

TERMS AND CONDITIONS OF THE 2024 NOTES

The NOK 1,150,000,000 4.00 per cent. Notes due 2024 (the “**Notes**”, which expression includes any further notes issued pursuant to Condition 13 (*Further Issues*) and forming a single series therewith) of the Slovak Republic acting through the Ministry of Finance of the Slovak Republic, with registered seat at Štefanovičova 5, P.O. Box 82, 817 82 Bratislava, Identification Number: 00151742 (the “**Issuer**”) are (a) constituted by and subject to, and have the benefit of, a deed of covenant dated 27 March 2014 (as amended or supplemented from time to time, the “**Deed of Covenant**”) of the Issuer, and (b) are the subject of a fiscal agency agreement dated 27 March 2014 (as amended or supplemented from time to time, the “**Fiscal Agency Agreement**”) between the Issuer, HSBC Bank plc as fiscal agent (the “**Fiscal Agent**”, which expression includes any successor fiscal agent appointed from time to time in connection with the Notes), the other paying and transfer agents named therein (together with the Fiscal Agent, the “**Agents**”, which expression includes any successor or additional paying and transfer agents appointed from time to time in connection with the Notes) and HSBC Bank plc, in its capacity as Registrar (the “**Registrar**”, which expression shall include any successor registrar appointed from time to time in connection with the Notes).

Certain provisions of these Conditions are summaries of the Fiscal Agency Agreement and are subject to their detailed provisions. The Noteholders are bound by, and are deemed to have notice of all the provisions of the Fiscal Agency Agreement applicable to them. Copies of the Fiscal Agency Agreement are available for inspection during normal business hours at the Specified Offices (as defined in the Fiscal Agency Agreement) of the Agents. References to “**Conditions**” are, unless the context otherwise requires, to the numbered paragraphs of these terms and conditions.

1. FORM, DENOMINATION AND TITLE

- (a) **Form and denomination.** The Notes are in registered form, serially numbered. The Notes will be issued in minimum denominations of NOK 1,000,000 or any amount in excess thereof which is an integral multiple of NOK 1,000,000 (each, an “**Authorised Holding**”).
- (b) **Title.** Title to the Notes will pass by transfer and registration as described in Conditions 2 (*Registration*) and 3 (*Transfer of Notes*). The holder (as defined below) of any Note will (except as otherwise required by law or as ordered by a court of competent jurisdiction) be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or any other interest in it, any writing thereon by any Person (as defined below) (other than a duly executed transfer thereof in the form endorsed thereon) or any notice of any previous theft or loss thereof; and no Person will be liable for so treating the holder.

In these Conditions, “**Person**” means any individual, company, corporation, firm, partnership, joint venture, association, unincorporated organisation, trust or other judicial entity, including, without limitation, any state or agency of a state or other entity, whether or not having separate legal personality, “**Noteholder**” or “**holder**” means the Person in whose name a Note is for the time being registered in the Register (as defined below) (or, in the case of joint holders, the first named thereof) and “**holders**” shall be construed accordingly.

*A certificate in definitive form (a “**Definitive Note Certificate**”) will be issued to each Noteholder in respect of its registered holding.*

*The Notes will initially be represented by a global note (the “**Global Note**”), interests in which will be exchangeable for Definitive Note Certificates in the circumstances specified in the Global Note. The Global Note will be deposited with, and registered in the name of a nominee for, a common depositary for Euroclear Bank SA/NV*

(“Euroclear”) and Clearstream Banking, société anonyme (“Clearstream, Luxembourg”).

- (c) **Third party rights.** No Person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

2. REGISTRATION

The Issuer will cause the Registrar to maintain a register (the “**Register**”) outside the United Kingdom in which will be entered the names and addresses of the holders of the Notes and the particulars of the Notes held by them and all transfers and redemptions of the Notes.

3. TRANSFER OF NOTES

- (a) **Transfer.** Each Note may, subject to the terms of the Fiscal Agency Agreement and to Conditions 3(b) (*Formalities Free of Charge*), 3(c) (*Closed Periods*) and 3(e) (*Regulations Concerning Transfer and Registration*), be transferred in whole or in part in an Authorised Holding by lodging the relevant Definitive Note Certificate (with the endorsed form of application for transfer in respect thereof duly executed and duly stamped where applicable) at the Specified Office of the Registrar or any Paying and Transfer Agent. A Note may be registered only in the name of, and transferred only to, a named person or persons. No transfer of a Note will be valid unless and until entered on the Register.

