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| Guarantee | | |
| Republic of Serbia represented by the Government of the Republic of Serbia acting by and through the Ministry of Finance  as Guarantor  Deutsche Bank AG, Paris Branch as the Original Lender  Deutsche Bank AG, Paris Branch as the Agent  Deutsche Bank AG, Paris Branch as the Mandated Lead Arranger  relating to an up to EUR 97,151,728.00 BPIAE-supported facility agreement | | |
| 24 June  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 2024 | |  |

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THIS GUARANTEE is made on \_\_\_\_24 June 2024

BETWEEN:

1. **Republic of Serbia**, represented by the Government of the Republic of Serbia, acting by and through the Ministry of Finance, as guarantor (the **Guarantor**);
2. **Deutsche Bank AG, Paris Branch** as original lender (the **Original Lender**);
3. **Deutsche Bank AG, Paris Branch** as mandated lead arranger and structuring bank (the **"Mandated Lead Arranger"**); and
4. **Deutsche Bank AG, Paris Branch** as agent for itself and the other Finance Parties (the **Agent**),

(each of the Guarantor, the Original Lender and the Agent being a **Party**).

WHEREAS:

1. The Guarantor and the Finance Parties enter into this Guarantee in connection with the Facility Agreement (as defined below).
2. Pursuant to a facility agreement dated the date hereof between, amongst others, Elektrodistribucija Srbije d.o.o Beograd (the **"Borrower"**), the Agent and the Original Lender (the **"Facility Agreement"**), the Lenders have agreed to provide a euro denominated facility in a maximum amount of €97,151,728.00 to the Borrower, on and subject to the terms thereof.
3. The Lenders benefit from an insurance policy issued by BPIAE to the Lenders (the **"BPIAE Policy"**) whereby BPIAE agrees to insure, on and subject to the terms and conditions thereof, certain obligations of the Borrower under the Facility Agreement.
4. Upon the payment of any claim to the Lenders under the BPIAE Policy, BPIAE shall be subrogated to the rights of the Lenders in accordance with the terms of the Finance Documents and the BPIAE Policy.
5. The Guarantor has, as of the date of this Guarantee, been provided with a copy of the Facility Agreement, and is aware of its terms.

THE PARTIES AGREE AS FOLLOWS:

1. Interpretation
   1. Definitions

In this Guarantee:

1. Borrower's Obligations has the meaning given to it in clause ‎2.1(a) (Guarantee);
2. Default Rate means two (2) per cent per annum;
   1. Construction
      1. Capitalised terms defined in the Facility Agreement have, unless expressly defined in this Guarantee, the same meaning in this Guarantee.
      2. The provisions of Clause 1.2 (Construction) of the Facility Agreement apply to this Guarantee as though they were set out in full in this Guarantee, except that references to the Facility Agreement are to be construed as references to this Guarantee.
3. Guarantee and indemnity
   1. Guarantee and indemnity

The Guarantor irrevocably and unconditionally:

* + 1. guarantees to each Finance Party the punctual performance by the Borrower of all of the Borrower's payment obligations under the Facility Agreement (the Borrower's Obligations);
    2. undertakes with the Finance Parties that whenever the Borrower does not pay any amount comprised in the Borrower's Obligations when due, the Guarantor will immediately on demand pay that amount as if it were the principal obligor; and
    3. agrees with the Finance Parties that if, for any reason (including unenforceability or illegality of any of the Borrower's Obligations), any amount claimed hereunder is not recoverable on the basis of a guarantee, it will, as an independent and primary obligation, indemnify the Finance Parties on demand against any cost, loss or liability it incurs as a result of the Borrower not paying any amount which would, but for such reason, have been payable by it on the date when it would have been due. The amount payable by the Guarantor under this indemnity will not exceed the amount it would have had to pay hereunder if the amount claimed had been recoverable on the basis of a guarantee.
  1. Interest
     1. The Guarantor will pay interest to the Finance Parties on all amounts due from it under this Guarantee from the date the Finance Parties demand payment from the Guarantor until payment of such amounts (both before and after any judgment) at the Default Rate.
     2. Default Rate (if unpaid) arising on an overdue amount will be compounded with the overdue amount at the end of each Interest Period (as such term is defined in the Facility Agreement) applicable to that overdue amount but will remain immediately due and payable.

