

	ŽELEZNIČNÁ SPOLOČNOSŤ CARGO SLOVAKIA, a. s. Drieňová 24, 820 09 Bratislava
Registr. dňa:	20 -02- 2019
registračné číslo zmluvy:	R 2019 f68
Počet listov:	6
Počet príloh:	Registral:

Amendment No. 7
to
Agreement on Transfer of Movable Assets for Consideration and
Subsequent Lease Back of Means of Transport

entered into by and between the following Parties:

The Seller / Lessee

Business name: Železničná spoločnosť Cargo Slovakia, a.s.
Registered office: Drieňová 24, 820 09 Bratislava, Slovak Republic
Registration: with the Commercial Register of the Bratislava I District Court;
Section Sa, Insert No. 3496/B
Comp. ID: 35 914 921
Represented by: Ing. Martin Vozár, MBA, Chairman of the Board of Directors and Director General
Ing. Miroslav Hopta, Vice-chairman of the Boards of Directors and Operations Division Director

(hereinafter referred to as the "Seller" or as the "Lessee")

and

The Buyer / Lessor

Business name: Cargo Wagon, a.s.
Registered office: Lúčna 2, 821 05 Bratislava, Slovak Republic
Registration: with the Commercial Register of the Bratislava I District Court;
Section Sa, insert No. 5889/B
Comp. ID: 47 523 441
Represented by: Mr. Amit Shantilal Thacker, Chairman of the Board of Directors
Ing. Pavel Holomek, Member of the Board of Directors

(hereinafter referred to as the "Buyer" or as the "Lessor")

(the Seller / Lessee and the Buyer / Lessor are hereinafter jointly referred to as the "Parties" or individually to any of them as the "Party").

PREAMBLE

On 18 May 2015, the Parties concluded the Agreement on Transfer of Movable Assets for Consideration and Subsequent Lease Back of Means of Transport, as amended (hereinafter referred to as the "Agreement").

ARTICLE 1

SUBJECT OF AMENDMENT

1. Retirement of Railway Carriages

The Lessee has informed the Lessor of its desire to retire from the fleet 270 (in Words: TwoHundredandSeventy) Leased Carriages. In line with Clause 25.3 of the Agreement, the Parties have agreed that the number of the Leased Carriages shall be decreased whereas the list of Leased Carriages in the original Annex No. 2 (Leased Carriages) to the Agreement shall be replaced by the new Annex No. 2 (Leased Carriages) to the Agreement, which is attached to this Amendment as Annex A and creates its inseparable part. The Parties further agree that the period for return of the aforementioned Railway Carriages shall be six (6) months from the date of expiry of the Periodic Maintenance and Technical Checks I.

2. Adjustment of rent

The Parties agree that in line with Clauses 14.5 and 14.6 of the Agreement and in relation to Clause 1 of this Amendment, the unit price of daily rent per each Leased Carriage is increased to 11.10 Euros excluding VAT as of 1st January 2019.

3. Wheelsets Exchange

The Parties agree that due to the retirement of the Railway Carriages referred to in Clause 1 of this Amendment, the total number of Wheelsets Exchanges according to 16.19 through 16.24 of the Agreement, to be performed by the Lessor during the period upto July 2023 will be 7,831 Wheelset Exchanges.

In this regard, Section 16.20.1 of the Agreement (*Wheelset Exchange*) shall be replaced with the following wording:

"16.20.1 The Lessor shall perform the Wheelset Exchanges during the Periodic Maintenance and Technical Checks I in the total amount of 7,831 Wheelset Exchanges. The limits for the Wheelset

Exchanges are determined separately for each calendar year (from 1 January to 31 December) for the duration of the term of Lease. The Parties have agreed that during the calendar year 2019 the limit is 935 Wheelset Exchanges. The Parties shall always agree, in writing by September of the respective year, on the limit of the Wheelset Exchanges for the period of the next calendar year (i.e. for the first time in September 2019 for the calendar year 2020). Should the Parties fail to agree for whatever reason, the limit of 859 Wheelset Exchanges shall apply for a particular year if there is no agreement reached for the period of the calendar years 2020 to 2022. In the calendar year 2023, the Lessor shall carry out the remaining number of the Wheelset Exchanges, which shall be determined as the difference between the total number of 7,831 Wheelset Exchanges and the sum of the Wheelset Exchanges carried out till the year 2022 (inclusive), unless the Parties agree otherwise. For the avoidance of doubts, if in any calendar year the determined limit of the Wheelset Exchanges is not reached, the remaining number of the Wheelset Exchanges shall increase the limit in the following calendar year of the term of Lease, unless such Wheelset Exchanges are compensated by the Lessor according to Section 16.20.5 hereof."

4. Capital Expenditure Savings

Due to the decrease of the number of Leased Carriages resulting from the retirement of certain Leased Carriages as envisaged in Clause 1 of this Amendment, the Lessor shall accumulate certain capital expenditure savings (CAPEX Savings) in the amount 1,133,869 € (in words: OneMillionOneHundredandThirtyThreeThousandEightHundredandSixtyNineEuros only) during the year 2019.

