paragraphs (a)(ii) to (a)(iv) above.
     3. Paragraphs (a) and (b) above will override any appropriation made by the Borrower.
  4. No set-off by Borrower

All payments to be made by the Borrower under the Finance Documents shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

* 1. Business Days
     1. Any payment under the Finance Documents which is due to be made on a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).
     2. During any extension of the due date for payment of any principal or Unpaid Sum under this Agreement interest is payable on the principal or Unpaid Sum at the rate payable on the original due date.
  2. Currency of account
     1. Subject to paragraphs (b) and (c) below, euro is the currency of account and payment for any sum due from the Borrower under any Finance Document.
     2. Each payment in respect of costs, expenses or Taxes shall be made in the currency in which the costs, expenses or Taxes are incurred.
     3. Any amount expressed to be payable in a currency other than euro shall be paid in that other currency.
  3. Change of currency
     1. Unless otherwise prohibited by law, if more than one currency or currency unit are at the same time recognised by the central bank of any country as the lawful currency of that country, then:
        1. any reference in the Finance Documents to, and any obligations arising under the Finance Documents in, the currency of that country shall be translated into, or paid in, the currency or currency unit of that country designated by the Agent (after consultation with the Borrower); and
        2. any translation from one currency or currency unit to another shall be at the official rate of exchange recognised by the central bank for the conversion of that currency or currency unit into the other, rounded up or down by the Agent (acting reasonably).
     2. If a change in any currency of a country occurs, this Agreement will, to the extent the Agent (acting reasonably and after consultation with the Borrower) specifies to be necessary, be amended to comply with any generally accepted conventions and market practice in the Relevant Market and otherwise to reflect the change in currency.
  4. Disruption to payment systems etc.

If either the Agent determines (in its discretion) that a Disruption Event has occurred or the Agent is notified by the Borrower that a Disruption Event has occurred:

* + 1. the Agent may, and shall if requested to do so by the Borrower, consult with the Borrower with a view to agreeing with the Borrower such changes to the operation or administration of the Facility as the Agent may deem necessary in the circumstances;
    2. the Agent shall not be obliged to consult with the Borrower in relation to any changes mentioned in paragraph (a) above if, in its opinion, it is not practicable to do so in the circumstances and, in any event, shall have no obligation to agree to such changes;
    3. the Agent may consult with the Finance Parties in relation to any changes mentioned in paragraph (a) above but shall not be obliged to do so if, in its opinion, it is not practicable to do so in the circumstances;
    4. any such changes agreed upon by the Agent and the Borrower shall (whether or not it is finally determined that a Disruption Event has occurred) be binding upon the Parties as an amendment to (or, as the case may be, waiver of) the terms of the Finance Documents notwithstanding the provisions of clause 33 (*Amendments and waivers*);
    5. the Agent shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever (including, without limitation for negligence, gross negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Agent) arising as a result of its taking, or failing to take, any actions pursuant to or in connection with this clause 27.11; and
    6. the Agent shall notify the Finance Parties of all changes agreed pursuant to paragraph (d) above.

1. Set-Off

A Finance Party may set off any matured obligation due from the Borrower under the Finance Documents (to the extent beneficially owned by that Finance Party) against any matured obligation owed by that Finance Party to the Borrower, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Finance Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

1. Notices
   1. Communications in writing

Any communication to be made under or in connection with the Finance Documents shall be made in writing and, unless otherwise stated, may be made by fax or letter.

* 1. Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with the Finance Documents is:

* + 1. in the case of the Borrower, that identified with its name on the signatory page;
    2. in the case of each Lender, that notified in writing to the Agent on or prior to the date on which it becomes a Party; and
    3. in the case of the Agent, that identified with its name on the signatory page,

or any substitute address or fax number or department or officer as the Party may notify to the Agent (or the Agent may notify to the other Parties, if a change is made by the Agent) by not less than five Business Days' notice.

* 1. Delivery
     1. Any communication or document made or delivered by one person to another under or in connection with the Finance Documents will only be effective:
        1. if by way of fax, when received in legible form; or
        2. if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address;

and, if a particular department or officer is specified as part of its address details provided under clause 29.2 (*Addresses*), if addressed to that department or officer.

* + 1. Any communication or document to be made or delivered to the Agent will be effective only when actually received by the Agent and then only if it is expressly marked for the attention of the department or officer identified with the Agent's signature below (or any substitute department or officer as the Agent shall specify for this purpose).
    2. All notices from or to the Borrower shall be sent through the Agent.
    3. Any communication or document which becomes effective, in accordance with paragraphs (a) to (c) above, after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.
  1. Notification of address and fax number

Promptly upon changing its address or fax number, the Agent shall notify the other Parties.

* 1. Electronic communication
     1. Any communication or document to be made or delivered by one Party to another under or in connection with the Finance Documents may be made or delivered by electronic mail or other electronic means (including, without limitation, by way of posting to a secure website) if those two Parties:
        1. notify each other in writing of their electronic mail address and/or any other information required to enable the transmission of information by that means; and
        2. notify each other of any change to their address or any other such information supplied by them by not less than five Business Days' notice.
     2. Any such electronic communication or delivery as specified in paragraph (a) above to be made between the Borrower and a Finance Party may only be made in that way to the extent that those two Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication or delivery.
     3. Any such electronic communication or document as specified in paragraph (a) above made or delivered by one Party to another will be effective only when actually received (or made available) in readable form and in the case of any electronic communication or document made or delivered by a Party to the Agent only if it is addressed in such a manner as the Agent shall specify for this purpose.
     4. Any electronic communication or document which becomes effective, in accordance with paragraph (c) above, after 5:00 p.m. in the place in which the Party to whom the relevant communication or document is sent or made available has its address for the purpose of this Agreement shall be deemed only to become effective on the following day.
     5. Any reference in a Finance Document to a communication being sent or received or a document being delivered shall be construed to include that communication or document being made available in accordance with this clause 29.5.
  2. English language
     1. Any notice given under or in connection with any Finance Document must be in English.
     2. All other documents provided under or in connection with any Finance Document must be:
        1. in English; or
        2. if not in English, and if so required by the Agent, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

1. Calculations and Certificates
   1. Accounts

In any litigation or arbitration proceedings arising out of or in connection with a Finance Document, the entries made in the accounts maintained by a Finance Party are *prima facie* evidence of the matters to which they relate.

* 1. Certificates and determinations

Any certification or determination by a Finance Party of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

* 1. Day count convention

Any interest, commission or fee accruing under a Finance Document will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 360 days or, in any case where the practice in the Relevant Market differs, in accordance with that market practice.

