

AMENDMENT TO THE AGREEMENT

BETWEEN

**THE GOVERNMENT OF THE REPUBLIC OF AUSTRIA
REPRESENTED BY THE FEDERAL MINISTER OF FINANCE**

AND

**THE COUNCIL OF MINISTERS OF BOSNIA AND HERZEGOVINA
REPRESENTED BY THE MINISTRY OF FINANCE AND TREASURY**

ON

FINANCIAL CO-OPERATION

The Government of the Republic of Austria represented by the Federal Minister of Finance and the Council of Ministers of Bosnia and Herzegovina represented by the Ministry of Finance and Treasury having entered into the Agreement on Financial Co-operation, signed 09-03-2006 in Vienna and 30-03-2006 in Sarajevo, amended thereafter, signed 30-10-2008 in Vienna and 18-09-2008 in Sarajevo, hereby agree to extend and amend the lastly mentioned Agreement as follows:

Ad Article 2

The second and third paragraph should be summed up and replaced by the following paragraph:

Additional to the existing indicative financial framework of EUR 75,000,000 (Euro seventy-five million) a further amount of EUR 45,000,000 (Euro forty-five million) is envisaged on an exceptional basis from the date of entry into force of the Agreement.

Ad Article 3

The third paragraph should read as follows:

The Contracting Parties note that the terms and conditions are subject to change due to the annual resetting of the discount rate under the auspices of the OECD, and may be further subject to change due to the OECD country risk classification and due to national Austrian risk considerations. The Austrian terms and conditions either in form of a pre-mixed or a mixed credit for a specific soft loan are those applicable at the date of commitment.

As per January 15th, 2010, concessional pre-mixed credits carry a tenor of 15 years, including a grace period (starting 6 months after Berne Union Starting Point) of 4 years, an interest rate of 0.35 % p.a. and an indicative guarantee charge of 2.787 % p.a. Alternatively, concessional pre-mixed credits with a tenor of 14 years, including a grace period of 4 years (starting 6 months after Berne Union Starting Point), may be realized carrying an interest rate of 0 % p.a. and an indicative guarantee charge of 2.773 % p.a.

Additionally, a grant from official funds may be allocated on a case-by-case basis to partially compensate the guarantee charges.

As per January 15th, 2010, concessional mixed credits include a non-refundable grant of 15 % of the refinanced project value at a maximum of EUR 1,500,000 combined with a soft loan carrying a tenor of 15 years, including a grace period (starting 6 months after Berne Union Starting Point) of 2 years, an interest rate of 1.60 % p.a. and an indicative guarantee charge of 3.364 % p.a.

Alternatively, the soft loan-part of concessional mixed credits combined with non-refundable grants to the above mentioned extent may carry a tenor of 11 years, including a grace period (starting 6 months after Berne Union Starting Point) of 0.5 years, an interest rate of 0 % p.a. and an indicative guarantee charge of 3.166 % p.a.

Additionally, a grant from official funds may be allocated on a case-by-case basis to partially compensate the guarantee charges.

Ad Article 6

Article 6 should read as follows:

The loans granted are to be utilized for the purchase of Austrian goods and services, which may include up to 50 % goods and services originating outside Austria.

Ad Article 12

Article 12 should read as follows:

The Amendment to the Agreement will enter into force with the signatures of both Contracting Parties. The validity period of the amended Agreement ends on 28-07-2011.

All other provisions of the former Agreement not specifically amended hereby are extended accordingly, remaining unchanged and in full force and effect for the validity period referred to in paragraph 1, forming together with the hereby amended provisions the amended Agreement.

Done in two originals, both in English language.

For the Government of the
Republic of Austria

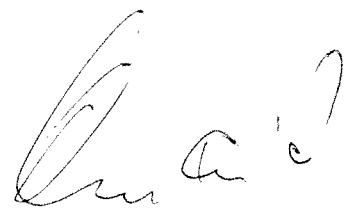
For the Council of Ministers of
Bosnia and Herzegovina

represented by the
Federal Minister of Finance

represented by the
Ministry of Finance and Treasury



Donatus Köck



Dragan Vrankić

Ambassador
of the Republic of Austria
to Bosnia and Herzegovina

Sarajevo, 16th December 2010

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