The Registrar will within five Business Days (as defined below) of any duly made application for the transfer of a Note, register the transfer and deliver a new Definitive Note Certificate to the transferee (and, in the case of a transfer of part only of a Note, deliver a Definitive Note Certificate for the untransferred balance to the transferor), at the Specified Office of the Registrar, or (at the risk and, if mailed at the request of the transferee or, as the case may be, the transferor otherwise than by ordinary mail, at the expense of the transferee or, as the case may be, the transferor) mail the Definitive Note Certificate by uninsured mail to such address as the transferee or, as the case may be, the transferor may request.

- (b) **Formalities Free of Charge.** Such transfer will be effected without charge subject to (i) the person making such application for transfer paying or procuring the payment of any taxes, duties and other governmental charges in connection therewith, (ii) the Registrar being satisfied with the documents of title and/or identity of the person making the application and (iii) such reasonable regulations as the Issuer may from time to time agree with the Registrar.
- (c) **Closed Periods.** Neither the Issuer nor the Registrar will be required to register the transfer of any Note (or part thereof) during the period of 15 days immediately prior to the due date for any payment of principal or interest in respect of the Notes.
- (d) **Business Day.** In these Conditions, “**Business Day**” means a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each of London, Oslo and Bratislava and the city in which the Specified Office of the Registrar or, as the case may be, the relevant Paying and Transfer Agent is located and which is also a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System (the “**TARGET System**”) of any successor system is open.
- (e) **Regulations Concerning Transfer and Registration.** All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning

transfer of Notes in Schedule 1 to the Fiscal Agency Agreement. The regulations may be changed by the Issuer with the approval of the Registrar (such approval not to be unreasonably withheld or delayed).

- (f) **Authorised Holdings.** No Note may be transferred unless the principal amount of Notes transferred and (where not all of the Notes held by a holder are being transferred) the principal amount of the balance of the Notes not transferred are Authorised Holdings.

4. STATUS

The Notes constitute direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer and the Notes will at all times rank *pari passu* among themselves and at least *pari passu* in right of payment with all other direct, general, unconditional, unsubordinated and unsecured obligations of the Issuer, present and future, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application to creditor rights.

5. INTEREST

- (a) **Interest Accrual.** Each Note bears interest from 27 March 2014 (the “**Issue Date**”) at the rate of 4.00 per cent. per annum payable annually in arrear on 27 March in each year (each, an “**Interest Payment Date**”), subject as provided in Condition 6 (*Payments*). Each period beginning on (and including) the Issue Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date is herein called an “**Interest Period**”.
- (b) **Cessation of Interest.** Each Note will cease to bear interest from the due date for final redemption unless, upon due surrender of the relevant Note, payment of principal is improperly withheld or refused. In such case it will continue to bear interest at such rate (after as well as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment) in accordance with Condition 12 (*Notices*).
- (c) **Calculation of Interest for any other Period.** If interest is required to be calculated for any period other than an Interest Period, it will be calculated on the basis of a year of 360 days consisting of 12 months of 30 days each and, in the case of an incomplete month, the actual number of days elapsed (30/360).

6. PAYMENTS

- (a) **Principal.** Payment of principal in respect of each Note and payment of interest due other than on an Interest Payment Date will be made to the person shown in the Register at the close of business on the Record Date (as defined below) and subject to the surrender (or, in the case of part payment only, endorsement) of the relevant Definitive Note Certificate at the Specified Office of the Registrar or of the Paying and Transfer Agents.
- (b) **Interest.** Payments of interest due on an Interest Payment Date will be made to the persons shown in the Register at close of business on the Record Date.
- (c) **Record Date.** “**Record Date**” means the fifteenth day before the due date for the relevant payment.

- (d) **Payments.** Each payment in respect of the Notes pursuant to Conditions 6(a) (*Principal*) and (b) (*Interest*) will be made by Norwegian krone cheque drawn on a branch of a bank in London or Oslo mailed to the holder of the relevant Note at his address appearing in the Register. However, upon application by the holder to the Specified Office of the Registrar or any Paying and Transfer Agent not less than 15 days before the due date for any payment in respect of a Note, such payment may be made by transfer to a Norwegian krone account maintained by the payee with a bank in London or Oslo.