1. Partial Invalidity

If, at any time, any provision of a Finance Document is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

1. Remedies and Waivers

No failure to exercise, nor any delay in exercising, on the part of any Finance Party, any right or remedy under a Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any Finance Document. No election to affirm any Finance Document on the part of any Finance Party shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in each Finance Document are cumulative and not exclusive of any rights or remedies provided by law.

1. Amendments and Waivers
   1. Required consents
      1. Subject to clause 33.3 (*All Lender matters*) and clause 33.4 (*Other exceptions*), any term of the Finance Documents may be amended or waived only with the consent of the Majority Lenders and the Borrower and any such amendment or waiver will be binding on all Parties.
      2. The Agent may effect, on behalf of any Finance Party, any amendment or waiver permitted by this clause 33.
      3. Paragraph (c) of clause 21.10 (*Pro rata interest settlement*) shall apply to this clause 33.
   2. Split voting

A Lender may by notice to the Agent divide its Loans or Commitments into separate amounts to reflect participations or similar arrangements and, for the purposes solely of counting towards any decision or vote by that Lender, require those separate amounts to be counted separately in that decision or vote for the purpose of this Agreement.

* 1. All Lender matters

Subject to clause 33.5 (*Replacement of Screen Rate*) an amendment or waiver of any term of any Finance Document that has the effect of changing or which relates to:

* + 1. the definitions of “Calculation Date”, “Make Whole Amount”, “Make Whole Reference Rate”, "Majority Lenders" and “Zero Floored EURIBOR Curve” in clause 1.1 (*Definitions*);
    2. an extension to the date of payment of any amount under the Finance Documents;
    3. a reduction in the Margin or a reduction in the amount of any payment of principal, interest, fees or commission payable;
    4. a change in currency of payment of any amount under the Finance Documents;
    5. an increase in any Commitment or the Total Commitments, an extension of the Availability Period or any requirement that a cancellation of Commitments reduces the Commitments of the Lenders rateably under the Facility;
    6. a change to the Borrower;
    7. any provision which expressly requires the consent of all the Lenders;
    8. any provision relating to Sanctions Laws and Regulations or Anti-Corruption Laws; or
    9. clause 2.2 (*Finance Parties' rights and obligations*), clause 5.1 (*Delivery of a Utilisation Request*)*,* clause 7.1 (*Illegality*), clause 21 (*Changes to the Lenders*), clause 25 (*Sharing among the Finance Parties*), this clause 33, clause 38 (*Jurisdiction),* the governing law of any Finance Document or clause 39 (*Arbitration*),

shall not be made without the prior consent of all the Lenders.

* 1. Other exceptions

An amendment or waiver which relates to the rights or obligations of the Agent or the Arranger (each in their capacity as such) may not be effected without the consent of the Agent or the Arranger, as the case may be.

* 1. Replacement of Screen Rate
     1. Subject to clause 33.4 (*Other exceptions*), if a Screen Rate Replacement Event has occurred in relation to the Screen Rate for euro, any amendment or waiver which relates to:
        1. providing for the use of a Replacement Benchmark in relation to euro in place of the Screen Rate; and
           1. aligning any provision of any Finance Document to the use of that Replacement Benchmark;
           2. enabling that Replacement Benchmark to be used for the calculation of interest under this Agreement (including, without limitation, any consequential changes required to enable that Replacement Benchmark to be used for the purposes of this Agreement);
           3. implementing market conventions applicable to that Replacement Benchmark;
           4. providing for appropriate fallback (and market disruption) provisions for that Replacement Benchmark; or
           5. adjusting the pricing to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value from one Party to another as a result of the application of that Replacement Benchmark (and if any adjustment or method for calculating any adjustment has been formally designated, nominated or recommended by the Relevant Nominating Body, the adjustment shall be determined on the basis of that designation, nomination or recommendation),
           6. may be made with the consent of the Agent (acting on the instructions of the Majority Lenders) and the Borrower.
     2. In this clause 33.5:
     3. **Relevant Nominating Body** means any applicable central bank, regulator or other supervisory authority or a group of them, or any working group or committee sponsored or chaired by, or constituted at the request of, any of them or the Financial Stability Board.
     4. **Replacement Benchmark** means a benchmark rate which is:
     5. formally designated, nominated or recommended as the replacement for the Screen Rate by:
        1. the administrator of the Screen Rate (provided that the market or economic reality that such benchmark rate measures is the same as that measured by the Screen Rate); or
        2. any Relevant Nominating Body,
        3. and if replacements have, at the relevant time, been formally designated, nominated or recommended under both paragraphs, the **Replacement Benchmark** will be the replacement under paragraph (ii) above;
     6. in the opinion of the Majority Lenders and the Borrower, generally accepted in the international or any relevant domestic syndicated loan markets as the appropriate successor to the Screen Rate; or
     7. in the opinion of the Majority Lenders and the Borrower, an appropriate successor to the Screen Rate
     8. **Screen Rate Replacement Event** means:
     9. the methodology, formula or other means determining the Screen Rate has, in the opinion of the Majority Lenders and the Borrower, materially changed;
     10. 1. 1. the administrator of the Screen Rate or its supervisor publicly announces that such administrator is insolvent; or
            2. information is published in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body which reasonably confirms that the administrator of the Screen Rate is insolvent,

provided that, in each case, at that time, there is no successor administrator to continue to provide the Screen Rate;

* + - 1. the administrator of the Screen Rate publicly announces that it has ceased or will cease to provide the Screen Rate permanently or indefinitely and, at that time, there is no successor administrator or continue to provide the Screen Rate;
      2. the supervisor of the administrator of the Screen Rate publicly announces that the Screen Rate has been or will be permanently or indefinitely discontinued; or
      3. the administrator of the Screen Rate or its supervisor announces that the Screen Rate may no longer be used;
      4. the supervisor of the administrator of the Screen Rate makes a public announcement or publishes information:
         1. stating that the Screen Rate is no longer or, as of a specified future date will no longer be, representative of the underlying market or economic reality that it is intended to measure and that representativeness will not be restored (as determined by such supervisor); and
         2. with awareness that any such announcement or publication will engage certain triggers for fallback provisions in contracts which may be activated by any such pre-cessation announcement or publication.
    1. the administrator of the Screen Rate determines that the Screen Rate should be calculated in accordance with its reduced submissions or other contingency or fallback policies or arrangements and either:
       1. the circumstance(s) or event(s) leading to such determination are not (in the opinion of the Majority Lenders and the Borrower) temporary; or
       2. the Screen Rate is calculated in accordance with any such policy or arrangement for a period of no less than 10 days; or
    2. in the opinion of the Majority Lenders and the Borrower, the Screen Rate is otherwise no longer appropriate for the purposes of calculating interest under this Agreement.