1. Continuing guarantee
   1. Continuing guarantee

The obligations of the Guarantor under this Guarantee:

* + 1. are a continuing guarantee and will extend to the ultimate balance of the Borrower's Obligations regardless of any intermediate payment or discharge in whole or part;
    2. are to be in addition to and are not in any way prejudiced by and shall not merge with any other guarantee or security which the Finance Parties may now or in the future hold.
  1. Discontinuation of guarantee obligations

If, notwithstanding clause ‎3.1 (Continuing guarantee), the obligations of the Guarantor under this Guarantee cease to be continuing obligations, the Guarantor will remain liable in relation to all Borrower's Obligations as at the date of discontinuation (whether demanded or not) and whether or not the Borrower is then in default in relation to the Borrower's Obligations.

* 1. Reinstatement

If any discharge, release or arrangement (whether in respect of the Borrower's Obligations or any security for those obligations or otherwise) is made by the Finance Parties in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of the Guarantor under this Guarantee will continue or be reinstated as if the discharge, release or arrangement had not occurred.

1. Finance Parties' protections
   1. Waiver of defences

The obligations of the Guarantor under this Guarantee shall not be affected by an act, omission, matter or thing which, but for this clause, would reduce, release or prejudice any of those obligations (and whether or not known to the Guarantor or any Finance Party) including:

* + 1. any time, consent or waiver given to, or composition made with, the Borrower or any other person;
    2. the release of the Borrower or any other person under the terms of any composition or arrangement with any creditor of the Borrower;
    3. any amendment , novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature) to or replacement of, any Finance Document or any other agreement, instrument or security (however fundamental);
    4. any postponement, discharge, reduction, non-provability or other similar circumstance affecting any obligation of the Borrower under the Finance Documents resulting from any insolvency, liquidation or dissolution proceedings or from any law, regulation or order so that each such obligation shall for the purposes of the Guarantor's obligations under this Guarantee be construed as if there were no such circumstance;
    5. the privatisation of the Borrower or any other arrangement by which the Republic of Serbia ceases, directly or indirectly, to control the voting share capital of the Borrower, or any other change in the ownership of, or control of, the Borrower (where "control" means the power to direct the management and policies of an entity or to control the composition of its general meeting (*skupština*) or the appointment of director or other equivalent body, whether through the ownership of voting capital, by contract or otherwise);
    6. the taking, variation, compromise, renewal, release of or refusal or neglect to perfect or enforce any right, remedies or securities against, or security over assets of, the Borrower or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
    7. any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status (including any re-organisation, merger or transfer or the whole or partial privatisation of the Borrower or any other person) of the Borrower or any other person;
    8. any purported obligation of the Borrower or any other person to the Finance Parties (or any security for that obligation) becoming wholly or in part void, invalid, illegal or unenforceable for any reason;
    9. any insolvency or similar proceedings; or
    10. any payment under the BPIAE Policy.
  1. Immediate recourse
     1. The Guarantor waives any right it may have of first requiring any Finance Party (or any trustee or agent on its behalf) to proceed against or enforce any rights or security or claim payment from any person before claiming from the Guarantor under this Guarantee.
     2. This waiver applies irrespective of any law or any provision of any Finance Document any document to the contrary.
  2. Appropriations

Until all the Borrower's Obligations have been irrevocably paid in full, each Finance Party (or any trustee or agent on its or their behalf) may:

* + 1. refrain from applying or enforcing any other moneys, security or rights held or received by that Finance Party (or any trustee or agent on its or their behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Guarantor shall not be entitled to the benefit of the same; and
    2. hold in an interest-bearing suspense account any moneys received from any Guarantor or on account of any Guarantor's liability under this Guarantee.
  1. No competition
     1. Until all the Borrower's Obligations have been irrevocably paid and discharged in full and unless the Agent (acting on the instructions of the Finance Parties) otherwise direct, the Guarantor will not exercise any rights which it may have by reason of performance by it of its obligations under this Guarantee or by reason of any amount being payable, or liability arising under this Guarantee:
        1. to be indemnified by the Borrower;
        2. to claim any contribution from any other guarantor of the Borrower's Obligations;
        3. to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Finance Party under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents;
        4. to bring legal or other proceedings for an order requiring the Borrower to make any payment, or perform any obligation, in respect of which the Guarantor has given a guarantee, undertaking or indemnity under this Guarantee;
        5. to exercise any right of set-off against the Borrower; and/or
        6. to claim or prove as a creditor of the Borrower in competition with the Finance Parties.
     2. If the Guarantor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution (to the extent necessary to enable all amounts which may be or become payable to the Finance Parties by the Borrower under or in connection with the Finance Documents to be repaid in full) on trust for the Finance Parties and shall promptly pay or transfer the same to the Finance Parties or as the Finance Parties may direct.

1. Representations and warranties

The Guarantor represents and warrants to each Finance Party, on each day that its obligations under this Guarantee continue, in the terms set out in clauses ‎5.1 (Status) to ‎5.13 (No misleading information) below.

* 1. Status

It has the power to own its assets and carry on its operations and activities as they are being conducted.

* 1. Binding obligations
     1. The obligations expressed to be assumed by it in this Guarantee are legal, valid, binding and enforceable obligations.
     2. The Guarantor confirms that it is acting for its own account and not for the account of an economic beneficiary (wirtschaftlich Berechtigter) within the meaning of Section 3, Paragraph 1, Sentence 1, Number 2, Paragraph 4 of the German Money Laundering Act or any other person.
  2. Power and capacity
     1. The Guarantor has the power to enter into this Guarantee and to exercise its rights and perform its obligations under this Guarantee and all actions required to authorise its execution of this Guarantee, its exercise of such rights and its performance of such obligations have been duly taken.
     2. The Guarantee is in line with the Law Approving the Budget of the Republic of Serbia for the current year (*Zakon o budžetu Republike Srbije za 2024. godinu*, Official Gazette of the Republic of Serbia, no. 92/2023).
  3. Authorisation

All acts, conditions and things required to be done, fulfilled and performed in order:

* + 1. to authorise the entry into and compliance with its obligations under this Guarantee;
    2. to ensure that its obligations under this Guarantee are valid, legally binding and enforceable in accordance with their terms; and
    3. to make this Guarantee admissible in evidence in the courts of the Republic of Serbia and in England.
  1. Consents

All consents and filings required by it for the conduct of its business as presently conducted and in connection with the entry into, performance, validity, enforceability and admissibility in evidence of this Guarantee have been unconditionally obtained and are in full force and effect.

* 1. No contravention

Neither the entry into of this Guarantee by the Guarantor nor the performance of any of its obligations under it do now or will:

* + 1. conflict with the constitution of the Republic of Serbia or the constitutional documents of any of it and its government agencies; or
    2. contravene any law, regulation, judgment or order applicable to it, including but not limited to any applicable state budget and public debt regulations; or
    3. breach any agreement or the terms of any consent binding on the Guarantor or any of its assets.
  1. Pari passu ranking

Its payment obligations under this Guarantee rank at least pari passu with the claims of all its other unsecured and unsubordinated creditors in respect of External Indebtedness, save for such obligations as may be preferred by provisions of law that are of mandatory application.

* 1. Choice of law

In any proceedings taken in the Republic of Serbia in relation to this Guarantee, the choice of English law as the governing law of this Guarantee and any judgment or arbitral award obtained in England will be recognised and enforced.

* 1. Private and commercial acts
     1. The Guarantor is subject to civil and commercial law with respect to all its obligations under this Guarantee.
     2. The entry into by it of this Guarantee constitutes, and the exercise by it of its rights and performance of its obligations under this Guarantee will constitute, private and commercial acts performed for private and commercial purposes, and the Guarantor will not be entitled to claim immunity from suit, execution, attachment or other legal process in any proceedings in relation to this Guarantee, other than in relation to 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 health institutions, unless a mortgage was established based on the Government’s decision,

the assets listed in paragraphs (i) – (ix) above (inclusive) being "**Excluded Assets**".

