

## Schedule

### General Business Terms and Conditions for Guarantees

This document constitutes the General Terms and Conditions for Guarantees of Všeobecná úverová banka, a.s., which are attached to, and form an integral part of, the guarantee issuance agreement entered into between the Lender and the Borrower (hereinafter only the "**Agreement**"), unless the Lender and the Borrower expressly agree otherwise.

#### 1. Interpretation and Definitions

In the Agreement, unless the Lender and the Borrower expressly agree otherwise, the following capitalised terms shall have the meaning given below.

**Beneficiary** means an eligible person in favor of whom the Guarantee is being issued.

**Business Day** means a day that is not a holiday under Act No. 241/1993 Coll. on Public Holidays, Holidays and Red-Letter Days, as amended, and under Act No. 311/2001 Coll., the Labour Code, as amended.

**Cash coverage** means the money equalling the total amount of the contingent liability of the Lender under the Guarantee(s) deposited on any account of the Borrower maintained with the Lender provided that the following conditions have been satisfied:

- (a) the Borrower deposited the Guarantee Amount on its account maintained with the Lender;
- (b) except for the payment to the Lender in order to repay the performance provided by the Lender, the Borrower may not dispose of these deposited funds until the Lender has been presented with evidence satisfactory to the Lender that it is under no obligation under the relevant Guarantee;
- (c) the Borrower created a pledge over the receivables under these accounts, in the form and content acceptable to the Lender, under the Receivables Pledge Agreement and registered the relevant pledge in the Notarial Central Register of Pledges;
- (d) the pledge under point (C) above has been created and exists as a first ranking pledge.

**Conditions Precedent** mean the conditions to submit the documents indicated in the Agreement under the cl. headed Conditions Precedent.

**Controlled Person** means the person referred-to as the controlled person in Section 66a of the Commercial Code.

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**Current Account or Account** means the current account of the Borrower the number of which is specified in the wording of the Agreement.

**Current Guarantee Amount** means the amount of a guarantee less the amount the Lender has already paid upon the Beneficiary's request as performance from the Guarantee or decreased upon the Beneficiary's consent or otherwise decreased under the conditions specified in the Guarantee.

**Deposit** means a deposit pursuant to the Civil Code in the amount equalling the aggregate amount of the contingent liability of the Lender from the relevant Guarantee(s) that is not deposited on any current or deposit account and that except for payment to the Lender to settle the Performance Amount is not due until evidence satisfactory to the Lender is presented that it is under no obligation under the relevant Guarantee.

**Event of Default** means any of the events so specified in clause 10 below.

**Guarantee** means any of guarantee forms of the Lender specified in Article 2 below, defined in the Agreement.

**Guarantor** means each person who guarantees obligations of the Borrower arising out of or associated with the Agreement.

**Issuance Date** means every day on which each separate document forming the Guarantee is issued.

**Lender's Performance Date** means every day on which funds settling the Beneficiary's claim requested in connection to the Guarantee are debited from the Lender's account.

**Lender's Price List** means the currently valid Price List of VÚB, a.s. - Entrepreneurs and Other Legal Entities.

**Material Adverse Effect** means a material adverse effect on: (a) the business and/or financial situation of the relevant person; and/or (b) the ability of the relevant person to perform its obligations under the Agreement, deed of guarantee or other related document; and/or (c) the validity or enforceability of the Agreement, deed of guarantee or other related document.

**Overdraft Commitment** means the undertaking of the Lender to provide the overdraft loan under the relevant Overdraft Loan Agreement less any amounts of this Loan Commitment that have been cancelled, transferred or drawn and unpaid in accordance with the relevant Overdraft Loan Agreement.

**Overdraft Facility Agreement** means every overdraft facility agreement that the Lender and the Borrower have entered into or shall enter into (and also jointly all such agreements) under which the Borrower has or shall have a claim upon meeting conditions for the overdraft loan drawing specified therein.

**Tax Withholding** means any withholding of a tax, fulfilment of the obligation to pay any advance or security for a tax as well as any fee (including default interests and penalties for breach of a related obligation) from a payment made under or in connection with the Agreement.

**Unauthorised Overdraft** means at any time the debit balance of the Current Account and in case there is an authorized debit on the Current Account in accordance with the relevant Overdraft Loan Agreement, such debit balance amount on the Current Account by which the debit balance on the Current Account exceeds the amount of the authorised debit in accordance with the relevant Overdraft Loan Agreement.

In the Agreement:

- (a) **disposal** means sale, transfer against consideration, transfer without consideration, exchange, lease, provision for use against or without consideration, voluntarily or non-voluntarily (e.g. in the event of distraint proceedings) and **to dispose** shall be interpreted in compliance with the above stated;
- (b) it shall be deemed that an Event of Default **survives** or **persists** should the Borrower fail to eliminate this situation or should the Lender fail to waive the rights emerging from this situation in writing;
- (c) each reference to **a person** (including the Lender and the Borrower) comprises also its legal successors, cessionaries and assignees of rights or obligations who have become cessionaries or assignees of rights and obligations under the Agreement of which rights and/or obligations they have entered into;
- (d) each reference to **any document** (including the Agreement) means the relevant document as amended.