1. Confidential Information
   1. Confidentiality

Each Finance Party agrees to keep all Confidential Information confidential and not to disclose it to anyone, save to the extent permitted by clause 34.2 (*Disclosure of Confidential Information*) and clause 34.3 (*Disclosure to numbering service providers)*, and to ensure that all Confidential Information is protected with security measures and a degree of care that would apply to its own confidential information.

* 1. Disclosure of Confidential Information

Any Finance Party may disclose:

* + 1. to any of its Affiliates and Related Funds and any of its or their officers, directors, employees, professional advisers, auditors, partners and Representatives such Confidential Information as that Finance Party shall consider appropriate if any person to whom the Confidential Information is to be given pursuant to this paragraph (a) is informed in writing of its confidential nature and that some or all of such Confidential Information may be price-sensitive information except that there shall be no such requirement to so inform if the recipient is subject to professional obligations to maintain the confidentiality of the information or is otherwise bound by requirements of confidentiality in relation to the Confidential Information;
    2. to any person:
       1. to (or through) whom it assigns or transfers (or may potentially assign or transfer) all or any of its rights and/or obligations under one or more Finance Documents or which succeeds (or which may potentially succeed) it as Agent and, in each case, to any of that person's Affiliates, Related Funds, Representatives and professional advisers;
       2. with (or through) whom it enters into (or may potentially enter into), whether directly or indirectly, any sub-participation in relation to, or any other transaction under which payments are to be made or may be made by reference to, one or more Finance Documents and/or the Borrower and to any of that person's Affiliates, Related Funds, Representatives and professional advisers;
       3. appointed by any Finance Party or by a person to whom paragraph (b)(i) or (ii) above applies to receive communications, notices, information or documents delivered pursuant to the Finance Documents on its behalf (including, without limitation, any person appointed under paragraph (b) of clause 23.15 (*Relationship with the Lenders*));
       4. who invests in or otherwise finances (or may potentially invest in or otherwise finance), directly or indirectly, any transaction referred to in paragraph (b)(i) or (b)(ii) above or any counterparty to such transaction who provides any services or risk mitigation (directly or indirectly) to such investor or financier;
       5. to whom information is required or requested to be disclosed by any court of competent jurisdiction or any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation;
       6. to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes;
       7. to whom or for whose benefit that Finance Party charges, assigns or otherwise creates Security (or may do so) pursuant to clause 21.9 (*Security over Lenders' rights*);
       8. who is a Party; or
       9. with the consent of the Borrower;

in each case, such Confidential Information as that Finance Party shall consider appropriate if:

* + - * 1. in relation to paragraphs (b)(i), (b)(ii) and (b)(iii) above, the person to whom the Confidential Information is to be given has entered into a Confidentiality Undertaking except that there shall be no requirement for a Confidentiality Undertaking if the recipient is a professional adviser and is subject to professional obligations to maintain the confidentiality of the Confidential Information;
        2. in relation to paragraph (b)(iv) above, the person to whom the Confidential Information is to be given has entered into a Confidentiality Undertaking or is otherwise bound by requirements of confidentiality in relation to the Confidential Information they receive and is informed that some or all of such Confidential Information may be price-sensitive information;
        3. in relation to paragraphs (b)(v), (b)(vi) and (b)(vii) above, the person to whom the Confidential Information is to be given is informed of its confidential nature and that some or all of such Confidential Information may be price-sensitive information except that there shall be no requirement to so inform if, in the opinion of that Finance Party, it is not practicable so to do in the circumstances;
    1. to any person appointed by that Finance Party or by a person to whom paragraph (b)(i) or (b)(ii) above applies to provide administration or settlement services in respect of one or more of the Finance Documents including without limitation, in relation to the trading of participations in respect of the Finance Documents, such Confidential Information as may be required to be disclosed to enable such service provider to provide any of the services referred to in this paragraph (c) if the service provider to whom the Confidential Information is to be given has entered into a confidentiality agreement substantially in the form of the LMA Master Confidentiality Undertaking for Use With Administration/Settlement Service Providers or such other form of confidentiality undertaking agreed between the Borrower and the relevant Finance Party;
    2. to any rating agency (including its professional advisers) such Confidential Information as may be required to be disclosed to enable such rating agency to carry out its normal rating activities in relation to the Finance Documents and/or the Borrower if the rating agency to whom the Confidential Information is to be given is informed of its confidential nature and that some or all of such Confidential Information may be price-sensitive information; and
    3. to any entities compiling league tables and other credit market assessments (who may use it in such league tables and credit market assessments) and refer to it in marketing materials to actual or potential clients without the prior consent of the other Parties, provided that such information is limited to the identity of the Parties and the amount, maturity and purpose of the Facility.
  1. Disclosure to numbering service providers
     1. Any Finance Party may disclose to any national or international numbering service provider appointed by that Finance Party to provide identification numbering services in respect of this Agreement, the Facility and/or the Borrower the following information:
        1. name of the Borrower;
        2. country of domicile of the Borrower;
        3. date of this Agreement;
        4. clause 38 (*Governing Law*);
        5. the names of the Agent and the Arranger;
        6. date of each amendment and restatement of this Agreement;
        7. amount of Total Commitments;
        8. currency of the Facility;
        9. type of Facility;
        10. ranking of Facility;
        11. Final Repayment Date for the Facility;
        12. changes to any of the information previously supplied pursuant to paragraphs (i) to (xi) above; and
        13. such other information agreed between such Finance Party and the Borrower,

to enable such numbering service provider to provide its usual syndicated loan numbering identification services.

* + 1. The Parties acknowledge and agree that each identification number assigned to this Agreement, the Facility and/or the Borrower by a numbering service provider and the information associated with each such number may be disclosed to users of its services in accordance with the standard terms and conditions of that numbering service provider.
    2. The Borrower represents that none of the information set out in paragraphs (i) to (xiii) of paragraph (a) above is, nor will at any time be, unpublished price-sensitive information.
    3. The Agent shall notify the Borrower and the other Finance Parties of:
       1. the name of any numbering service provider appointed by the Agent in respect of this Agreement, the Facility and/or the Borrower; and
       2. the number or, as the case may be, numbers assigned to this Agreement, the Facility and/or the Borrower by such numbering service provider.
  1. Entire agreement

This clause 34 constitutes the entire agreement between the Parties in relation to the obligations of the Finance Parties under the Finance Documents regarding Confidential Information and supersedes any previous agreement, whether express or implied, regarding Confidential Information.

* 1. Inside information

Each of the Finance Parties acknowledges that some or all of the Confidential Information is or may be price-sensitive information and that the use of such information may be regulated or prohibited by applicable legislation including securities law relating to insider dealing and market abuse and each of the Finance Parties undertakes not to use any Confidential Information for any unlawful purpose.