The Parties have agreed that the CAPEX Savings shall be passed on to the Lessee upon obtaining the necessary approvals and meeting the required formalities (e.g. approvals of internal bodies, financing banks, other relevant bodies and authorities, if applicable). The benefit will be passed on in the following manner:

- a) The Lessor will deduct the value of 1,133,869 € from its invoices issued to the Lessee whereas
- b) The Cash Flow impact will be achieved in two phases: 50% of the CAPEX Savings i.e. 566,935 € will be reduced during the year 2019 and the remaining 50% i.e. 566,934 € in the period January to March 2020

For the avoidance of doubt, for all subsequent periods, if the Lessee & Lessor agree to further reduction in number of Leased Carriages, the Parties shall mutually agree the value of Capex Savings which the Lessor will be required to pass to the benefit of the Lessee

5. Disposal of Retired Railway Carriages

The Parties hereby acknowledge that the Railway Carriages retired from the Lease pursuant to Clause 1 of this Amendment, shall no longer be part of the Lease and shall be returned to the Lessor, hence the Lessor may dispose these retired Railway Carriages at its discretion.

The process of scrapping & treatment of recovered wheelsets & spare parts is agreed as follows:

- a) The Lessor will inform the Lessee in writing which Railway Carriages are due to scrapping no later than fifteen (15) working days prior to the expected date of hand-over. The Lessee shall at his expense deliver the Railway Carriages in groups of cca 30 pcs to the siding of the company W.O.L.F. s.r.o., Areál AGRONOVÁZ, Nové Mesto nad Váhom – siding no. 52 500. The Railway Carriages shall be empty and clean (including interior cleaning of the tank-wagons to the degree necessary for safe scrapping). The Parties agreed that the retired Railway Carriages which were due to PMTCH I in the calendar year 2018 will be scrapped first and before 31/5/2019, and the retired Railway Carriages which were due to PMTCH I in the calendar year 2019 will be scrapped from 1/6/2019 until 31/12/2019.
- b) The Parties agreed that the Lessor will recover all wheelsets from scrapped Railway Carriages with the minimum rim thickness of 2cm (in Slovak: *hrúbka vonka nad rýskou minimálne 2cm*) and without visible damages preventing its repair (hereafter referred to as “Recovered Wheelsets”). The Lessor shall re-use 100 Recovered Wheelsets in PMTCH I, all remaining Recovered Wheelsets shall be re-used by the Lessee in PMTCH II or in other repairs of Leased Carriages (specified under 16.16 of the Agreement). For avoidance of any doubt, the Recovered Wheelsets remain property of the Lessor and, in case they are provided to the Lessee, they shall be re-used by the Lessee exclusively for the maintenance of the Leased Carriages.
- c) The Parties will transport Recovered Wheelsets from the place of scrapping immediately after scrapping of each group of retired Railway Carriages. The Parties agreed that all costs related to transport and/or repair of the recovered wheelsets will be borne by the Party who is responsible for the re-use of the recovered wheelset. For avoidance of any doubt, the re-used Recovered Wheelsets shall not be counted as Wheelsets Exchanges, unless any part of a wheelset according to article 16.19 of the Agreement is being exchanged during its repair.
- d) Shall the Lessor decide to keep or to sell or otherwise dispose of certain retired Railway Carriage(s), he must notify the Lessee in writing as soon as possible and no later than fifteen (15) working days prior to the expected date of hand-over of such retired Railway

Carriage(s). The Lessor shall agree with the Lessee on a place for handover of such retired Railway Carriage(s) within the railway infrastructure of ŽSR, whereas if no agreement is reached, then the Lessor shall inform the Lessee on such place. The return of the retired Railway Carriage(s) shall happen according to article 18.1 of the Agreement.

ARTICLE 2

FINAL PROVISIONS

- 2.1 This Amendment becomes valid on the day of its signing by both Parties and effective on the day following the day of publication hereof in accordance with the provisions of Act No. 211/2000 Coll., on Free Access to Information and on amendments and supplements to certain other acts (the Freedom of Information Act), as amended.
- 2.2 This Amendment shall be an integral part of the Agreement. This Amendment has been executed in six (6) counterparts in the Slovak and English languages; each Party shall receive three (3) counterparts in each language version. In the case of any discrepancies or disputes on interpretation between the English and Slovak versions, the English version shall prevail.
- 2.3 The capitalized terms have the same meaning as in the Agreement and in the respective Amendments to it.
- 2.4 The remaining provisions of the Agreement not affected by this Amendment shall remain unchanged and valid.
- 2.5 The Parties represent that they have read this Amendment carefully, have understood the contents of this Amendment and the contents hereof represent their actual and free will, free of any misunderstandings. The Parties consider their expressions of will contained in this Amendment to be certain and clear, not expressed in distress or under flagrantly unfavourable conditions. The Parties are not aware of any circumstances which could cause invalidity of any of the provisions of this Amendment. In witness of their consent to the contents of this Amendment, the Parties have attached their signatures hereunder.

[SIGNATURES OF THE PARTIES ARE ON THE FOLLOWING PAGE]

On behalf of Železničná spoločnosť Cargo
Slovakia, a.s.

Name and surname: Ing. Martin Vozár, MBA
Position: Chairman of the Board of Directors
In Bratislava, on: 19 -02-2019

Name and surname: Ing. Miroslav Hopta
Position: Vice chairman of the Board of
Directors
In Bratislava, on: 19 -02-2019

On behalf of Cargo Wagon, a.s.

Name and surname: Amit Shantilal Thacker
Position: Chairman of the Board of Directors
In Bratislava, on: 19 -02-2019

Name and surname: Ing. Pavel Holomek
Position: Member of the Board of Directors
In Bratislava, on: 19 -02-2019