## 2. Guarantee

Based on type of the Guarantee Commitment and subject to fulfilment of conditions specified in the Agreement, the Lender may issue the Guarantee in form of one or several deeds such as :

- (a) bank guarantee covering satisfaction of a liability indicated in the Agreement or specified in the Bank Guarantee Application. On condition that the Lender has granted its explicit consent and has agreed thereon with the Borrower, the Borrower may request that Guarantee issued cover liabilities of the third party other than the Borrower (hereinafter referred to as "Borrower to the Guaranteed Liability"). The Lender can issue following types of guarantees (with respect to type of the guaranteed liability):
  - (1) payment guarantee covering satisfaction of the payment;
  - (2) non-payment guarantee - bid bond (vadium, bid bond), representing a guarantee for the Beneficiary, acting as the party announcing the tender (owner to tender) that the Borrower to the Guaranteed Liability will either comply with tender conditions or pay to the Beneficiary contracted amount in event of default;
  - (3) advanced payment guarantee, representing a guarantee for the Beneficiary, acting as the buyer, that the Borrower to the Guaranteed Liability will return to the Beneficiary the advance payment under contracted conditions ;
  - (4) performance bond, representing a guarantee for the Beneficiary, acting as the ordering party, that the Borrower to the Guaranteed Liability acting as the Contractor will deliver the contracted;
  - (5) retention bond representing a guarantee for the Beneficiary, acting as the ordering party, that the Borrower to the Guaranteed Liability acting as the Contractor, following to released money under the retention bonds, will satisfy its liabilities arising from the Contract after the work is delivered ;
  - (6) non payment guarantee for warranty period (warranty bond) representing a guarantee for the Beneficiary, acting as the ordering party, that the Borrower to the Guaranteed Liability acting as the Contractor will remove defects subject to warranty on its own expense / will pay for such removal . This guarantee represents an alternative to the retention bond, or
- (b) Guarantee covering the debt due to Financial Authority in import /export payments, or
- (c) customs bond covering customs duties and other fees charged in the international transit system, or
- (d) excise tax bond on alcoholic beverages (beer, wine, intermediate products, spirit), mineral oils or tobacco /tobacco products , or
- (e) stand-by-Letter of Credit or
- (f) Letter of Indemnity,
- (g) Toll guarantee associated with use of defined sections of highways,
- (h) Liability Guarantee covering liability for environmental loss,
- (j) Guarantee to cover VAT security.

The Borrower hereby confirms, that the Lender:

- (i) shall not be obliged to seek consent /opinion from any party (including Borrower) before performing the claim in favour of the Beneficiary according to conditions under the Guarantee; and
- (ii) review only documents submitted to the Lender in relation to the Guarantee, without duty to examine or consider the legal relationship between the Borrower and Beneficiary, objections, counterclaims or acts towards offsetting or any other act executed by any party
- (iii) shall not be obliged to issue the Guarantee, if the Lender does not agree with the text of the required Deed, or other conditions associated with the Guarantee (including and not limited to e.g.: Beneficiary, Borrower to the Guaranteed Liability, alien type of law, non-subordination to URDG 758 and etc. ).

Provided that other provisions of this Agreement are complied with, the obligations of the Borrower to the Lender are valid and exist regardless of whether:

- (A) any of the documents has been prepared in an incorrect form, was forged, was not sufficient, exact, genuine or legally effective;

- (B) any general or special condition specified in any document, even additionally, was not satisfied;
- (C) any goods specified in any document were incorrectly described, their quantity, weight, value or quality was not correct, they were in an incorrect condition or packaging, incorrectly delivered or do not exist;
- (D) senders, transporters, carriers, receivers, insurers of goods or any other persons did not act in good faith, acted incorrectly, omitted to do something, are insolvent or face adverse financial conditions or did not perform an agreed contract.

### 3. Conditions Precedent

Should the Conditions Precedent be agreed in the Agreement the Borrower undertakes to procure and submit to the Lender at its own costs all documents necessary to satisfy the Conditions Precedent in the form and substance acceptable to the Lender. The Lender is under no obligation to issue a Guarantee for the Borrower if the form and substance of the documents of the Conditions Precedent submitted to the Lender is not acceptable to the Lender.

### 4. Payments

Unless otherwise specified in the Agreement when the Lender's claim becomes due and payable, such claim shall become payable within 3 (three) Business Days since the delivery of request of the Lender for its payment. Except from a payment set-off subject to clause 16 hereinafter or unless otherwise specified in the Agreement or other provisions herein, the Borrower shall perform every owed amount of a fee payable in connection to conclusion of the Agreement and/or issuance of the Guarantee and any other amount payable in accordance with the Agreement or in relation to it in favour of such account that number will be notified to the Borrower by the Lender in advance in writing. The Borrower may not set off any of its claims against any claim of the Lender arising out of the Agreement or related to it. Should the amount of any payment to the Lender be lower than the aggregate amount of amounts payable on the same date (including the set-off under the Article 16 below), such payment shall be first set off against a consideration, then interest, other fees and charges and afterwards against the amount equalling the amount of performance of the Lender under the Guarantee unless the Lender determines otherwise.

### 5. Calculation of Interest

The Lender and the Borrower have agreed that each amount of default interest under this Agreement determined as a percentage per annum (p.a.) shall be calculated using the following formula:

$$P = \frac{A * D * R}{360 * 100}$$

by 365/360 day method, whereas: (a) **P** is for respective amount of default interest; (b) **A** is the amount out of which the default interest is calculated; (c) **D** is the actual number of elapsed days for which the default interest is calculated; (d) **R** is the rate determined under this Agreement; and (e) \* is a multiplication sign.

### 6. Taxes

The Borrower undertakes to make every payment under or in connection with the Agreement without any deduction or withdrawal of any amount, unless the laws require Tax Withholding. If the Borrower is under a statutory obligation to make the Tax Withholding, the Borrower must (a) make the Tax Withholding within the time and in the manner required by the applicable law, (b) without delay after making the Tax Withholding, provide the Lender with evidence of its making, and (c) make the payment to the Lender increased by the amount that shall ensure that the Lender receives, despite making the Tax Withholding, the payment in an amount which the Lender would receive if the law did not impose on the Borrower the obligation to make the Tax Withholding.

