

**AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED
STATES OF AMERICA AND THE GOVERNMENT OF MONTENEGRO
REGARDING CERTAIN
DEBTS OWED TO, GUARANTEED BY, OR INSURED BY THE UNITED
STATES GOVERNMENT AND ITS AGENCIES**

Acknowledging that, on October 3, 2002, the Government of the Federal Republic of Yugoslavia (the “FRY”) and the Government of the United States of America (the “United States”) signed an Agreement Regarding the Consolidation, Reduction and Rescheduling of Certain Debts Owed To, Guaranteed By, or Insured By the United States Government and Its Agencies (the “2002 Agreement”), which Agreement implemented an Agreed Minute of the Paris Club on the Consolidation of the Debt of the Federal Republic of Yugoslavia, signed in Paris on December 28, 2001 (the “Agreed Minute”);

Recognizing that, on February 3, 2003, the Parliament of the FRY adopted a new Constitution establishing the State Union of Serbia and Montenegro (the “SAM”) as the self-proclaimed successor to the FRY;

Acknowledging that, on September 15, 2005, the Chairman of the Paris Club advised the Government of the SAM of the decision of the Paris Club to extend the consolidation period under the Agreed Minute;

Recognizing that the Republic of Montenegro declared its independence from the SAM on June 3, 2006 and, on June 5, 2006, the Serbian Parliament acknowledged the independence of the Republic of Montenegro by declaring Serbia as the continuing state of the former SAM;

Acknowledging the joint letter of July 10, 2006 from the Ministers of Finance of the Republic of Montenegro and the Republic of Serbia to the Chairman of the Paris Club, informing him of the July 10, 2006 Agreement between the Republic of Serbia and the Republic of Montenegro on the Regulation of Membership in International Financial Organizations and the Distribution of Financial Assets and Liabilities (the “2006 Distribution Agreement”);

And recognizing that Montenegro desires to maintain sound and stable financial relations with the United States and considers that accepting an appropriate legal framework for the repayment of certain debts owed to the United States Government and its agencies and confirming its legal obligation to repay those debts will contribute to that end;

The Government of the United States of America (the “United States”) and the Government of Montenegro (“Montenegro”) agree as follows:

ARTICLE I

Application of the Agreement

1. In accordance with the terms of this Agreement, the United States and Montenegro agree to confirm Montenegrin liability for certain debts that are owed to, guaranteed or insured by, the United States and its Agencies.

2. With respect to amounts due to the Export-Import Bank of the United States and the U.S. Agency for International Development, these agencies will notify Montenegro of the actual amounts payable by Montenegro. In the event the respective agency's loan number applicable to the debt included in this Agreement is changed, the agency will notify Montenegro of the new loan number. Thereafter, the respective agency and Montenegro will use the new loan number in lieu of the former number for all relevant correspondence, billings and payments.

ARTICLE II

Responsibility for Certain Debts of the State Union of Serbia and Montenegro

Montenegro confirms its liability for the following SAM debts:

1. Debts owed or guaranteed by the former SAM, when the final beneficiary of the loan or credit concerned is located in the territory of Montenegro (“Allocated Debt”);

It is understood that the following debts, when the final beneficiary of the loan or credit concerned is located in the territory of Montenegro, are included in this definition of Allocated Debt:

- (a) Debts owed or guaranteed by entities located in the territory of the SAM including entities of the SAM or entities legally authorized to act on the SAM’s behalf;
- (b) Debts owed or guaranteed by banks located in the territory of the SAM, where relevant; and
- (c) Debts owed or guaranteed by former socially-owned legal entities located in the territory of the SAM, regardless of their present ownership status.

The debts listed in Annex B are included in Allocated Debt as defined in Paragraph 1(a), (b), and (c) of this Article.

2. In accordance with Article 2 of the 2006 Distribution Agreement, 5.88 percent of debts owed or guaranteed by the SAM and not immediately attributable to any successor state of the SAM ("Non-allocated Debt");

The debts listed in Annex C are included in Non-allocated Debt as defined in Paragraph 2 of this Article.

3. The amounts of capitalized interest arising from Article IV, paragraphs 1 (c), 2(d), and 4(d) of the 2002 Agreement and listed in Annex D of this Agreement.
4. Debts owed or guaranteed by Montenegro.