* 1. No filing

Under the laws of the Republic of Serbia it is not necessary that this Guarantee be filed, recorded or enrolled with any court or other authority in such jurisdiction, other than the inscription of the relevant data on or in relation to the Guarantee in the public debt records kept by the Ministry of Finance of the Republic of Serbia and the monitoring thereof, in accordance with the 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,nor is it necessary for any stamp, registration, notarial or other Taxes or fees to be paid on or in relation to this Guarantee.

* 1. Tax Deduction

It is not required to make any deduction for or on account of Tax from any payment it may make under this Guarantee.

* 1. Litigation

No dispute, litigation, arbitration or administrative proceeding is current or pending or, so far as it is aware, threatened against the Guarantor which might by itself or together with other disputes or proceedings have a material adverse effect on the business, assets or financial condition of the Guarantor.

* 1. No misleading information

All material information provided to a Finance Party by or on behalf of the Guarantor in connection with the Guarantee is accurate in all material respects and not misleading in any material respect.

* 1. Anti-bribery and Corruption
     1. Dealings

Neither it, its departments, ministries, agencies or ministers, nor any entity controlled by it, nor, to its actual knowledge, any associated person or party acting on behalf of the Guarantor has in any material respects violated, or is in any material respects in violation of, in the context of the project of which the Commercial Contract forms part, any applicable Anti-Bribery and Corruption Laws.

* + 1. Proceedings/Investigations

Neither it, its departments, ministries, agencies or ministers, nor any entity controlled by it, nor, to its actual knowledge, any associated person or party acting on its behalf is a party to or has received written notice of any claim, action, suit, investigation, proceeding or other written enquiry, commenced or threatened against it by any governmental or regulatory entity with regard to any actual or alleged breach of any Anti-Bribery and Corruption Laws in the context of the project of which the Commercial Contract forms part.

* + 1. Policies and Procedures

It has instituted, maintains, and enforces and will maintain and enforce policies and procedures designed to ensure compliance by itself, its departments, ministries and agencies with, in the context of the project of which the Commercial Contract forms part, all Anti-Bribery and Corruption Laws.

* 1. Anti-money laundering
     1. Dealings

Neither it, its departments, ministries, agencies or ministers, nor any entity controlled by it, nor, to its actual knowledge, any associated person or party acting on its behalf is a party to has engaged in any activity, in the context of the project of which the Commercial Contract forms part, which would breach any applicable Anti-Money Laundering Laws.

* + 1. Proceedings/Investigations

Neither it, its departments, ministries, agencies or ministers, nor any entity controlled by it, nor, to its actual knowledge, any associated person or party acting on its behalf is a party to or has received written notice of any claim, action, suit, investigation, proceeding or other written enquiry, commenced or threatened against it by any governmental or regulatory entity with regard to any actual or alleged breach of any Anti-Money Laundering Laws in the context of the project of which the Commercial Contract forms part.

* + 1. Policies and Procedures

It has instituted, maintains, and enforces and will maintain and enforce policies and procedures designed to ensure compliance by itself, its departments, ministries and agencies with, in the context of the project of which the Commercial Contract forms part, all Anti-Money Laundering Laws.

* 1. Sanctions
     1. Identity clause

Neither it, its departments, ministries, agencies or ministers, nor any entity controlled by it, nor, to its actual knowledge, any associated person or party acting on its behalf, in the context of the project of which the Commercial Contract forms part and/or the transactions contemplated by the Facility Agreement and this Guarantee, is a person that is a Sanction Target.