Each amount payable to the Lender under or in connection with the Agreement (including the considerations of the Lender and compensations of his purposefully and provably incurred expenses) is specified in the Agreement without the value added tax that may be payable in connection with the payment of such an amount. If this tax is payable, the Borrower must pay to the Lender, in addition to the amount payable under or in connection with the Agreement, also the relevant amount of this tax.

### 7. Representations

For purposes of this Agreement the Borrower represents the following to the Lender:

- (a) the Borrower has (1) full legal personality and capacity to perform legal acts under the laws of the Slovak Republic as well as due authorisation to conduct the activities which it performs, (2) and where the Borrower is a municipality, the Borrower is a municipality which is a legal entity under Act No. 369/1990 Coll. or Act No. 401/1990 Coll. or Act No. 377/1990 Coll., all the foregoing acts as amended or superseded by other acts, (3) and where the Borrower is an upper-tier regional unit (self-governing territorial unit), the Borrower is a legal entity under Act No. 302/2001 Coll., as amended or superseded by other acts,
- (b) the Borrower obtained all consents and took all steps necessary under: (1) the law, (2) its internal regulations and documents, if any, as well as (3) any other documents binding on it, to validly enter into the Agreement and each other document related to it to which it is a party and to perform all of its obligations under each of these documents, and where the Borrower is a municipality or an upper-tier

- regional unit, the Borrower in relation to the signing of the Agreement and the performance under the Agreement acted in compliance with the public procurement policies and procedures as stipulated by the applicable legal regulations,
- (c) the Agreement and each document to which the Borrower is a party in connection with the Agreement is valid and binding on the Borrower,
  - (d) the entering into the Agreement and each document related to the Agreement, to which the Borrower is a party, and the performance by the Borrower of its obligations under these documents, does not conflict with: (1) any law, (2) any of the Borrower's internal regulations and documents, if any, and (3) any other document binding on the Borrower,
  - (e) the annual financial statements of the Borrower (consolidated if the Borrower has a Controlled Person and audited if the Borrower must have its annual financial statements audited) most recently delivered to the Lender (1) have been prepared in accordance with the Slovak accounting regulations consistently applied during the entire accounting period for which they were prepared, (2) provide true and accurate view of the matters accounted for by the Borrower and of the financial situation as of the date of their preparation, provided that the Borrower is required to maintain its accounting records in line with separate legal regulations,
  - (f) from the date of preparation of the annual financial statements of the Borrower (consolidated if the Borrower has a Controlled Person and audited if the Borrower must have its annual financial statements audited) for the last accounting period of the Borrower preceding the accounting period in which the Agreement was entered into, no material adverse change in the Borrower's financial situation (or the consolidated financial situation if the Borrower has a Controlled Person) has occurred, provided that the Borrower is required to maintain its accounting records in line with separate legal regulations,
  - (g) no dispute or proceedings (including litigation, arbitration or administrative proceedings) are pending or threatened, which could have, if ending adversely, a Material Adverse Effect on the Borrower,
  - (h) each piece of information submitted by the Borrower in connection with the entering into the Agreement is correct and true as of the date of its submission and the Borrower did not omit to submit to the Lender any piece of information, the submission of which would result in another information submitted to the Lender being untrue or misleading,
  - (i) the Borrower did not acknowledge any of its debts by an enforceable Notarial deed against any person and did not create any pledge or any other security right over any of its existing or future assets, and did not provide for guarantee or any other form of security for third party's liabilities, except for those pledges, enforceable Notarial deeds or other security rights, the information of which has been provided in writing by the Borrower to the Lender before the entering into the Agreement,
  - (j) the Borrower represents, subject to the penalty as of the date on which the Lender found out that this representation is untrue that it does not have any special relationship to the Lender under the Banking Act No. 483/2001 Coll., Section 35 as amended,
  - (k) when making each payment under or in connection with the Agreement, the Borrower shall use exclusively funds that are owned by it, and where the Borrower is an individual and has had the community property of spouses, then including financial funds included in the community property of spouses and/or included in the expired and not yet settled community property of spouses,
  - (l) the Borrower issues each document and enters into each agreement to which it is a party and each document related to this agreement in its own name and on its own account,
  - (m) the Borrower does not have any such past due liabilities due to any Revenue Office, Social Insurance Company, health insurance companies, Customs Offices or any labour office about which the Borrower did not inform the Lender in writing before concluding the Agreement.