Where payment is to be made by cheque, the cheque will be mailed, on the business day preceding the due date for payment or, in the case of payments referred to in Condition 6(a) (*Principal*), if later, on the business day on which the relevant Definitive Note Certificate is surrendered (or endorsed as the case may be) as specified in Condition 6(a) (*Principal*) (at the risk and, if mailed at the request of the holder otherwise than by ordinary mail, expense of the holder).

Where payment is to be made by transfer to a Norwegian krone account, payment instructions (for value the due date, or, if the due date is not a business day, for value the next succeeding business day) will be initiated, in the case of principal, on the later of the due date for payment and the day on which the relevant Definitive Note Certificate is surrendered (or, in the case of part payment only, endorsed) and, in the case of interest and other amounts on the due date for payment.

- (e) **Agents.** The names of the initial Paying and Transfer Agents and Registrar and their Specified Offices are set out below. The Issuer reserves the right under the Fiscal Agency Agreement by giving to the relevant Agent concerned at least 60 days' prior written notice, which notice shall expire at least 30 days before or after any due date for payment in respect of the Notes, to remove any Agent or the Registrar and to appoint successor or additional Agents or another Registrar, provided that it will at all times maintain:

- (i) a Fiscal Agent;
- (ii) Paying and Transfer Agents in at least one major European city;
- (iii) a Paying and Transfer Agent with a Specified Office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to European Union Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments or any law implementing or complying with, or introduced in order to conform to, such Directive; and
- (iv) a Registrar.

Notice of any such removal or appointment and of any change in the Specified Office of any Agent or Registrar will be given to Noteholders in accordance with Condition 12 (*Notices*) as soon as practicable.

- (f) **Payments subject to Fiscal Laws.** All payments in respect of the Notes are subject in all cases to any applicable fiscal or other laws and regulations, but without prejudice to the provisions of Condition 7 (*Taxation*). No commissions or expenses shall be charged to the Noteholders in respect of such payments.
- (g) **Delay in Payment.** Noteholders will not be entitled to any interest or other payment in respect of any delay in payment resulting from (i) the due date for payment not being a business day or (ii) a cheque mailed in accordance with this Condition 6 (*Payments*) arriving after the due date for payment or being lost in the mail.

- (h) **Business Days.** In this Condition, “**business day**” means any day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each of London, Oslo and Bratislava and, in the case of surrender of a Definitive Note Certificate, in the place of the Specified Office of the Registrar or relevant Paying and Transfer Agent, to whom the relevant Definitive Note Certificate is surrendered, and which is also a day on which the TARGET System or any successor system is open.
- (i) **Scheduled redemption.** Unless previously purchased and cancelled as provided below, each Note will be redeemed at its principal amount on 27 March 2024, subject as provided in Condition 6 (*Payments*).
- (j) **No other Redemption.** The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Condition 6(i) (*Scheduled Redemption*).
- (k) **Purchase.** The Issuer may at any time purchase or procure others to purchase for its account Notes in the open market or otherwise and at any price. The Notes so purchased may be held or resold (provided that such resale is outside the United States and is otherwise in compliance with all applicable laws) or surrendered for cancellation at the option of the Issuer or otherwise, as the case may be in compliance with Condition 6(1) (*Cancellation of Notes*) below.
- (l) **Cancellation of Notes.** The Issuer may elect to cancel any Notes purchased pursuant to Condition 6(k) (*Purchase*) and surrender them for cancellation. Such Notes will be cancelled and may not be reissued or resold. For so long as the Notes are admitted to trading on the Luxembourg Stock Exchange and the rules of such exchange so require, the Issuer shall promptly inform the Stock Exchange of the cancellation of any Notes under this Condition 6(1) (*Cancellation of Notes*).

