

CONFORMED COPY

LOAN NUMBER 7638 HR

Guarantee Agreement

(Rijeka Gateway II Project)

between

REPUBLIC OF CROATIA

and

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT**

Dated April 17, 2009

LOAN NUMBER 7638 HR

GUARANTEE AGREEMENT

AGREEMENT, dated April 17, 2009, between the REPUBLIC OF CROATIA (“Guarantor”) and the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”) (“Guarantee Agreement”) in connection with the Loan Agreement of same date between the Bank and the PORT OF RIJEKA AUTHORITY (“Borrower”) (“Loan Agreement”). The Guarantor and the Bank hereby agree as follows:

ARTICLE I - GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General Conditions (as defined in the Appendix to the Loan Agreement) constitute an integral part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Loan Agreement.

ARTICLE II - GUARANTEE

- 2.01. The Guarantor declares its commitment to the objectives of the Project. To this end, without limitation or restriction upon any of its other obligations under the Guarantee Agreement, the Guarantor hereby unconditionally guarantees, as primary obligor and not as surety merely, the due and punctual payment of all Loan Payments payable by the Borrower pursuant to the Loan Agreement.

ARTICLE III - REPRESENTATIVE; ADDRESSES

- 3.01. The Guarantor’s Representative is the Minister of Finance.
- 3.02. The Guarantor’s Address is:

Ministry of Finance
Katanciceva 5
10000 Zagreb
Republic of Croatia

Facsimile:

(385-1) 4922-598

3.03. The Bank's Address is:

International Bank for
Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Cable:	Telex:	Facsimile:
INTBAFRAD Washington, D.C.	248423 (MCI) or 64145 (MCI)	(1-202) 477-6391

AGREED at Zagreb, Republic of Croatia, as of the day and year first above written.

REPUBLIC OF CROATIA

By: /s/ Ivan Suker
Authorized Representative

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By: /s/ Andras Horvai
Authorized Representative