* + 1. Dealings with Sanction Targets

It, its departments, ministries, agencies or ministers, nor any entity controlled by it, nor, to its actual knowledge, any associated person or party acting on its behalf, do not have or intend to have, in the context of the project of which the Commercial Contract forms part and/or the transactions contemplated by the Facility Agreement and this Guarantee, business operations or other dealings:

* + - 1. in a country or territory that is a Sanctioned Territory; or
      2. with any Sanction Target or with a designated person targeted by asset freeze sanctions imposed by the UN, EU, OFAC or HMT; or
      3. involving commodities or services of a Sanctioned Territory origin or shipped to, through, or from a Sanctioned Territory, or on Sanctioned Territory owned or registered vessels or aircraft, or finance or subsidize any of the foregoing.
    1. Policies and Procedures

It has instituted, maintains, and enforces and will maintain and enforce policies and procedures designed to prevent Sanctions violations, in the context of the project of which the Commercial Contract forms part and/or the transactions contemplated by the Facility Agreement and this Guarantee, by it, its departments, ministries and agencies.

* + 1. Proceedings/Investigations

Neither it nor its departments, ministries, agencies or ministers, nor any entity controlled by it, nor, to its actual knowledge, any associated person or party acting on its behalf, in the context of the project of which the Commercial Contract forms part and/or the transactions contemplated by the Facility Agreement and this Guarantee, know or have reason to believe that any of them are or may become subject of Sanctions-related investigations or juridical proceedings.

* + 1. Sanction Target

No Sanction Target is involved, directly or indirectly, in the context of the project of which the Commercial Contract forms part and/or the transactions contemplated by the Facility Agreement and this Guarantee in any manner whatsoever or will be involved during the life of the Commercial Contract, the Facility Agreement and this Guarantee.

* + 1. Restricted Finance Party
       1. The representations made in the above Sanction Provisions do not apply to it if and to the extent that making of such representations result in a violation of or conflict with a Blocking Regulation.
       2. In relation to each Finance Party that notifies the Agent to this effect (each a "**Restricted Finance Party**"), the Sanctions Provisions shall not apply for the benefit of that Restricted Finance Party if and to the extent that they would result in any violation of, conflict with or liability under any Blocking Regulation.
       3. In connection with any amendment, waiver, determination, decision (including a decision to accelerate) or direction (a "**Relevant Measure**") relating to any part of a Sanctions Provision of which a Finance Party that is a Restricted Finance Party does not have the benefit pursuant to paragraph (ii) above, the Commitments of that Finance Party will be excluded for the purpose of determining whether the consent of the requisite Finance Parties has been obtained or whether the Relevant Measure by the requisite Finance Parties has been made.

1. Undertakings

The Guarantor undertakes to each Finance Party from the date of this Guarantee until it ceases to have any obligations (actual or contingent) under this Guarantee in the terms set out in clause ‎6.1 (Authorisations) to clause ‎6.5 (Financial documents).

* 1. Authorisations

The Guarantor shall do all that is necessary to enable it lawfully to enter into and perform its obligations under this Guarantee and to ensure the legality, validity, enforceability and admissibility in evidence in the Republic of Serbia and in England of this Guarantee.

* 1. No misleading information
     1. The Guarantor shall not take any action which would cause any of the representations made in clause ‎5 (Representations and warranties) to be untrue at any time during the continuation of this Guarantee.
     2. The Guarantor shall notify the Agent of the occurrence of any event which results in or may reasonably be expected to result in any of the representations made in clause ‎5 (Representations and warranties) being untrue when made or when deemed to be repeated.
  2. Pari passu ranking

Under the laws of the Republic of Serbia, the Guarantor shall ensure that the claims of the Finance Parties against it under this Guarantee will rank at least pari passu with the claims of all its other unsecured creditors.

* 1. IMF

The Guarantor shall ensure that it will at all times continue to be a member of the International Monetary Fund and be fully eligible to use the general resources of the International Monetary Fund.

* 1. Financial documents

The Guarantor shall deliver to the Agent (in sufficient copies for all the Lenders) as soon as the same become available, but in any event within one hundred and eighty (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 calendar year.

* 1. Budget appropriations

The Guarantor shall ensure that any amounts that may be payable under this Guarantee are appropriated in the law approving the budget of the Republic of Serbia (*Zakon o budžetu Republike Srbije*) for each calendar year.