* 1. Notification of disclosure

Each of the Finance Parties agrees (to the extent permitted by law and regulation) to inform the Borrower:

* + 1. of the circumstances of any disclosure of Confidential Information made pursuant to paragraph (b)(v) of clause 34.2 (*Disclosure of Confidential Information*) except where such disclosure is made to any of the persons referred to in that paragraph during the ordinary course of its supervisory or regulatory function; and
    2. upon becoming aware that Confidential Information has been disclosed in breach of this clause 34.
  1. Continuing obligations

The obligations in this clause 34 are continuing and, in particular, shall survive and remain binding on each Finance Party for a period of twelve months from the earlier of:

* + 1. the date on which all amounts payable by the Borrower under or in connection with this Agreement have been paid in full and all Commitments have been cancelled or otherwise cease to be available; and
    2. the date on which such Finance Party otherwise ceases to be a Finance Party.

1. Confidentiality of Funding Rates
   1. Confidentiality and disclosure
      1. The Agent and the Borrower agree to keep each Funding Rate confidential and not to disclose it to anyone, save to the extent permitted by paragraphs (b) and (c) below.
      2. The Agent may disclose:
         1. any Funding Rate to the relevant Borrower pursuant to clause 8.4 (*Notification of rates of interest*); and
         2. any Funding Rate to any person appointed by it to provide administration services in respect of one or more of the Finance Documents to the extent necessary to enable such service provider to provide those services if the service provider to whom that information is to be given has entered into a confidentiality agreement substantially in the form of the LMA Master Confidentiality Undertaking for Use With Administration/Settlement Service Providers or such other form of confidentiality undertaking agreed between the Agent and the relevant Lender.
      3. The Agent may disclose any Funding Rate, and the Borrower may disclose any Funding Rate, to:
         1. any of its Affiliates and any of its or their officers, directors, employees, professional advisers, auditors, partners and Representatives if any person to whom that Funding Rate is to be given pursuant to this paragraph (i) is informed in writing of its confidential nature and that it may be price-sensitive information except that there shall be no such requirement to so inform if the recipient is subject to professional obligations to maintain the confidentiality of that Funding Rate or is otherwise bound by requirements of confidentiality in relation to it;
         2. any person to whom information is required or requested to be disclosed by any court of competent jurisdiction or any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation if the person to whom that Funding Rate is to be given is informed in writing of its confidential nature and that it may be price-sensitive information except that there shall be no requirement to so inform if, in the opinion of the Agent or the Borrower, as the case may be, it is not practicable to do so in the circumstances;
         3. any person to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes if the person to whom that Funding Rate is to be given is informed in writing of its confidential nature and that it may be price-sensitive information except that there shall be no requirement to so inform if, in the opinion of the Agent or the Borrower, as the case may be, it is not practicable to do so in the circumstances; and
         4. any person with the consent of the relevant Lender.
   2. Related obligations
      1. The Agent and the Borrower acknowledge that each Funding Rate is or may be price-sensitive information and that its use may be regulated or prohibited by applicable legislation including securities law relating to insider dealing and market abuse and the Agent and the Borrower undertake not to use any Funding Rate for any unlawful purpose.
      2. The Agent and the Borrower agree (to the extent permitted by law and regulation) to inform the relevant Lender:
         1. of the circumstances of any disclosure made pursuant to paragraph (c)(ii) of clause 35.1 (*Confidentiality and disclosure*) except where such disclosure is made to any of the persons referred to in that paragraph during the ordinary course of its supervisory or regulatory function; and
         2. upon becoming aware that any information has been disclosed in breach of this clause 35.
   3. No Event of Default

No Event of Default will occur under clause 20.2 (*Other obligations*) by reason only of the Borrower's failure to comply with this clause 35.

1. Contractual recognition of Bail-In
   1. Contractual recognition of bail-in

Notwithstanding any other term of any Finance Document or any other agreement, arrangement or understanding between the Parties, each Party acknowledges and accepts that any liability of any Party to any other Party under or in connection with the Finance Documents may be subject to Bail-In Action by the relevant Resolution Authority and acknowledges and accepts to be bound by the effect of:

* + 1. any Bail-In Action in relation to any such liability, including (without limitation):
       1. a reduction, in full or in part, in the principal amount, or outstanding amount due (including any accrued but unpaid interest) in respect of any such liability;
       2. a conversion of all, or part of, any such liability into shares or other instruments of ownership that may be issued to, or conferred on, it; and
       3. a cancellation of any such liability; and
    2. a variation of any term of any Finance Document to the extent necessary to give effect to any Bail-In Action in relation to any such liability.
  1. Bail-In definitions

In this clause 36:

**Article 55 BRRD** means Article 55 of Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms.

**Bail-In Action** means the exercise of any Write-down and Conversion Powers.

**Bail-In Legislation** means:

* + 1. in relation to an EEA Member Country which has implemented, or which at any time implements, Article 55 BRRD, the relevant implementing law or regulation as described in the EU Bail-In Legislation Schedule from time to time;
    2. in relation to the United Kingdom, the UK Bail-In Legislation; and
    3. in relation to any state other than such an EEA Member Country and the United Kingdom, any analogous law or regulation from time to time which requires contractual recognition of any Write-down and Conversion Powers contained in that law or regulation.

**EEA Member Country** means any member state of the European Union, Iceland, Liechtenstein and Norway.

**EU Bail-In Legislation Schedule** means the document described as such and published by the Loan Market Association (or any successor person) from time to time.

**Resolution Authority** means any body which has authority to exercise any Write-down and Conversion Powers.

**UK Bail-In Legislation** means Part I of the United Kingdom Banking Act 2009 and any other law or regulation applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (otherwise than through liquidation, administration or other insolvency proceedings).

**Write-down and Conversion Powers** means:

* + 1. in relation to any Bail-In Legislation described in the EU Bail-In Legislation Schedule from time to time, the powers described as such in relation to that Bail-In Legislation in the EU Bail-In Legislation Schedule;
    2. in relation to the UK Bail-In Legislation, any powers under that UK Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that UK Bail-In Legislation that are related to or ancillary to any of those powers; and
    3. in relation to any other applicable Bail-In Legislation:
       1. any powers under that Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers; and
       2. any similar or analogous powers under that Bail-In Legislation.

1. Counterparts

Each Finance Document may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of the Finance Document.

SECTION 12  
GOVERNING LAW AND ENFORCEMENT

1. Governing law

This Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

1. Arbitration
   1. Arbitration

Any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement or any non-contractual obligation arising out of or in connection with this Agreement) (a **Dispute**) shall be referred to and finally resolved by arbitration under the Arbitration Rules of the London Court of International Arbitration (**LCIA**), as in force at the date of this Agreement.