## 8. Information Covenants

- 8.1 Until all financial obligations owed to the Lender under the Agreement and each document related to it have been performed in full, the Borrower undertakes to deliver the following documents to the Lender; in the case of documents specified in this cl. 8.1, besides delivery of documents in the paper form, electronic delivery to the Lender's e-mail address specified in Article 14. Delivery of these General Business Terms and Conditions for Guarantees is considered a delivery:
- (a) the annual financial statement (including annexes) of the Borrower (consolidated if the Borrower has a Controlled Person and audited with auditor's report if the Borrower must have its annual financial statements audited) for each of its accounting periods, without undue delay after it has been prepared, not later than 95 days after the end of the relevant accounting period, all provided that the Borrower is obliged to keep books under special legislation; the Borrower is obliged under this cl. (a), only if such complete document is not publicly available on the [www.registeruz.sk](http://www.registeruz.sk) website,
  - (b) a copy of each Borrower's filled income tax return, including a proof of its filing, without undue delay after it has been filed,
  - (c) Borrower's interim financial statements for each calendar quarter except for the last calendar quarter of the year, without undue delay after they have been prepared, but not later than 30 days after the end of the relevant calendar quarter; in the case of a Borrower who is a town, a municipality or a self-government region, only if the Borrower is obliged to prepare such documents.
- 8.2 Until all financial obligations owed to the Lender under the Agreement and each document related to the Agreement have been performed in full, the Borrower undertakes to notify the Lender of:
- (a) each change in the procedures of preparation of the annual financial statements of the Borrower and other information to the extent that shall enable the Lender to make a comparison between the financial situation of the Borrower before and after the change, provided that the Borrower is required to maintain its accounting records in line with separate legal regulations;
  - (b) each intention to (1) decrease the registered capital, if any, of the Borrower, (2) change the name, business name, registered office, statutory body or a member of the statutory body, if any, of the Borrower and where the Borrower is an individual, each plan and/or decision to change his/her personal data, business name or place of business, (3) file a petition for insolvency, restructuring or similar proceedings against the Borrower and terminate its business activities, (4) change the legal form if permitted by law, to enter into liquidation or decide on winding-up without liquidation of the Borrower if permitted by law, without undue delay after becoming aware of this intention;
  - (c) each decision of the Borrower's competent body, if any, on a matter specified in paragraph (b) above, without undue delay after the adoption of this decision;

- (d) details of any pending or threatened dispute or proceedings (including litigation, arbitration or administrative proceedings) that could have, if ending adversely, a Material Adverse Effect on the Borrower, without undue delay after it became aware of these details;
- (e) the fact that the Borrower has been delivered a notice of commencement of execution or enforcement proceedings, together with a copy of this notice, without undue delay after delivery of this notice;
- (f) an updated list of participants/shareholders, if any, of the Borrower and if the Borrower has at least one Controlled Person, also the updated list of Controlled Persons of the Borrower, without undue delay after any change in any list and after a request by the Lender to do so;
- (g) each change in the information related to the Borrower, primarily regarding the business name or name of the Borrower, its statutory bodies, registered office, place of business, and any other information registered in the registry, in which the Borrower is registered (e.g. the commercial register, the trade register), along with the submission of the current extract from the register, in which the Borrower is registered, and without any undue delay as at the date of the change;
- (h) the occurrence of the Event of Default, without undue delay after the Borrower becomes aware of it;
- (i) any other information regarding the performance of obligations under or in connection with the Agreement or the financial situation of the Borrower, without undue delay after the Lender requested the Borrower to do so.

## 9. General Covenants

Until all obligations owed to the Lender under the Agreement and each document related to the Agreement have been performed in full, the Borrower undertakes to perform the following obligations duly and on time:

- (a) to comply in all material respects with any and all legal regulations and binding decisions, orders, licences (regardless of their form or title) issued by the relevant authorities with respect to environmental protection which are applicable on the Borrower;
- (b) not to create any security interest to its existing and future assets nor allow that a security interest be created over its existing and future assets, unless the Lender granted its prior written consent to it;
- (c) not to dispose of its assets, except for any disposals of the assets in the ordinary course of trading of the disposing entity on the arm's length basis, unless the Lender granted its prior written consent to it;
- (d) unless the Lender granted its prior written consent to it, not to enter into: (i) any credit agreement, loan agreement or agreement on other temporary provision of funds of any nature (including issuance of a bond, promissory note, entering into a financial lease agreement or other agreement with similar economic effects) under which the Borrower would be entitled to receive or provide funds or would accept an obligation similar, in economic terms, to the obligation to repay the provided funds; (ii) any agreement under which any third party would or could issue a bank guarantee or provide any other security right in connection with the performance of the Borrower's obligations;
- (e) not to provide any security for any obligation of any third party, unless the Lender granted its prior written consent to it;
- (f) where the Borrower is an entrepreneur, to ensure that there is no material change in the principal object of business of the Borrower, unless the Lender granted its prior written consent to it;
- (g) not to perform and not to allow a merger or amalgamation of the Borrower with any other person or its demerger into several persons, if the merger, amalgamation or demerger of the Borrower is legally permitted by the Commercial Code, unless the Lender granted its prior written consent to it;
- (h) to insure its assets and liability for its activities to the extent and in the manner as any other prudent entity carrying on activities and owning assets comparable with the activities and assets of the relevant person would insure;
- (i) not to provide any consent to any person in connection to performance in the form of enforceable Notarial Deed, unless the Lender granted its prior written consent to it;
- (j) not to rescind the Current Account agreement entered into with the Lender or otherwise terminate the Current Account maintained with the Lender before the full repayment of the obligations under the Agreement;
- (k) to demonstrate the Lender with insurance payment related to fixed assets – constructions, to which pledge over the Lender's receivables related to this Agreement was established, irrespective the Borrower or any other third party is the Pledgor for the first time as of the date of concluding the Pledge Agreement and subsequently regularly as of the of the insurance due date, but at least once a year, while in the event the Pledgor fails to pay the insurance premium duly and timely or breach the insurance policy otherwise, the Lender shall be entitled to, however not obliged, on its own behalf and on Pledgor's account, take all the steps aimed at eliminating the Pledgor's breach of obligation acting as the Insured Party or Policyholder, including the payment of any insurance premium due under the relevant insurance policy;
- (l) to enable the Lender upon its request to access information including documents, access premises and any assets of the Borrower (namely inventories, but without limitation to inventories), which the Lender will require in order to verify fulfilment of the Borrower's obligations upon the Agreement and any related document and truthfulness and correctness of information submitted to the Lender;
- (m) if the Agreement is classified as the obligatory published contract pursuant to the Act No. 211/2000 Coll. on Free Access to Information as amended (hereinafter the Act on Free Access to Information), the Borrower shall disclose the Agreement and any amendments entered into later via lawful method and subsequently keep disclosed the Agreement and any potential published amendments for a period until the full expiry of any liabilities arising from the Agreement, however, at least for five years as of the date it became effective under the law. The Borrower's obligation under the preceding sentence applies also to any related agreements and contracts, in which the Agreement is specified as a secured receivable;
- (n) if the Deed of Guarantee or any other document, under which the Guarantor assumed their obligations in relation to this Agreement (hereinafter the **Deed of Guarantee**), represents the obligatory published contract under the Act on Free Access to Information, the Borrower shall secure that any of such Guarantors discloses the Deed of Guarantee as well as any related agreements and contracts, in which the Deed of Guarantee is specified as a secured receivable via lawful method and the Borrower shall secure that the disclosed documents remain disclosed for a period until the full expiry of any liabilities arising from the Deed of Guarantee, however, at least for five years as of the date the Deed of Guarantee became effective under the law.