* 1. Anti-bribery and corruption and anti-money laundering

The Guarantor shall (and shall ensure that its departments, ministries, agencies or ministers, any entity controlled by it, or any associated person or party acting on its behalf , will) in the context of the project of which the Commercial Contract forms part, conduct its businesses in compliance with applicable Anti-Bribery and Corruption Laws and applicable Anti-Money Laundering Laws.

* 1. Sanctions
     1. The Guarantor will (and shall ensure that its departments, ministries, agencies or ministers, any entity controlled by it, or any associated person or party acting on its behalf will) comply with Sanctions and will, in the context of the project of which the Commercial Contract forms part and/or the transactions contemplated by the Facility Agreement and this Guarantee, in particular not directly or indirectly use all or any parts of the proceeds of the Facility, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity:
        1. to fund or facilitate any activities of or business with any Sanction Target;
        2. located, organized or resident in a Sanctioned Territory; or
        3. to fund or facilitate any activities of or business in any Sanctioned Territory; or
        4. in any other manner that will result in a violation by the Guarantor or any of its Subsidiaries or any other Person participating in the transaction, whether as initial purchase, advisor, investor or otherwise of Sanctions.
     2. If the Guarantor becomes aware that it (or any of its departments, ministries, agencies or ministers, any entity controlled by it, or any associated person or party acting on its behalf in the context of the project of which the Commercial Contract forms part and/or the transactions contemplated by the Facility Agreement and this Guarantee) is or becomes subject to any Sanctions or if any Sanctions-related investigations or juridical proceedings are commenced or threatened against it, it shall promptly, but in any event no later than five (5) Business Days, notify the Agent of the details and provide any further information to the Agent it may reasonably request.
     3. The Sanction Provisions under paragraph (a) above do not apply to the Guarantor, if and to the extent that compliance with such undertakings results in a violation of or conflict with any Blocking Regulation.
     4. In relation to each Restricted Finance Party, the Sanctions Provisions shall not apply for the benefit of that Restricted Finance Party if and to the extent that they would result in any violation of, conflict with or liability under any Blocking Regulation.
     5. In connection with any Relevant Measure relating to any part of a Sanctions Provision of which a Finance Party that is a Restricted Finance Party does not have the benefit pursuant to paragraph (d) above, the Commitments of that Finance Party will be excluded for the purpose of determining whether the consent of the requisite Finance Parties has been obtained or whether the Relevant Measure by the requisite Finance Parties has been made.

1. Payments
   1. Payments by Guarantor

All payments to be made by the Guarantor under this Guarantee are to be made to the Finance Parties in immediately available cleared funds in the same currency in which the sums comprised in the Borrower's Obligations are denominated to the account the Finance Parties specify for this purpose.

* 1. No set-off or deductions

All payments made by the Guarantor under this Guarantee must be made in full without set-off or counterclaim and not subject to any condition and free and clear of and without deduction or withholding for or on account of any taxes or any other purpose. If any deduction or withholding from any payment is required by law then the Guarantor will promptly pay to the Finance Parties an additional amount being the amount required to procure that the aggregate net amount received by the Finance Parties will equal the full amount which would have been received by it had no deduction or withholding been made.

* 1. Set-Off

A Finance Party may set-off any matured obligation due from the Guarantor under the Guarantee (to the extent beneficially owned by that Finance Party) against any matured obligation owed by that Finance Party to the Guarantor, 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. Mode of service
      1. Except as specifically otherwise provided in this Guarantee, any notice, demand or other communication (a Notice) to be served under this Guarantee must be in writing and must be made by letter or by facsimile transmission to the party to be served at its address or facsimile number shown on the signature page of this Guarantee or at such other address or number as it may from time to time notify in writing to the other party hereto.
      2. Any Notice to be served by the Guarantor on a Finance Party will be effective only on receipt by that Finance Party and then only if the same is expressly marked for the attention of the department or officer (if any) identified on the signature page of this Guarantee (or such other department or officer as that Finance Party shall from time to time specify for this purpose).
   2. Deemed service
      1. Subject to clause ‎8.2(b), a Notice will be deemed to be given as follows:
         1. if by letter, when delivered by hand or by courier; and
         2. if by facsimile, when delivered.
      2. A Notice given in accordance with clause ‎8.2(a) but received on a non-working day or after business hours in the place of receipt will only be deemed to be given on the next working day in that place.