7. TAXATION

All payments of principal and interest in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by or within the Slovak Republic or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as will result in the receipt by the Noteholders of such amounts as would have been received by them if no such withholding or deduction had been required, except that no such additional amounts shall be payable in respect of any Note:

- (a) **Other Connection:** presented for payment by or on behalf of a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note by reason of his having some connection with the Slovak Republic other than the mere holding of the Note;
- (b) **Presentation more than 30 days after the Relevant Date:** where (in the case of a payment of principal or interest on redemption) the relevant Definitive Note Certificate is surrendered for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder of it would have been entitled to such additional amounts on surrendering such Definitive Note Certificate for payment on the last day of such period of 30 days;
- (c) **Payment to Individuals:** where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Union Directive 2003/48/EC on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or

- (d) **Payment by another Paying and Transfer Agent:** where (in the case of a payment of principal or interest on redemption) the relevant Definitive Note Certificate is surrendered for payment by or on behalf of a Noteholder who would have been able to avoid such withholding or deduction by surrendering the relevant Definitive Note Certificate to another Paying and Transfer Agent in a Member State of the European Union.

“**Relevant Date**” means whichever is the later of (i) the date on which such payment first becomes due and (ii) if the full amount payable has not been received in London or Oslo by the Fiscal Agent on or prior to such due date, the date on which, the full amount plus any accrued interest having been so received, notice to that effect shall have been given to the Noteholders. Any reference in these Conditions to principal and/or interest shall be deemed to include any additional amounts which may be payable under this Condition or any undertaking given in addition to or substitution for it under the Fiscal Agency Agreement.

8. PRESCRIPTION

Claims in respect of principal and interest will become void unless the relevant Definitive Note Certificate is surrendered for payment as required by Condition 6 (*Payments*) within a period of 10 years in the case of principal and five years in the case of interest from the appropriate Relevant Date.

9. EVENTS OF DEFAULT

The holders of not less than 25 per cent. in principal amount of the Notes then outstanding may, by notice in writing to the Issuer (with a copy to the Fiscal Agent), declare the Notes, without further formality, due and payable at 100 per cent. of their principal amount together with accrued interest if any of the events listed in paragraphs (a) or (b) below (each, an “**Event of Default**”) occurs and is continuing.

Upon such declaration, the Issuer shall give notice thereof in the manner provided in the Fiscal Agency Agreement to the holders of the Notes in accordance with Condition 12 (*Notices*). Such declaration may be annulled and rescinded by the holders of not less than 50 per cent. of the outstanding principal amount of the Notes by written notice thereof to the Issuer (with a copy to the Fiscal Agent).

- (a) **Non-payment.** The Issuer fails to pay any amount of principal or interest due in respect of the Notes and such default in respect of interest or additional amounts continues for a period of 30 days; or
- (b) **Breach of other obligations.** The Issuer defaults in the performance or observance of any of its other obligations under the Notes and such default is incapable of remedy or, if capable of remedy, remains unremedied for 45 days after notice of such default has been given to the Issuer at the Specified Office of the Fiscal Agent by any holder of Notes.

10. REPLACEMENT OF NOTES

If any Definitive Note Certificate is lost, stolen, mutilated, defaced or destroyed it may be replaced at the Specified Office of the Registrar or any Paying and Transfer Agent subject to all applicable laws and stock exchange or other relevant authority requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require (provided that the requirement is reasonable in the light of prevailing market practice). Mutilated or defaced Definitive Note Certificates must be surrendered before replacements will be issued.

11. MEETINGS OF NOTEHOLDERS; MODIFICATION

- (a) **General.** The Fiscal Agency Agreement contains provisions for convening meetings of Noteholders to consider any matters relating to the Notes, including the modification of any provision of these Conditions, the Deed of Covenant or the Fiscal Agency Agreement. The following is a summary of selected provisions contained in the Fiscal Agency Agreement

For the purposes of this Condition 11:

“**Debt Securities**” means the Notes and any other bills, bonds, debentures, notes or other Debt Securities issued by the Issuer in one or more series with an original stated maturity of more than one year, and includes any such obligation, irrespective of its original stated maturity, that formerly constituted a component part of a Debt Security.

“**Cross-Series Modification**” means a modification involving (i) the Notes or any agreement governing the issuance or administration of the Notes (including the Deed of Covenant or the Fiscal Agency Agreement), and (ii) the Debt Securities of one or more other series or any agreement governing the issuance or administration of such other Debt Securities.

“**outstanding**” in relation to any Note means a Note that is outstanding for purposes of Condition 11(j) (*Outstanding Notes*), and in relation to the Debt Securities of any other series will be determined in accordance with the applicable terms of such Debt Securities.