- (o) Should the liability under this Agreement be collateralized by means of a pledge registered in the respective register of pledges, the Borrower shall ensure deletion of the pledge in the respective register of pledges upon termination of the registered pledge.
- (p) Should the Borrower undertake in the Agreement to meet the financial covenants described by a formula containing the indicator's verbal description as well as line numbers from the relevant financial statements form approved by the Slovak Ministry of Finance specifying the indicator, the Parties to the Agreement agreed that in case the evaluated financial indicator is provided in another line number after the conclusion of the Credit Agreement, the indicator's verbal description identical in terms of its meaning in the relevant form approved by the Slovak Ministry of Finance and not the modified line number shall be decisive for evaluation.

## 10. Defaulting the Agreement

Each of the following events is an Event of Default notwithstanding the fact whether the Borrower or any other person could or could not influence its occurrence:

- (a) the Borrower does not pay any amount payable under the Agreement or another related document on its due date in the manner required in that document;
- (b) the Borrower does not comply with any obligation under the Agreement or another related document;
- (c) any of the representations made and deemed to be repeated by the Borrower in the Agreement or any other related document or any document submitted by the Borrower (including the Borrower's application based on which the Agreement was made) was untrue on the date it was made or deemed to be repeated;
- (d) any amount of debt of the Borrower is not paid on its due date or becomes payable prematurely or on first request of a third party creditor or of the Lender in case of an amount due under any other document entered into between the Lender and the Borrower (including any Agreements or documents related to them), or this is threatening to happen as a result of a breach of an obligation of the relevant person;
- (e) for the purposes of any law applicable to it, the Borrower becomes, or may be deemed to be, overindebted or unable to pay its debts as they fall due; while, if the Borrower is a municipality/county town/ Higher territorial unit such events occur, by effect of which the municipality/county town/ Higher territorial unit will be obliged to impose recovery procedures / and/or official receivership over its property;
- (f) the Borrower declares or acknowledges to any of its creditors or any other person the incapacity to pay its debts as they fall due;
- (g) the Borrower commences negotiations with several creditors with respect to any restructuring or a change of maturity of its debt;
- (h) the Borrower or any other person files a petition for declaration of bankruptcy over the Borrower's assets, for restructuring or for commencement of any other similar proceedings against the Borrower in any country or any other person files a petition for declaration of bankruptcy over the Borrower's assets, for Borrower's restructuring or for commencement of any other similar proceedings in any country, provided that the declaration of bankruptcy over the Borrower's assets, restructuring or commencement of other similar proceedings against the Borrower is permitted by law; while in case that the Borrower is a municipality/county town/ Higher territorial unit, recovery procedures / and/or official receivership over its property has been imposed;
- (i) a proposal is made to convene a meeting of the statutory or any other body of the Borrower, if any, (or such body makes a *per rollam* decision) for the purpose of considering any petition for declaration of bankruptcy, restructuring, liquidation or winding up without liquidation; while in case that the Borrower is a municipality/county town/ Higher territorial unit a meeting of the municipality parliament will be proposed at which draft of recovery proceeding / petition for official receivership will be discussed;
- (j) any petition for execution, enforcement of decision or any similar proceeding is filed against the Borrower with the aim to enforce a valid and enforceable decision;
- (k) the Borrower ceases to carry on its principal object of business or there are circumstances (including an intention of the relevant person) that may lead to cessation of its principal object of business, where the Borrower is an entrepreneur if the Borrower is an entrepreneur, and in case that the Borrower is a municipality/county town/ Higher territorial unit if in Lender's opinion, the Borrower has been infringing the budgetary rules;
- (l) performance of obligations of the Lender or the Borrower under the Agreement or any other document related to it is or becomes unlawful under law or the relevant person alleges this unlawfulness;
- (m) the Borrower challenges validity of the Agreement or any other document related to it for any reasons or manifests its intention to rescind or terminate this document;
- (n) in case of a Borrower which is a company, as a result of a single or several mutually related or unrelated transactions, there is, compared to the situation notified to the Lender before the entering into the Agreement, a change in the ownership of the interest in the registered capital and/or voting rights of the Borrower by an amount exceeding the percentage specified in the Agreement and, if the percentage has not been specified, any change in the ownership of the interest in the registered capital and/or voting rights of the Borrower, unless the Lender granted its prior written consent to such change;
- (o) Any Controlled Person of the Borrower (if the Borrower has at least one Controlled Person) ceases to be its Controlled Person;
- (p) Any event or series of related or even unrelated events occur which, in the justified opinion of the Lender, is reasonably likely to have a Material Adverse Effect on the Borrower;
- (q) If, in the case of a pledge created for the benefit of the Lender in connection with the Agreement or any related document, the value of the subject-matter of this pledge against a value accepted by the Lender at a time of pledge created or this pledge was not perfected after its creation or if, in justified opinion of the Lender, the security for obligations under the Agreement or any related documents becomes insufficient, and Borrower fails to complete such collateral in a way and time set in the Lender's request;
- (r) In the case that the Borrower is an upper-tier regional unit (self-governing territorial unit) and the State Treasury pursuant to the applicable legal regulations does not approve the payment of any portion to be paid by the Borrower under the Agreement or other related document;
- (s) If the receivable which is secured, even if partially, by a pledge over the same collateral or part thereof as the secured receivable of the Lender under the Agreement fails to be paid on the date of its maturity or becomes payable prematurely or becomes payable upon first demand of the lender – a third party or the Lender for an amount due under any other document made between the Lender and the