1. Currency indemnity

If:

* + 1. any amount payable by the Guarantor under or in connection with this Guarantee is received by the Finance Parties (or by the Agent on behalf of the other Finance Parties) in a currency (the Payment Currency) other than that agreed in clause ‎7.1 (Payments by Guarantor) (the Agreed Currency), whether as a result of any judgment or order, the enforcement of any judgment or order, the liquidation of the Guarantor or otherwise, and the amount produced by converting the Payment Currency so received into the Agreed Currency is less than the relevant amount of the Agreed Currency; or
    2. any amount payable by the Guarantor under or in connection with this Guarantee has to be converted from the Agreed Currency into another currency for the purpose of (i) making or filing a claim or proof against the Guarantor, (ii) obtaining an order or judgment in any court or other tribunal or (iii) enforcing any order or judgment given or made in relation to this Guarantee or any other Finance Document,

then the Guarantor will, as an independent obligation, on demand indemnify each Finance Party for the deficiency and any loss sustained as a result. Any conversion required will be made at the prevailing rate of exchange on the date and in the market determined by the Agent as being most appropriate for the conversion. The Guarantor will also pay the costs of the conversion.

1. Miscellaneous
   1. Special disbursement account

The Guarantor acknowledges no special disbursement account referred to in Article 19 of the 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 – corrected, 108/2013, 142/2014, 68/2015 – other law, 103/2015, 99/2016, 113/2017, 95/2018, 31/2019, 72/2019, 149/2020, 118/2020, 138/2022 and 118/2021 – other law and 92/2023) (other than the NBS Account) will be opened in respect of the transaction contemplated in the Finance Documents.

* 1. Cumulative powers

The powers which this Guarantee confers on each Finance Party are cumulative, without prejudice to its powers under the general law, and may be exercised as often as each Finance Party thinks appropriate. Each Finance Party may, in connection with the exercise of its powers, join or concur with any person in any transaction, scheme or arrangement whatsoever.

* 1. Certificates conclusive

A certificate, determination, notification or opinion of a Finance Party as to any amount payable under this Guarantee or the Facility Agreement will be conclusive and binding on the Guarantor except in the case of manifest error.

* 1. No implied waivers
     1. No failure or delay by a Finance Party in exercising any right, power or privilege under this Guarantee or any other Finance Document shall operate as a waiver of that right, power or privilege nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege.
     2. A waiver given or consent granted by a Finance Party under this Guarantee will be effective only if given in writing and then only in the instance and for the purpose for which it is given.
  2. Invalidity of any provision

If any provision of this Guarantee is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired in any way.

* 1. Assignment

This Guarantee shall be binding upon the Guarantor and shall inure for the benefit of the Finance Parties and its permitted assignees and transferees. The Guarantor expressly acknowledges and accepts the provisions of Clause 23 (Changes to the Lenders), Clause 25.12 (Resignation of the Agent) and Clause 25.13 (Replacement of the Agent) of the Facility Agreement and agrees that any person in favour of whom an assignment or a transfer is made in accordance with such clause shall be entitled to the benefit of this Guarantee. The Guarantor shall execute any document and take any other actions, and procure that the Borrower executes any document and take any other actions, as Agent may request or as may be required by the Foreign Exchange Regulations to give effect to Clause 23 (Changes to the Lenders), Clause 23.6 (BPIAE Subrogation), Clause 25.12 (Resignation of the Agent) and Clause 25.13 (Replacement of the Agent) of the Facility Agreement. Each Finance Party may at any time assign or otherwise transfer all or any part of its rights under this Guarantee.