“**Reserved Matter**” in relation to the Notes means any modification of the terms and conditions of the Notes or of any agreement governing the issuance or administration of the Notes (including the Deed of Covenant or the Fiscal Agency Agreement) that would:

- (i) change the date on which any amount is payable on the Notes;
- (ii) reduce any amount, including any overdue amount, payable on the Notes;
- (iii) change the method used to calculate any amount payable on the Notes;
- (iv) change the currency or place of payment of any amount payable on the Notes;
- (v) impose any condition on or otherwise modify the Issuer's obligation to make payments on the Notes;
- (vi) change any payment-related circumstance under which the Notes may be declared due and payable prior to their stated maturity;
- (vii) change the seniority or to any *pari passu* ranking provisions of the Notes;
- (viii) change the law governing the Notes;
- (ix) change any court to whose jurisdiction the Issuer has submitted or any immunity waived by the Issuer in relation to legal proceedings arising out of or in connection with the Notes;
- (x) change the principal amount of outstanding Notes or, in the case of a Cross-Series Modification, the principal amount of Debt Securities of any other series required to approve a proposed modification in relation to the Notes, the principal amount of outstanding Notes required for a quorum to be present, or the rules for determining whether a Note is outstanding for these purposes;

- (xi) modify or cancel the Deed of Covenant; or
- (xii) change the definition of a Reserved Matter,

and has the same meaning in relation to the Debt Securities of any other series save that any of the foregoing references to the Notes or any agreement governing the issuance or administration of the Notes (including the Fiscal Agency Agreement) shall be read as references to such other Debt Securities or any agreement governing the issuance or administration of such other Debt Securities.

“**series**” means a tranche of Debt Securities, together with any further tranche or tranches of Debt Securities that in relation to each other and to the original tranche of Debt Securities are (i) identical in all respects except for their date of issuance or first payment date, and (ii) expressed to be consolidated and form a single series, and includes the Notes and any further issuances of Notes.

- (b) **Convening Meetings of Noteholders.** A meeting of Noteholders:
 - (i) may be convened by the Issuer at any time; and
 - (ii) will be convened by the Issuer if an Event of Default in relation to the Notes has occurred and is continuing and a meeting is requested in writing by the holders of not less than 10% of the aggregate principal amount of the Notes then outstanding.
 - (c) **Quorum.** No business will be transacted at any meeting in the absence of a quorum other than the choosing of a chair if one has not been appointed by the Issuer. The quorum at any meeting at which Noteholders will vote on a proposed modification of:
 - (i) a Reserved Matter will be one or more persons present and holding not less than two thirds of the aggregate principal amount of the Notes then outstanding; and
 - (ii) a matter other than a Reserved Matter will be one or more persons present and holding not less than 50 per cent. of the aggregate principal amount of the Notes then outstanding.
- The quorum for any adjourned meeting will be one or more persons present and holding:
- (i) not less than two thirds of the aggregate principal amount of the Notes then outstanding in the case of a proposed Reserved Matter modification; and
 - (ii) not less than 25 per cent. of the aggregate principal amount of the Notes then outstanding in the case of a non-Reserved Matter modification.
- (d) **Non-Reserved Matter Modification.** The terms and conditions of the Notes and any agreement governing the issuance or administration of the Notes (including the Fiscal Agency Agreement) may be modified in relation to any matter other than a Reserved Matter with the consent of the Issuer and:
 - (i) the affirmative vote of holders of more than 50 per cent. of the aggregate principal amount of the outstanding Notes represented at a duly called and quorate meeting of Noteholders; or
 - (ii) a written resolution signed by or on behalf of holders of more than 50 per cent. of the aggregate principal amount of the outstanding Notes.
 - (e) **Reserved Matter Modification.** The terms and conditions of the Notes and any agreement governing the issuance or administration of the Notes (including the Fiscal

Agency Agreement) may be modified in relation to a Reserved Matter with the consent of the Issuer and:

- (i) the affirmative vote of holders of not less than 75 per cent. of the aggregate principal amount of the outstanding Notes represented at a duly called and quorate meeting of Noteholders; or
 - (ii) a written resolution signed by or on behalf of holders of not less than two thirds of the aggregate principal amount of the Notes then outstanding.
- (f) **Cross-Series Modifications.** In the case of a Cross-Series Modification, the terms and conditions of the Notes and Debt Securities of any other series, and any agreement governing the issuance or administration of the Notes or Debt Securities of such other series, may be modified in relation to a Reserved Matter with the consent of the Issuer and:
- (i) the affirmative vote of not less than 75 per cent. of the aggregate principal amount of the outstanding Debt Securities represented at separate duly called and quorate meetings of the holders of the Debt Securities of all the series (taken in the aggregate) that would be affected by the proposed modification; or
 - (ii) a written resolution signed by or on behalf of the holders of not less than two thirds per cent. of the aggregate principal amount of the outstanding Debt Securities of all the series (taken in the aggregate) that would be affected by the proposed modification;
- and
- (i) the affirmative vote of more than two thirds of the aggregate principal amount of the outstanding Debt Securities represented at separate duly called and quorate meetings of the holders of each series of Debt Securities (taken individually) that would be affected by the proposed modification; or
 - (ii) a written resolution signed by or on behalf of the holders of more than 50 per cent. of the aggregate principal amount of the then outstanding Debt Securities of each series (taken individually) that would be affected by the proposed modification.
- (g) **Written Resolutions.** A written resolution signed by or on behalf of holders of the requisite majority of the Notes will be valid for all purposes as if it was a resolution passed at a quorate meeting of Noteholders duly convened and held in accordance with these provisions. A written resolution may be set out in one or more document in like form each signed by or on behalf of one or more Noteholders.
- (h) **Binding Effect.** A resolution duly passed at a quorate meeting of holders convened and held in accordance with these provisions, or a written resolution duly signed by the requisite majority of Noteholders, will be binding on all Noteholders, whether or not the holder was present at the meeting, voted for or against the resolution or signed the written resolution.
- (i) **Manifest Error; Technical Amendments etc.** Notwithstanding anything to the contrary herein, the terms and conditions of the Bonds and any agreement governing the issuance or administration of the Bonds may be modified by the Issuer without the consent of Noteholders:
- (i) to correct a manifest error or cure an ambiguity; or

- (ii) if the modification is of a formal or technical nature or for the benefit of Noteholders.

The Issuer will publish the details of any modification of the Bonds made pursuant to this Condition 11(i) within ten days of the modification becoming legally effective.

- (j) **Outstanding Notes.** In determining whether holders of the requisite principal amount of outstanding Notes have voted in favour of a proposed modification or whether a quorum is present at any meeting of Noteholders called to vote on a proposed modification, a Note will be deemed to be not outstanding, and may not be voted for or against a proposed modification or counted in determining whether a quorum is present, if on the Record Date for the proposed modification:

- (i) the Note has previously been cancelled or delivered for cancellation or held for reissuance but not reissued;
- (ii) the Note has previously been called for redemption in accordance with its terms or previously become due and payable at maturity or otherwise and the Issuer has previously satisfied its obligation to make all payments due in respect of the Note in accordance with its terms; or
- (iii) the Note is held by the Issuer, by a department, ministry or agency of the Issuer, or by a corporation, trust or other legal entity that is controlled by the Issuer or a department, ministry or agency of the Issuer and, in the case of a Note held by any such above-mentioned corporation, trust or other legal entity, the holder of the Note does not have autonomy of decision, where:
 - (A) the holder of a Note for these purposes is the entity legally entitled to vote the Note for or against a proposed modification or, if different, the entity whose consent or instruction is by contract required, directly or indirectly, for the legally entitled holder to vote the Note for or against a proposed modification;
 - (B) a corporation, trust or other legal entity is controlled by the Issuer or by a department, ministry or agency of the Issuer if the Issuer or any department, ministry or agency of the Issuer has the power, directly or indirectly, through the ownership of voting securities or other ownership interests, by contract or otherwise, to direct the management of or elect or appoint a majority of the board of directors or other persons performing similar functions in lieu of, or in addition to, the board of directors of that legal entity; and
 - (C) the holder of a Note has autonomy of decision if, under applicable law, rules or regulations and independent of any direct or indirect obligation the holder may have in relation to the Issuer: (x) the holder may not, directly or indirectly, take instruction from the Issuer on how to vote on a proposed modification; or (y) the holder, in determining how to vote on a proposed modification, is required to act in accordance with an objective prudential standard, in the interest of all of its stakeholders or in the holder's own interest; or (z) the holder owes a fiduciary or similar duty to vote on a proposed modification in the interest of one or more persons other than a person whose holdings of Notes (if that person then held any Notes) would be deemed to be not outstanding under this Condition 11(j).