Borrower (including any loan agreements or documents related thereto) or if there is a risk that the foregoing occurs as a result of a breach of a respective party's obligation,

- (t) The Lender reasonably suspects that the actions of:
- the Borrower, or
  - Borrower's controlled /controlling parties or
  - parties providing collateral to secure Borrower's liabilities under the Agreement; or
  - parties authorized to act on Borrower's behalf or on behalf of the controlled / controlling parties, or
  - parties authorized to act on behalf of individuals providing collateral for Borrower's liabilities which from the Agreement contradict to or circumvent the legal regulations, or infringe good morals or standards of fair business.

## 11. Considerations/Fees under the Price List of the Lender and Compensation of Expenditures

In addition to the fees that the Borrower must pay to the Lender under their separate mutual agreement, the Borrower undertakes to pay to the Lender the considerations and fees set out in the Lender's Price List at the time of the execution of the transaction charged, i.e. (a) in the amounts set in the Lender's Price List, (b) in a due period without any undue delay after the execution of the transaction charged or as specified below and all of that unless specified otherwise in the Agreement:

- An up-front fee (for the conclusion of the Agreement on the Issuance of the Guarantee) – upon conclusion of the Agreement, not later than on the day of the requested issuance of the Guarantee, while should the Agreement represent the obligatory published contract under the Act on Free Access to Information, the fee shall be due only after the day when it is proved that this Agreement has become effective ;
- A fee for the issued Guarantee – for each started 3-month period (hereinafter referred to as the "Period"), starting on the Issuance Date until the Guarantee validity expires, at all times on the first day of the Period for which the fee is being paid, and when such date is not a working day, the fee shall be payable on the immediately preceding working day; in the event that the fee for the issued Guarantee is determined as percentage of the Current Guarantee Amount, subject to a minimum amount of the fee, and the amount calculated as percentage and the amount of the minimum fee are denominated in different currencies, conversion using a mid foreign exchange rate shall be used for the purposes of their mutual comparison;
- A fee for amendment to the Agreement on the Issuance of the Guarantee and related documentation – on the date of the entering into the amendment to the Agreement or to the related documentation;
- A fee for modification of the Guarantee (amendment to the guarantee and/or issuance of a new guarantee replacing the original guarantee) – on the date of issuance of a new guarantee and/or amendment to the Guarantee;
- A fee for the bank's settlement under the Guarantee – on the date of the Lender's settlement;
- A fee for cancellation of the Guarantee before its issuance – on the date of the Guarantee's cancellation;
- A fee for mailing any demand note on default, or on non-fulfilment of any contractual condition – on a demand note mailing date;
- A fee for early termination of the bank guarantee validity – on a date of early termination of the bank guarantee validity;
- Any other consideration specified in the Lender's Price List, in the manner and at the time as required by the Lender;
- All costs that the Lender may demonstrably incur in relation to the Guarantee (without limitation to delivery costs, fees and expenses of other participating banks, and in event of dispute, costs associated with verification of Beneficiary's claim and other) – on the date when such costs are incurred by the Lender.

The Borrower has been fully acquainted with the Lender's Price List valid at the time of entering into the Agreement and the Borrower, in witness whereof, has signed the Agreement. The Borrower shall expressly agree that any modification made to Lender's Price List will become binding for the Borrower to full extent as if the Borrower had granted his/her expressive consent therewith. The new pieces will become applicable after the Lender has displayed a modified Price List at its sales points. In event of conflict between provisions in the Price List and those in the Agreement, the provisions in the Agreement shall prevail. In addition, the Borrower undertakes to hold the Lender harmless against any reasonable and demonstrably proven costs incurred by the Lender in relation with claims exercised under this Agreement.

## 12. Indemnity

The Borrower undertakes to indemnify and compensate the Lender, on the Lender's request, for (a) any damage that the Lender may incur upon entering into the Agreement and the documents related thereto, and (b) all expenses that the Lender reasonably and provably incurs or must incur in connection with the Agreement or the documents related to it as the result of adoption of, or change in, any laws or measures, regulations or decisions of any authority supervising the Lender or any change of their interpretation or application after the date of the Agreement, including any statutory costs, reserves or capital adequacy requirements.

For the purposes of the indemnity, the Borrower affirms the Lender that it requested the Lender to enter into the Agreement and the related documents with the Borrower and that the Lender was not obliged to do so.