* 1. Formation of arbitral tribunal, seat and language of arbitration
     1. The arbitral tribunal shall consist of three arbitrators. The claimant(s), irrespective of number, shall nominate jointly one arbitrator; the respondent(s), irrespective of number, shall nominate jointly the second arbitrator, and a third arbitrator (who shall act as presiding arbitrator) shall be nominated by the arbitrators nominated by or on behalf of the claimant(s) and respondent(s). In the absence of agreement on the appointment of any arbitrator within the Request for Arbitration (in the case of the claimant-nominated arbitrator) or within the timeframe for the delivery of a Response (in the case of the Respondent-nominated arbitrator), or within 30 days of the date of nomination of the later of the two party-nominated arbitrators to be nominated (in the case of the presiding arbitrator), he shall be chosen by the LCIA Court (as defined in the Arbitration Rules of the LCIA).
     2. The seat of arbitration shall be London, England.
     3. The language of the arbitration shall be English.
  2. Recourse to courts

For the purposes of arbitration pursuant to this clause 39 (*Arbitration*), the Parties waive any right of application to determine a preliminary point of law or appeal on a point of law under Sections 45 and 69 of the Arbitration Act 1996, or such equivalent provisions legislative provisions which may be in force from time to time.

* 1. Consolidation of arbitrations
     1. The following shall apply to any disputes arising out of or in connection with this Agreement and out of or in connection with any other Finance Document in respect of which a Request for Arbitration has been delivered (or, where impossible, the terms of the relevant Finance Document with respect to service of process have been complied with) to all other parties to the arbitration. In relation to any such disputes if, in the absolute discretion of the first arbitral tribunal to be appointed in any of the arbitrations still ongoing, they are so closely connected that it is expedient for them to be resolved in the same proceedings, that arbitral tribunal shall have the power to order that the proceedings to resolve that dispute shall be consolidated with those to resolve any of the other disputes. This provision does not apply if a date for the final hearing of the first arbitration has been fixed. If that arbitral tribunal so orders, the parties to each dispute which is a subject of its order shall be treated as having consented to that dispute being finally decided:
        1. by the arbitral tribunal that ordered the consolidation unless the LCIA decides that that arbitral tribunal would not be suitable or impartial; and
        2. in accordance with the procedure, at the seat and in the language specified in the relevant Finance Document under which the arbitral tribunal that ordered the consolidation was appointed, save as otherwise agreed by all parties to the consolidated proceedings or, in the absence of any such agreement, ordered by the arbitral tribunal in the consolidated proceedings.
     2. Any dispute which is subject to a contractual option to litigate shall only be capable of consolidation pursuant to this clause 39.4(a) if:
        + 1. exercise of the option to which the dispute is subject is no longer permitted pursuant to the terms upon which the option was granted; or
          2. the right of the option-holder to exercise the option has otherwise been validly waived.
     3. Clause 39.4(a) above shall apply even where powers to consolidate proceedings exist under any applicable arbitration rules (including those of an arbitral institution) and, in such circumstances, the provisions of clause 39.4(a) above shall apply in addition to those powers, and such consolidation may be applied for or ordered in the alternative by any party or tribunal eligible to do so.
  2. Service of process
     1. Without prejudice to any other mode of service allowed under any relevant law, the Borrower:
        1. irrevocably appoints the Ambassador of the Republic of Serbia to the Court of St. James's at 28 Belgrave Square, London SW1X 8QB as its agent for service of process in relation to any proceedings before the English courts in connection with any Finance Document; and
        2. agrees that failure by a process agent to notify the Borrower of the process will not invalidate the proceedings concerned.
     2. If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Borrower must immediately (and in any event within 15 days of such event taking place) appoint another agent on terms acceptable to the Agent. Failing this, the Agent may, at the Borrower's cost, appoint another agent for this purpose.
     3. The Borrower expressly agrees and consents to the provisions of this clause 39.5 (*Service of process*) and clause 38 (*Governing law*).
  3. Waiver of immunity
     1. The Borrower irrevocably waives generally all immunity it or its assets or revenues may otherwise have in any jurisdiction, including, without limitation, immunity in respect of:
        1. jurisdiction of any court or tribunal;
        2. the giving of any relief by way of injunction or order for specific performance or for the recovery of assets or revenues;
        3. any process for execution of any award or judgment against its property;
        4. service of process; and
        5. the issue of any process against its assets or revenues for the enforcement of a judgment or, in an action in rem, for the arrest, detention or sale of any of its assets and revenues,
     2. and to the extent that in any such jurisdiction there may be attributed to itself or its assets such immunity (whether or not claimed), the Borrower irrevocably consents to the enforcement of any judgment or award and agrees not to claim and irrevocably waives such immunity to the fullest extent permitted by the laws of the jurisdiction, subject to clause 39.6(e) below.
     3. The Borrower agrees that in any proceedings in England this waiver shall have the fullest scope permitted by the English State Immunity Act 1978 and that this waiver is intended to be irrevocable for the purposes of the English State Immunity Act 1978.
     4. Without limitation to the obligations of the Borrower under clause 39.6(a) and clause 39.6(c) above, in respect of any proceedings arising out of or in connection with the enforcement and/or execution of any award or judgment made against it, the Borrower hereby submits to the jurisdiction of any court in which any such proceedings are brought.
     5. Notwithstanding the provisions of clause 39.6(a) to clause 39.6(d) above, the Borrower does not waive any immunity from enforcement in respect of any Excluded Assets.

**This Agreement has been entered into on the date stated at the beginning of this Agreement.**

1. The Original Lenders

|  |  |  |
| --- | --- | --- |
| **Name of Original Lender** | **Fixed Rate Tranche Commitment (€)** | **Floating Rate Tranche Commitment (€)** |
| Merrill Lynch International | 130,000,000 | 95,000,000.00 |
| Erste Group Bank AG | 0 | 23,000,000.00 |
| Alpha Bank S.A., Luxembourg Branch | 0 | 14,805,555.56 |
| Bank of America, N.A., acting through its London Branch | 0 | 14,444,444.44 |
| VTT Fund Limited | 0 | 8,000,000.00 |
| Raiffeisen Bank International AG | 0 | 7,750,000.00 |
| Vega Total Return Fund Limited | 0 | 4,000,000.00 |
| Atlantic Forfaitierungs AG | 0 | 3,000,000.00 |
| **Total** | **130,000,000** | **170,000,000** |

