

**Act regulating the Guarantee of the Republic of Slovenia for the obligations of DARS
d. d. arising from loans taken and securities issued to carry out the construction of
road sections listed in the National Motorway Construction Programme of the
Republic of Slovenia for the amount of EUR 1.030.15 million**

(Uradni list RS No. 20/2006)

Article 1

(1) The Republic of Slovenia hereby grants a guarantee for the obligations of the Družba za avtoceste v Republiki Sloveniji d.d. (Motorway Company of the Republic of Slovenia d. d., hereinafter: DARS d.d.) arising from loans taken and/or debt securities issued up to the aggregate principal amount of EUR 1.030.15 million, including interests and other costs in tolar equivalent or any other currency equivalent at the Bank of Slovenia's average exchange rate on the day of conclusion of the relevant loan agreements and/or the issuing of debt securities.

(2) DARS d.d. may take loans and/or issue debt securities referred to in the preceding paragraph under the following conditions:

- loans may be drawn in several instalments, and debt securities may be issued in several series until the end of the year 2010;
- the time-limit for repayment shall not exceed 25 years from the date of conclusion of any individual loan agreement or from the day when any individual debt security is issued;
- the aggregate costs related to the taking of a loan shall not exceed 0.2 % of the value of the principal of each individual loan;
- the loans' interest rate shall be comparable to interest rates for similar government guaranteed loans;
- when issuing securities, the borrowing conditions shall be comparable to conditions for similar government debt securities, and costs shall not exceed 0.15 % of the nominal value of the principal.

The funds from loans and/or debt securities referred to in the first paragraph of this Article shall be used for financing the construction of the following road sections: Pesnica-Slivnica (phase: Pesnica-Zrkovska cesta), Razdrto-Vipava (phase: Rebernice), Šentvid-Koseze, Peračica-Podtabor, Škofije-Srmin, Maribor-Lenart, Šmarje - Sap-Višnja Gora (phase: Platform for Cikava filling station), Beltinci-Pince (phase: Lendava-Pince), Lenart-Beltinci (phase: Lenart-Sp. Senarska), Pesnica-Slivnica (phase: Nova Zrkovska km 0.87-3.8), Hoče-Arja vas (phase: Junction) Ljubečna, Klanec-Ankaran (phase: Connecting road for Luka Koper 1st stage), Klanec-Ankaran (phase: Platform for Bertoki filling station), Koper-Izola, Hrastje-Kronovo (phase: Hrastje-Lešnica), Hrastje-Kronovo (phase: Lešnica-Kronovo), Hajdina-Ormož (phase: Hajdina-Ptuj), Celje: Mariborska cesta, Lenart-Beltinci (phase Sp. Senarska-Cogetinci), Beltinci-Pince (phase: Beltinci-Lendava), Slivnica-Gruškovje (phase: Slivnica-Draženci), Pesnica-Slivnica (phase: Zrkovska cesta-Ptujska cesta), Bič-Hrastje (phase: Pluska-Ponikve), Bič-Hrastje (phase: Ponikve-Hrastje), BCP Gruškovje-state border , and for reconstructions of the national motorway network.

Article 2

DARS d.d. shall use the funds from loans and/or debt securities referred to in Article 1 of this Act in accordance with the pace of construction defined in the Resolution on the National Motorway Construction Programme in the Republic of Slovenia (Uradni list RS no. 50/04), the annual plans of development and reconstruction of motorways, and the aggregate amount of borrowings allowed to DARS d.d. for each year, until 2010 inclusive.

Article 3

Should DARS d.d. fail to meet its obligations under loans guaranteed by the Republic of Slovenia in compliance with this Act, the Republic of Slovenia shall, on written request of the creditor, pay the outstanding liability on behalf of DARS d.d.

Article 4

(1) Should DARS d.d. not be able to meet its liabilities arising from issued debt securities guaranteed by the Republic of Slovenia under this Act, the Republic of Slovenia shall, on the basis of a prior written notice to be sent by DARS d.d. to the guarantor, pay individual liabilities on the due date to the lawful owner of the debt security instead of DARS d.d.

(2) The Republic of Slovenia and DARS d.d. shall conclude an agreement to define in detail the form and contents of the notice referred to in the preceding paragraph of this Article.

(3) The agreement referred to in the preceding paragraph of this Article shall be concluded on behalf and for the account of the Republic of Slovenia by the minister responsible for finance within 90 days following the issuing of the relevant debt securities by DARS d.d.

Article 5

The extent of guarantees issued by the Republic of Slovenia under Article 1 of this Act shall be reduced by each loan granted and/or debt securities issued for which a guarantee of the Republic of Slovenia shall be granted.

Article 6

(1) In the case of borrowing through loans a guarantee agreement with creditors shall be concluded on behalf and for the account of the Republic of Slovenia by the Minister responsible for finance or a person authorized to do so by the Government.

(2) In the case of borrowing through issuing of debt securities a guarantee statement shall be issued on behalf and for the account of the Republic of Slovenia by the Minister responsible for finance or a person authorized to do so by the Government.

Article 7

(1) When the Republic of Slovenia meets its guarantee obligations under this Act, it shall acquire the right to reimburse the amounts paid from DARS d.d., inclusive of all expenses incurred in this respect.

(2) The right to reimbursement is realized by the Republic of Slovenia from all sources earmarked for the construction of motorways in the Republic of Slovenia.

Article 8

Within 90 days after concluding a guarantee agreement or after issuing a guarantee statement, DARS d.d. and the minister responsible for finance on behalf and for the account of the Republic of Slovenia shall conclude an agreement concerning the insurance of the Republic of Slovenia guarantee.

Article 9

This Act shall enter into force on the day following its publication in the Uradni list Republike Slovenije.

(Published on 24 February 2006)