The Borrower provides hereby to the Lender a Promise of Indemnity and undertakes to indemnify the Lender on request (a) against loss the Lender may sustain due to the Guarantee issued or performed (b) against all costs, provably and purposefully expended by the Lender in relation with performance under the Guarantee .The promise of indemnity shall also apply to instances, when the Borrower deems the Lender's commitment to perform under the Guarantee doubtful, dubious, possibly if the Beneficiary's claim can be deemed non-provable during performance under the Guarantee, and also in event of doubts whatsoever regarding justification of claims to be performed under the Guarantee, or doubts related to Beneficiary as a person, or those associated with authorities to act on behalf of the Beneficiary.

For purposes of the promise of indemnity, the Borrower hereby confirms that the Lender has been requested by Application to issue the Guarantee in favour of the Beneficiary, which the Lender, referring to its disagreement with text of the warranty deed of the Guarantee and /or with other conditions related to the requested Guarantee, was not obliged to do.

### **13. Change of Parties**

The Borrower may not assign or transfer any of its rights arising under the Agreement or any document related thereto neither transfer any obligation arising to the Borrower under the Agreement or any related document to any other party, except when a prior written consent has been granted by the Lender. For the purposes of Section 151d of the Civil Code, all rights of the Borrower under the Agreement or under any related document are non-transferable.

The Borrower expressly agrees that the Lender may at any time and without any additional consent of the Borrower assign or transfer any of its rights (including any of its claims) arising from the Agreement or a document related thereto. Simultaneously, the Borrower expressly agrees that the Lender may at any time transfer any of Lender's obligations under the Agreement or related document to other party.

The Borrower expressly agrees that the Lender may at any time and without any further consent of the Borrower use any of its rights (including any of its receivables) arising from the Agreement or a document related thereto as a security to back an obligation of the Lender. Furthermore, the Borrower expressly agrees to any change in the person of the authorized beneficiary under the Agreement or any related document that might be affected after the security titles have been exercised.

The change in the person of the Lender or the acquisition of any right or obligation under the Agreement or a document related thereto will become effective against the Borrower on the earlier of the two: delivery of the notice of this change by the Lender to the Borrower, or proving of this change to the Borrower by the third party. The contracting parties are not required to conclude any Amendment to any document if the person of the Lender was changed or in event of third party's acquisition of any Lender's right or obligation arising from the Agreement or related documents, provided these changes have been made in accordance with the above provisions.

### **14. Delivery**

Any notice, request or other formal correspondence related to the Agreement or any other related document (a) must be in the written form; a fax, e-mail or other electronic communication is not considered the written form, unless the Contracting Parties agree otherwise, (b) correspondence is considered delivered (1) on the delivery date, if the correspondence is delivered personally or via courier service, or (2) on the delivery date, but not later than at 10:00 a.m. on the third business day following the date of correspondence sending, if the correspondence is sent via post service to the residence address or a place of business of the relevant Contracting Party specified in the heading of the Agreement, or other addresses mutually notified by the Contracting Parties under this Article. The Lender is entitled to send documents related to the Agreement, particularly those intended for the Beneficiary, in any case also via SWIFT and/or telex or a courier service.

If the Contracting Parties explicitly agree on delivering some documents, notifications, requests or other correspondence via e-mail, such document, notification, request or other formal correspondence is considered delivered on the date of e-mail message sending, if the e-mail message was sent to the e-mail address of the other Contracting Party before 16:00 on any business day, in other cases an e-mail message is considered delivered on the business day following the date of e-mail message sending, provided that the recipient of the e-mail message confirmed the receipt of the e-mail message by sending a confirmation e-mail message to the sender of the e-mail message. In agreed cases, the Contracting Parties send each other e-mails to the e-mail address specified in the Agreement or a related document, or an e-mail address specified in a notice of an address (address change) of the relevant Contracting Party delivered to the other Contracting Party.

### **15. Banking Secrecy and Confidentiality**

The Lender is bound by the provisions of laws providing for the protection of banking secrecy and is entitled to benefit from each exception set out in these laws. The Borrower grants its express consent to the Lender to provide the information constituting bank secrecy and affecting the Borrower (including a copy of this credit agreement and each document related to it):

- (a) to any professional advisors of the Lender (including the legal, accounting, tax and other advisors) who are either subject to a confidentiality duty or agreed with the Lender to keep the disclosed information confidential;
- (b) for the purposes of any court, arbitration, administrative or other proceedings to which the Lender is a party;
- (c) to a party who may become a beneficiary or obligor under the credit agreement or a document related to the credit agreement on the basis of discussions or other communication with the Lender, if that person agreed with the Lender to be bound to keep the information confidential;
- (d) to a party who is processing data for the Lender, if that person accepted the confidentiality duty against the Lender;
- (e) to a party who is processing data for the Lender, if that party accepted the confidentiality duty against the Lender;
- (f) for the purposes of disclosing the Agreement and related documents in the Trade Journal under sec. 5a para (6) of the Act on Free Access to Information if it relates to agreements legally obliged to be disclosed under the aforementioned act;
- (g) if the Lender is under the law required to provide the information or if disclosure of information is necessary for performance of the Agreement.



The Borrower undertakes to keep confidential all facts related to the entering into this Agreement and the documents related to the Agreement, except for the following cases:

- (a) if the Borrower is under the law required to provide the information;
- (b) if the information is provided to professional advisors of the Borrower (including the legal, accounting, tax and other advisors), who are either bound by a general professional confidentiality duty or who agreed with the Lender to be bound to keep the information confidential;
- (c) for the purposes of any court, arbitration, administrative or other proceedings to which the Borrower is a party; and
- (d) if the information is provided with the prior written consent of the Lender.