1. Conditions Precedent
   1. Borrower
      1. Copies of all relevant laws, regulations and/or Authorisations relating to the power and authority of the Borrower, the Ministry of Finance, the Minister of Finance and/or the Acting Minister of Finance (as applicable) and the performance of the Borrower's obligations under the Finance Documents, including but not limited to.
         1. the constitution of the Republic of Serbia; and
         2. Public Debt Act (Zakon o javnom dugu, Official Gazette of the Republic of Serbia nos. 61/2005, 107/2009, 78/2011, 68/2015, 95/2018, 91/2019 and 149/2020), and the Budget System Act (Zakon o budzetskom sistemu and Official Gazette of the Republic of Serbia nos. 54/2009, 73/2010, 101/2010, 101/2011, 93/2012, 62/2013, 63/2013, 108/2013, 142/2014, 68/2015, 103/2015, 99/2016, 113/2017, 5/2018, 31/2019, 72/2019, 149/2020, 118/2021 and 138/2022)
      2. Certified copies of decisions of the Government of the Republic of Serbia:
         1. determining the basis for the negotiations on the borrowing and forming a delegation for negotiations; and
         2. approving the borrowing by the Borrower under this Agreement and the Finance Documents and authorising the Minister of Finance of the Republic of Serbia to execute the Finance Documents on behalf of the Republic of Serbia.
      3. Evidence of the enactment by the National Assembly of the Republic of Serbia of the law approving this Agreement (together with evidence of such law being promulgated by the President of the Republic of Serbia and published in the Official Gazette of the Republic of Serbia and the period for the law to enter into force has lapsed).
      4. A certified copy of KZ forms (in Serbian: "KZ obrasci") evidencing that this Agreement has been duly reported to the NBS.
      5. A certificate of an authorised signatory of the Borrower:
         1. certifying that each copy document specified in this schedule is correct, complete and in full force and effect as at a date no earlier than the date of this Agreement; and
         2. confirming that the borrowing of the full amount of the Facility would not cause any borrowing, guaranteeing or similar limit binding on the Borrower or the Republic of Serbia to be breached.
      6. A specimen of the signature of each person authorised by the documents referred to in paragraphs (a) and (b).
   2. Finance Documents
      1. An original of this Agreement duly executed by all original parties to it.
      2. An original of the Fee Letters duly executed by all parties.
      3. Evidence that each such Finance Document has been duly authorised, executed and delivered by each party thereto and in full force and effect, with, if applicable, evidence that any stamp duties have been duly paid in relation to each such Finance Document and that such Finance Document has been registered with the appropriate authorities in the Republic of Serbia.
   3. Legal opinions
      1. A legal opinion of Norton Rose Fulbright LLP, legal advisers to the Finance Parties in England, substantially in the form distributed to the Original Lenders prior to signing this Agreement.
      2. A legal opinion of the legal advisers to Finance Parties in Serbia, substantially in the form distributed to the Original Lenders prior to signing this Agreement.
      3. A legal opinion from the Ministry of Justice of the Republic of Serbia.
   4. Other documents and evidence
      1. Evidence that any process agent referred to in clause 39.5 (*Service of process*) has accepted its appointment.
      2. A copy of any other Authorisation or other document, opinion or assurance which the Agent considers to be necessary or desirable (if it has notified the Borrower accordingly) in connection with the entry into and performance of the transactions contemplated by any Finance Document or for the validity and enforceability of any Finance Document.
      3. Evidence that the fees, costs and expenses then due from the Borrower pursuant to clause 11 (*Fees*) and clause 16 (*Costs and expenses*) have been paid or will be paid by the Utilisation Date.
      4. Evidence that each Original Lender's "know your customer" and client adoption requirements have been completed.
2. Form of Utilisation Request

From: The Republic of Serbia represented by the Government of the Republic of Serbia, acting by and through the Ministry of Finance

To: [*Agent*]

Dated:

Dear Sirs

The Republic of Serbia – €300,000,000 Facility Agreement

dated \_\_\_\_\_\_\_\_\_\_\_ (the Agreement)

1. We refer to the Agreement. This is a Utilisation Request. Terms defined in the Agreement have the same meaning in this Utilisation Request unless given a different meaning in this Utilisation Request.
2. We wish to borrow a Loan on the following terms:

|  |  |
| --- | --- |
| Tranche:  Proposed Utilisation Date: | [Fixed Rate Tranche]/[Floating Rate Tranche]  [      ] (or, if that is not a Business Day, the next Business Day) |
| Amount: | €[       ] or, if less, the Available Facility applicable to the [Fixed Rate Tranche]/[Floating Rate Tranche] |

1. We confirm that each condition specified in clause 4.2 (*Further conditions precedent*) of the Agreement is satisfied on the date of this Utilisation Request.
2. We confirm that we have simultaneously delivered a Utilisation Request to the Agent requesting a Loan under the other Tranche with the same proposed Utilisation Date as set out above.
3. The proceeds of this Loan should be credited to [*account*].
4. This Utilisation Request is irrevocable.
5. We undertake to provide any other documentation reasonably requested by the Agent from time to time in connection with this Utilisation Request.

Yours faithfully

For and on behalf of

The Republic of Serbia represented by the Government of the Republic of Serbia, acting by and through the Ministry of Finance

|  |  |
| --- | --- |
| Signature:\* |  |
| Name: |  |
| Position: |  |
| Date: |  |
| \*Signature of Borrower's Signatory | |

1. Form of Transfer Certificate

To: [*full name, address and registration number*][[1]](#footnote-1) as Agent

From: [*full name, address and registration number*] (the **Existing Lender**) and [*full name, address and registration number*] (the **New Lender**)

Dated:

The Republic of Serbia – €300,000,000 Facility Agreement

dated \_\_\_\_\_\_\_\_\_\_\_ (the Agreement)

1. We refer to the Agreement. This is a Transfer Certificate. Terms defined in the Agreement have the same meaning in this Transfer Certificate unless given a different meaning in this Transfer Certificate.
2. We refer to clause 21.5 (*Procedure for transfer*) of the Agreement:
   1. The Existing Lender and the New Lender agree to the Existing Lender transferring to the New Lender by novation, and in accordance with clause 21.5 (*Procedure for transfer*) of the Agreement, all of the Existing Lender's rights and obligations under the Agreement and the other Finance Documents which relate to that portion of the Existing Lender's Commitment and participations in Loans under the Agreement as specified in the Schedule.
   2. The proposed Transfer Date is [          ].
   3. The Facility Office and address, fax number and attention details for notices of the New Lender for the purposes of clause 29.2 (*Addresses*) of the Agreement are set out in the Schedule.
3. The New Lender expressly acknowledges the limitations on the Existing Lender's obligations set out in paragraph (c) of clause 21.4 (*Limitation of responsibility of Existing Lenders*) of the Agreement.
4. This Transfer Certificate may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Transfer Certificate.
5. This Transfer Certificate and any non-contractual obligations arising out of or in connection with it are governed by English law.
6. This Transfer Certificate has been entered into on the date stated at the beginning of this Transfer Certificate.