* 1. Third party rights

The [Contracts (Rights of Third Parties) Act 1999](https://www.lexisnexis.com/uk/legal/docview/getDocForCuiReq?lni=4ST8-HC70-TWPY-Y0TW&csi=274768&oc=00240&perma=true&elb=t) shall not apply to this Guarantee and no person other than the parties to this Guarantee or any permitted assignee of any Finance Party shall have any rights under it, nor shall it be enforceable by virtue of that Act by any person other than the parties to it.

* 1. Counterparts

This Guarantee may be executed in counterpart and both counterparts taken together shall be deemed to constitute one and the same instrument.

1. Governing law and submission to jurisdiction
   1. Governing law
      1. This instrument and any dispute, controversy, proceedings or claims of whatever nature arising out of or in any way relating to this instrument or its formation (including any non-contractual disputes or claims) shall be governed by and construed in accordance with English law.
      2. The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this instrument (including a dispute regarding the existence, validity or termination of this instrument) (a "Dispute").
      3. The parties to this instrument agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.
2. Waiver of Immunity
   * 1. The Guarantor waives generally all immunity it or its assets or revenues may otherwise have in any jurisdiction, including 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; and
        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,

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 Guarantor 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.

* + 1. The Guarantor 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.
    2. Notwithstanding any of the provisions of this clause ‎12 (Waiver of immunity), the Guarantor does not waive any immunity in respect of any present or future Excluded Assets.
    3. Without limitation to the obligations of the Guarantor under paragraphs ‎(a) and ‎(b) 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 Guarantor hereby submits to the jurisdiction of any court in which any such proceedings are brought.
  1. Service of process

Without prejudice to any other permitted mode of service, the Guarantor agrees that service of any claim form, notice or other document for the purpose of any proceedings in such courts shall be duly served upon it if delivered or sent by special delivery post to the Embassyof the Republic of Serbia to the Court of St. James’s at 28 Belgrave Square, London SW1X 8QB (marked for the attention of Chargé d'affaires Ms Olivera Marinkovic) or such other address in England or Wales as the Guarantor may notify from time to time to the Agent.

This Guarantee has been duly executed on the date first above written.

Signatories to the Guarantee

**The Guarantor**

**REPUBLIC OF SERBIA** as Guarantor represented by the Government of the Republic of Serbia, acting by and through the Ministry of Finance

Signature …………………

Name Mr Sinisa Mali

Name Deputy Prime Minster and Minister of Finance

CONTACT DETAILS

Address: Kneza Milosa 20, Belgrade, Republic of Serbia

Fax: +381112629055

Email: kabinet@mfin.gov.rs/uprava@javnidug.gov.rs

Attention: Minister of Finance

**The Original Lender**

For and on behalf of

**DEUTSCHE BANK AG, PARIS BRANCH** as Original Lender

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Signature | **………………………….** |  | Signature | **………………………….** |
| Name |  |  | Name |  |
| Title |  |  | Title |  |

CONTACT DETAILS

Address: Deutsche Bank AG, Paris Branch

23-25 avenue Franklin Roosevelt

75008 Paris

France

Email: vincent.gabrie@db.com / brian.scheidt@db.com

Telephone numbers: +33 1 44956164 / +33 1 44 95 62 49

Attention: STEF – Vincent Gabrié / Brian Scheidt

**The Agent**

For and on behalf of

**DEUTSCHE BANK AG, Paris Branch** as Agent

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Signature | **………………………….** |  | Signature | **………………………….** |
| Name |  |  | Name |  |
| Title |  |  | Title |  |

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Email: vincent.gabrie@db.com / brian.scheidt@db.com

Telephone numbers: +33 1 44956164 / +33 1 44 95 62 49

Attention: STEF – Vincent Gabrié / Brian Scheidt

**The Mandated Lead Arranger**

For and on behalf of

**DEUTSCHE BANK AG, Paris Branch** as Mandated Lead Arranger

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Signature | **………………………….** |  | Signature | **………………………….** |
| Name |  |  | Name |  |
| Title |  |  | Title |  |

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