#### **16. Set-Off, SEPA Direct Debit and Borrower's other payments**

- (a) The Borrower expressly agrees that the Lender may at any time set off its claim or any part thereof payable by the Borrower under the Agreement or a document related to the Agreement against any claim of the Borrower with the Lender (including any claim from any account maintained by the Lender) regardless of whether the claim of the Borrower due to the Lender is payable at the time of the set-off or not. If the claims being set off are denominated in different currencies, the Lender may, for the set-off purposes, convert the amount of any claim into the currency of the other claim using the exchange rate "foreign exchange - purchase (devíza-nákup)" (if the Lender's claim under the Agreement is denominated in euro) or the exchange rate "foreign exchange - sale (devíza-predaj)" (if the Lender's claim under the Agreement is denominated in the currency other than euro), which the Lender normally uses for currency deals in the same currencies at the time of the conversion. For the set-off of claims denominated in different currencies both other than euro the Lender shall convert the amounts through euro using the exchange rate "foreign exchange - purchase (devíza-nákup)" and afterwards the exchange rate "foreign exchange - sale (devíza-predaj)", which the Lender normally uses for currency deals in the same currencies at the time of the conversion.
- (b) At the time of maturity of any claim under the Agreement, the Borrower undertakes to always keep on its Current Account the funds in the amount sufficient for the set-off. If the Borrower satisfied this obligation, the Lender shall perform the set-off, no sooner than on the date of maturity of the respective amount; without prejudice to the Lender's right to demand that the due amount be paid in any other manner,
- (c) If the Borrower does not have a Current Account kept with the Lender, The Borrower shall undertake to keep a Current Account with another bank while meeting all the following conditions:
  - (i) The Borrower's Current Account kept with another bank shall be kept with such a bank which is an active direct participant of the interbank payment system within SEPA area (Single Euro Payments Area);
  - (ii) The Borrower has given – and not cancelled – SEPA Direct Debit mandate from Borrower's Current Account in another bank to the Lender without any limits to the debited amount with a type of payment – recurrent payment - and has fulfilled all other conditions necessary for the Lender to make a SEPA direct debit under Article 16 hereof. In the event of a late change (out of date) of any of the data provided in the SEPA Direct Debit Mandate, the Borrower shall be obliged to forthwith give another SEPA Direct Debit Mandate with updated data (e.g. in case of a change in the Mandate reference, a change in Lender's identifier as Creditor of the direct debit, or a change in the Borrower's Account number to whom the Mandate refers to, etc.);
  - (iii) The Current Account in another bank is kept in EUROS.
- (d) If the Borrower wants to change the Current Account in a different bank for another Current Account kept in a different bank for the purpose of this Agreement, s/he shall be authorized to do so by means of a notification delivered to the Lender at least 10 business days in advance, while the Borrower shall ensure meeting of all conditions specified in this Article, letter (c) above also on the up-to-date changed Current Account.
- (e) The Borrower undertakes to keep the sufficient amount of funds on the Current Account in another bank to allow the Lender to make a SEPA Direct Debit in order to pay any due amount under the Agreement. Should the Borrower meet the above obligation, the Lender shall make the SEPA Direct Debit to pay any due amount under the Agreement; this, however shall not affect the Lender's right to claim due amounts in any other way.

#### **17. Severability of provisions**

The individual provisions of the Agreement and each of the documents related thereto are enforceable regardless of each other and invalidity any of them will not affect validity of the remaining provisions except for cases where the importance or any other circumstance related to such invalid provision, makes it obviously indivisible from the remaining relevant provisions.

If any of the provisions is invalid, and such invalidity is caused by a part of the provision, the provision shall apply as if the relevant part had been deleted and both, the Lender and the Borrower, shall make all steps as may be necessary for executing such changes to the relevant provision that will make it valid and that will have effects most similar to the those of the original wording of the relevant provision.

#### **18. Other Assurances**

The Borrower confirms to the Lender and the Lender confirms to the Borrower that it has entered into the Agreement and each document related to the Agreement with full understanding of its terms and conditions and that no party during negotiations of the credit agreement and each document related to the credit agreement and during its signing assumed any obligation against any other party that is not expressly specified in the credit agreement or results from law.

Should the Agreement represent an obligatory published contract under the Act on Free Access to Information No. 211/2000 Coll. as later amended, the Borrower agrees that in compliance with the provision of Article 47a of the Civil Code, such an Agreement may become

effective not sooner than on the day following the day of its publication, namely without prejudice to meeting of the conditions precedent and even if the Contracting Parties have agreed otherwise. The method of becoming effective under the preceding sentence refers to the amendment to the Agreement as well.

#### **19. Changes to the Agreement and the General Terms and Conditions for Guarantees**

The Agreement may only be amended and supplemented by a written amendment signed by the Lender and the Borrower. Unless the Lender and the Borrower agree otherwise, any changes to the General Terms and Conditions for Guarantees are applicable only to Agreements entered into after the date of effectiveness of the relevant change.

#### **20. Governing Law and Arbitration Clause**

The laws of the Slovak Republic govern the credit agreement and the Lender and the Borrower agree that the application of any provision of Slovak law that is not of a mandatory nature is expressly excluded to the extent that it could alter (fully or partially) the meaning, purpose or interpretation of any provision of the credit agreement. The Lender and the Borrower also agree that the provisions of Sections 361, 500, 503(3), 506 and 507 of the Commercial Code will not apply to the credit agreement. For the avoidance of any doubt, no rights, which may be available to the Lender under any laws or regulation are affected.

Any dispute, claim or conflict arising out of or in connection with the Agreement (including all questions regarding its existence, validity or termination) will be resolved in the arbitration proceedings in accordance with the Rules of Procedure by the Permanent Arbitration Court of the Slovak Banking Association (*Slovenská banková asociácia*) in Bratislava.