THE SCHEDULE

Commitment/rights and obligations to be transferred

*[Insert relevant details – including the currency and amount of participation that is subject to the transfer][[2]](#footnote-2)  
[Facility office address, fax number and attention details for notices and account details for payments,]*

Borrower: The Republic of Serbiarepresented by the Government of the Republic of Serbia, acting by and through the Ministry of Finance

|  |  |
| --- | --- |
| [Existing Lender] | [New Lender] |
| By: | By: |

This Transfer Certificate is accepted by the Agent and the Transfer Date is confirmed as [           ].

[Agent]

By:

1. Form of Assignment Agreement

To: [*name, address and registration number*][[3]](#footnote-3) as Agent and the Republic of Serbiarepresented by the Government of the Republic of Serbia, acting by and through the Ministry of Finance as Borrower

From: [*name, address and registration number*] (the **Existing Lender**) and [*name, address and registration number*] (the **New Lender**)

Dated:

The Republic of Serbia – €300,000,000 Facility Agreement

dated \_\_\_\_\_\_\_\_\_\_\_ (the Agreement)

1. We refer to the Agreement. This is an Assignment Agreement. Terms defined in the Agreement have the same meaning in this Assignment Agreement unless given a different meaning in this Assignment Agreement.
2. We refer to clause 21.6 (*Procedure for assignment*) of the Agreement:
   1. The Existing Lender assigns absolutely to the New Lender all the rights of the Existing Lender under the Agreement and the other Finance Documents which relate to that portion of the Existing Lender's Commitment and participations in Loans under the Agreement as specified in the Schedule.
   2. The Existing Lender is released from all the obligations of the Existing Lender which correspond to that portion of the Existing Lender's Commitment and participations in Loans under the Agreement specified in the Schedule.
   3. (The New Lender becomes a Party as a Lender and is bound by obligations equivalent to those from which the Existing Lender is released under paragraph (b) above.
3. The proposed Transfer Date is [ ].
4. On the Transfer Date the New Lender becomes Party to the Finance Documents as a Lender.
5. The Facility Office and address, fax number and attention details for notices of the New Lender for the purposes of clause 29.2 (*Addresses*) of the Agreement are set out in the Schedule.
6. The New Lender expressly acknowledges the limitations on the Existing Lender's obligations set out in paragraph (c) of clause 21.4 (*Limitation of responsibility of Existing Lenders*) of the Agreement.
7. This Assignment Agreement acts as notice to the Agent (on behalf of each Finance Party) and, upon delivery in accordance with clause 21.7 (*Copy of Transfer Certificate or Assignment Agreement to the Borrower and to NBS*) of the Agreement, to the Borrower of the assignment referred to in this Assignment Agreement.
8. This Assignment Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Assignment Agreement.
9. This Assignment Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.
10. This Assignment Agreement has been entered into on the date stated at the beginning of this Assignment Agreement.

THE SCHEDULE

Rights to be assigned and obligations to be released and undertaken

*[Insert relevant details – including the currency and amount of participation that is subject to the assignment][[4]](#footnote-4)*

*[Facility office address, fax number and attention details for notices and account details for payments]*

Borrower: The Republic of Serbiarepresented by the Government of the Republic of Serbia, acting by and through the Ministry of Finance.

[Existing Lender] [New Lender]

By: By:

This Assignment Agreement is accepted by the Agent and the Transfer Date is confirmed as [      ].

Signature of this Assignment Agreement by the Agent constitutes confirmation by the Agent of receipt of notice of the assignment referred to herein, which notice the Agent receives on behalf of each Finance Party.

[Agent]

By:

1. Form of Use of Loan Proceeds Report

To: [*Agent*]

From: The Republic of Serbia represented by the Government of the Republic of Serbia, acting by and through the Ministry of Finance

Dated: [ ]

The Republic of Serbia – €300,000,000 Facility Agreement

dated \_\_\_\_\_\_\_\_\_\_\_ (the Agreement)

1. We refer to the Agreement. This is a report delivered pursuant to clause 18.4(a) (*Information: Use of Loan proceeds report*). Terms defined in the Agreement have the same meaning in this report unless given a different meaning in this report.
2. We refer to the Fixed Rate Tranche Loan with a Utilisation Date of [*insert date*] 2023. Such Fixed Rate Tranche Loan has been applied as follows:
   1. [proceeds of the Fixed Rate Tranche Loan which have not yet been applied: **€[ ]**; and][[5]](#footnote-5)
   2. proceeds of the Fixed Rate Tranche Loan proceeds which have already been applied: **€[ ]**, of which:
      1. **€[ ]** have been applied for the purpose set out in clause 3.1(a)(i) (*Purpose*) as follows:

|  |  |  |
| --- | --- | --- |
| Reference | Description | Amount of Fixed Rate Tranche Loan proceeds applied (€) |
| Article 3.B.XI.1 | Road Ruma-Šabac-Loznica | [ ] |
| Article 3.B.IX.8 | High Speed road construction project Bački Breg – Kikinda | [ ] |
| **Total** | | **[ ]** |

* + 1. **€[ ]** have been applied for the purpose set out in clause0 (*Purpose*) as follows:

| Programme | Item | Description | Amount of Fixed Rate Tranche Loan proceeds applied (€) |
| --- | --- | --- | --- |
| 0702 | 5056 | Capacity expansion Port Sremska Mitrovica | [ ] |
| 5057 | Capacity expansion Port Bogojevo | [ ] |
| 5058 | Capacity expansion Port Prahovo | [ ] |
| 1511 | 5001 | Renovation and construction of public purpose facilities in the field of healthcare | [ ] |
| 5002 | Renovation and construction of public purpose facilities in the field of education and science | [ ] |
| 5003 | Renovation and construction of public purpose facilities in the field of sports infrastructure | [ ] |
| 5004 | Renovation and construction of public purpose facilities in the field of social protection | [ ] |
| 5005 | Renovation and construction of public purpose facilities in the field of culture | [ ] |
| 5006 | Renovation and construction of public purpose facilities in the field of culture | [ ] |
| **Total** | | | **[ ]** |

1. We refer to the Floating Rate Tranche Loan with a Utilisation Date of [*insert date*] 2023. Such Floating Rate Tranche Loan has been applied as follows:
   1. [Floating Rate Tranche Loan proceeds which have not yet been applied: **€[ ]**; and][[6]](#footnote-6)
   2. Floating Rate Tranche Loan proceeds which have already been applied: **€[ ]**, which have been applied for the purpose set out in clause 3.1(b) (*Purpose*) to finance state subsidies for the purchase of natural gas and electricity as follows:
      1. natural gas (excluding from the Russian Federation or any Sanctioned Country) by Srbijagas: €[ ]; and
      2. electricity by Elektroprivreda Srbije (EPS): €[ ].
2. We undertake to provide any other documentation reasonably requested by the Agent from time to time in connection with this report.