12. NOTICES

Notices to Noteholders will be sent to them by first class mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective addresses on the Register. Any such notice shall be deemed to have been given on the fourth day after the date of mailing. Notices to Noteholders will be valid if published, for so long as the Notes are admitted to trading on the Stock Exchange and the rules of such exchange so require, in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or, if, in the opinion of the Fiscal Agent, such publication is not practicable, in a leading English language daily newspaper of general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made.

13. FURTHER ISSUES

The Issuer may from time to time, without notice to or the consent of the Noteholders and in accordance with the Fiscal Agency Agreement, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the date for and amount of the first payment of interest) so as to be consolidated and form a single series with the Notes (“**Further Notes**”).

14. CURRENCY INDEMNITY

The Fiscal Agency Agreement provides that if any Noteholder receives or recovers any amount in a currency other than the Contractual Currency (as defined in the Fiscal Agency Agreement) (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the winding-up or dissolution of the Issuer or otherwise), in respect of any sum expressed to be due to it from the Issuer that amount will only discharge the Issuer to the extent of the Contractual Currency amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so).

If that Contractual Currency amount is less than the Contractual Currency amount expressed to be due to the relevant Noteholder under the Notes, the Issuer will indemnify such Noteholder against any loss sustained by it as a result on the written demand of such Noteholder addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Registrar or any Paying and Transfer Agent with its Specified Office in London. In any event, the Issuer will indemnify the relevant Noteholder against the cost of making any such purchase.

15. GOVERNING LAW AND JURISDICTION

- (a) The Notes, including any non-contractual obligations arising out of or in connection with them shall be governed by, and construed in accordance with, the laws of England.
- (b) The Issuer irrevocably agrees for the benefit of the Noteholders that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Fiscal Agency Agreement or the Notes and that accordingly any suit, action or proceedings arising out of or in connection therewith (together referred to as “**Proceedings**”) may be brought in the courts of England.
- (c) The Issuer irrevocably and unconditionally waives and agrees not to raise any objection which it may have now or subsequently to the laying of the venue of any Proceedings in the courts of England and any claim that any Proceedings have been

brought against the Issuer in an inconvenient forum and the Issuer irrevocably and unconditionally agrees that a judgment in any Proceedings brought in the courts of England shall be conclusive and binding upon the Issuer and may be enforced in the courts of any other jurisdiction. Nothing in this Condition 15 shall limit any right to take Proceedings against the Issuer in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.

- (d) The Issuer hereby irrevocably and unconditionally appoints the Ambassador of the Slovak Republic to the Court of St. James's for the time being as its agent for service of process in England in respect of any Proceedings.
- (e) To the extent that the Issuer or any of its revenues, assets or properties shall be entitled to any immunity from suit, from the jurisdiction of any such court, from set-off, from attachment prior to judgment, from attachment in aid of execution of judgment, from execution of a judgment or from any other legal or judicial process or remedy, and to the extent that in any such jurisdiction there shall be attributed such an immunity, the Issuer irrevocably waives such immunity to the fullest extent permitted by the laws of such jurisdiction. Such waiver of immunities constitutes only a limited and specific waiver by the Issuer for the purposes of these Conditions and under no circumstances shall it be construed as a general waiver by the Issuer or a waiver with respect to proceedings unrelated to the Notes.
- (f) Notwithstanding the foregoing, under the laws of the Slovak Republic, the funds, assets, rights and general property of a military character controlled by a military or defence agency or authority of the Slovak Republic which participates in the defence of the Slovak Republic; or mineral resources, underground waters, natural resources and water streams of the Slovak Republic located in the Slovak Republic are immune from execution and attachment and any process in the nature thereof and the foregoing waiver shall not constitute a waiver of such immunity or any immunity from execution or attachment or process in the nature thereof with respect to the Slovak Republic's diplomatic missions in any jurisdiction outside the Slovak Republic or with respect to the assets of the Slovak Republic necessary for the proper functioning of the Slovak Republic as a sovereign power.