Yours faithfully

For and on behalf of

The Republic of Serbia represented by the Government of the Republic of Serbia, acting by and through the Ministry of Finance

|  |  |
| --- | --- |
| Signature:\* |  |
| Name: |  |
| Position: |  |
| Date: |  |
| \*Signature of Borrower's Signatory | |

1. Timetables

| Clause | Description | Specified Time |
| --- | --- | --- |
| Clause 5.1 (*Delivery of a Utilisation Request*) | Delivery of a Utilisation Request duly completed to the Agent's satisfaction | 11.00 am on the day that is 5 Business Days prior to the proposed Utilisation Date |
| Clause 5.4 (*Lenders' participation*) | Agent notifies the Lenders of the Loan | 11.00 am on the day that is 5 Business Days prior to the proposed Utilisation Date |
| Definition of "EURIBOR" and “Interpolated Screen Rate” | Fixing of EURIBOR and Interpolated Screen Rate | Quotation Day as of 11.00 am Brussels time |
|  | | | |

SIGNATURES

**THE BORROWER**

|  |  |  |  |
| --- | --- | --- | --- |
| For and on behalf of  **REPUBLIC OF SERBIA** as **Borrower** Represented by the Government of the Republic of Serbia, acting by and through the **Ministry of Finance** | | )  )  )  )  ) | ……………………………………………………  Name: Siniša Mali  Position: Deputy Prime Minister  and Minister of Finance |
| Notice details | |  |  |
| Address: | Pop Lukina 7-9 | | |
| Fax: | +381 11 2629055 | | |
| Tel: | +381 11 3202461 | | |
| Email: | Back.office@javnidug.gov.rs | | |
| Attention: | Ms Ana Tripovic, State Secretary | | |

**THE ARRANGER**

|  |  |  |
| --- | --- | --- |
| For and on behalf of  **MERRILL LYNCH INTERNATIONAL** | )  )  )  )  ) | Name: NICHOLAS CHAN  Position: DIRECTOR |
|  |  |  |

**THE ORIGINAL LENDERS**

|  |  |  |
| --- | --- | --- |
| For and on behalf of  **MERRILL LYNCH INTERNATIONAL** | )  )  )  )  ) | Name: NICHOLAS CHAN  Position: DIRECTOR |

|  |  |  |  |
| --- | --- | --- | --- |
| For and on behalf of  **Erste Group Bank AG** | )  )  )  )  ) | Name: Manfred Neuwirth  Position:  Head of Group Markets Financial Institutions | Thomas Hebein |

|  |  |  |
| --- | --- | --- |
| For and on behalf of  **ALPHA BANK S.A., Luxembourg Branch** | )  )  )  )  ) | Name: COLIN FERGUSON  Position: Permanent Representative |
| In relation to clause 39 (Arbitration) |  |  |
|  |  | Name: Ioannis Emiris  Position: General Manager - Wholesale Banking |
|  |  | Name: Georgios Michalopoulos  Position: General Manager - Wealth Management and Treasury |

|  |  |  |
| --- | --- | --- |
| For and on behalf of  **BANK OF AMERICA, N.A., ACTING THROUGH ITS LONDON BRANCH** | )  )  )  )  ) | Name: NICHOLAS CHAN  Position: DIRECTOR |

|  |  |  |
| --- | --- | --- |
| For and on behalf of  **VTT Fund Limited** | )  )  )  )  ) | Name: Robert F. Sleutz  Position: Director |

|  |  |  |
| --- | --- | --- |
| For and on behalf of  **Raiffeisen Bank International AG**  **JOHANNA AIGNER**  **DIRECTOR** | )  )  )  )  ) | Name: Gerhard Berger  Position: |

|  |  |  |
| --- | --- | --- |
| For and on behalf of  **Vega Total Return Fund Limited** | )  )  )  )  ) | Name: Robert F. Sleutz  Position: Director |

|  |  |  |  |
| --- | --- | --- | --- |
| For and on behalf of  **Atlantic Forfaitierungs AG** | )  )  )  )  ) | Name:  Position:  Dieter von Boddien  Executive Vice President | Magdalena Schmidt  Assistant Vice President |

**THE AGENT**

|  |  |  |  |
| --- | --- | --- | --- |
| For and on behalf of  **GLOBAL LOAN AGENCY SERVICES LIMITED** | | )  )  )  )  ) | Name: Emma Batchelor  Position: Senior Transaction Manager |
| Notice details | |  |  |
| Address: | 55 Ludgate Hill, Level 1 West, London EC4M 7JW, United Kingdom | | |
| Fax: | +44 (0) 20 3070 0113 | | |
| Tel: | +44 (0)20 3597 2940 | | |
| Email: | tmg@glas.agency | | |
| Attention: | Transaction Management Group (TRN00003607) | | |

1. The Transfer Certificate must contain information on the identification of the transferor, transferee and the Agent (i.e. full name, address and registration number of each of the transferor, transferee and agent) in connection with the Borrower’s written statement to NBS pursuant to clause 21.7(b). [↑](#footnote-ref-1)
2. Please include the relevant Commitment amount and currency. This is part of the information which needs to be included in connection with the Borrower’s written statement to NBS pursuant to clause 21.7(b). [↑](#footnote-ref-2)
3. The Assignment Agreement must contain information on the identification of the transferor, transferee and Agent (i.e. full name, address and registration number of the transferor, transferee and agent) in connection with the Borrower’s written statement to NBS pursuant to clause 21.7(b). [↑](#footnote-ref-3)
4. Please also include the relevant Commitment amount and currency. This is part of the information which needs to be included in connection with the Borrower’s written statement to NBS pursuant to clause 21.7(b). [↑](#footnote-ref-4)
5. Delete paragraph 2(a) for the report delivered on the date falling 12 Months after the date of this Agreement (because the Fixed Rate Tranche Loan needs to be fully applied by the date of the 12 Month report under clause 18.4(b)). [↑](#footnote-ref-5)
6. Delete paragraph 2(a) for the report delivered on the date falling 12 Months after the date of this Agreement (because the Floating Rate Tranche Loan needs to be fully applied by the date of the 12 Month report under clause 18.4(b)). [↑](#footnote-ref-6)