ARTICLE III

Definition

“Agencies” mean the Export-Import Bank of the United States (“Ex-Im”) and the U.S. Agency for International Development (“USAID”).

ARTICLE IV

Status and Amendment of 2002 Agreement

1. The United States and Montenegro agree that the 2002 Agreement, as amended by Article II and Article IV, paragraphs 2 and 3 of this Agreement, remains in force between the United States and Montenegro and that the terms of the debt consolidation, reduction, and rescheduling under the 2002 Agreement, as amended by this Agreement, fully apply to Montenegro.
2. Article III, paragraphs 9 and 12 of the 2002 Agreement are hereby amended as they apply to Montenegro to read as follows:
 9. “Interest II” means 100 percent of interest due on outstanding balances of Reduced Principal from March 23, 2002 through December 31, 2005.
 12. “Interest III” means 100 percent of interest due on outstanding balances of Reduced ODA Principal from March 23, 2002 through December 31, 2005.

In conformity with Article IV, paragraphs 2(d), 2(e), 4(d) and 4(e) of the 2002 Agreement, as amended by this Agreement, the amounts consolidated and rescheduled with respect to Montenegro will be adjusted accordingly. Ex-Im and USAID will undertake to notify Montenegro of those amounts in the coming weeks.

3. Annex F, paragraph G (4) and Annex G, paragraph C (3) of the 2002 Agreement are hereby amended as they apply to Montenegro by replacing the contact information for the former National Bank of Yugoslavia with the following:

Mr. Nemanja Pavlicic
Head of Debt Management and Cash Flow Department
The Ministry of Finance
UI. Stanka Dragojevic br.2
81000 Podgorica
Montenegro
Phone: + 381 81 202 147
Telefax: + 381 81 241 141
E-mail: nemanja.pavlicic@mf.mn.yu

ARTICLE V

General Provisions

1. Montenegro represents and warrants that it has taken all action necessary or advisable under its laws and regulations to authorize the execution, delivery and performance of this Agreement and that this Agreement constitutes a valid and binding obligation of Montenegro and is enforceable against Montenegro in accordance with its terms.
2. The Annexes attached hereto shall constitute an integral part of this Agreement.

ARTICLE VI

Suspension, Amendment or Termination

1. Either party may suspend or terminate this Agreement by giving sixty (60) days written notice to the other party.
2. This Agreement may be amended by mutual written consent of the United States and Montenegro.

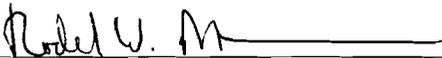
ARTICLE VII

Entry into Force

This Agreement shall enter into force on the date of written notice from the United States to Montenegro that all necessary domestic legal requirements for entry into force of the Agreement have been fulfilled.

Done at Podgorica, Montenegro, in duplicate, this 26 day of FEBRUARY 2008, in the English language.

**FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA:**



**Roderick W. Moore
Ambassador of the
United States of America
to Montenegro**

**FOR THE GOVERNMENT OF
MONTENEGRO:**



**Igor Luksic
Minister of Finance**

Annex A

Full Text of 2002 Agreement

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF
AMERICA AND THE GOVERNMENT OF THE FEDERAL REPUBLIC OF
YUGOSLAVIA REGARDING THE CONSOLIDATION, REDUCTION AND
RESCHEDULING OF CERTAIN
DEBTS OWED TO, GUARANTEED BY, OR INSURED BY THE UNITED STATES
GOVERNMENT AND ITS AGENCIES

The Government of the United States of America (the "United States") and the Government of the Federal Republic of Yugoslavia ("FRY") agree as follows:

ARTICLE I

Application of the Agreement

1. In accordance with the terms of this Agreement, the United States and the FRY agree to consolidate, reduce and reschedule certain FRY payments arising in connection with debts that are owed to, guaranteed or insured by, the United States and its Agencies.

2. With respect to amounts due to the Export-Import Bank of the United States ("Ex-Im Bank") and the United States Agency for International Development ("USAID"), these agencies will notify the FRY of the amounts consolidated, reduced, and rescheduled hereunder. This Agreement will be further implemented by a separate agreement (the "Implementing Agreement") between the Commodity Credit Corporation (CCC) and the FRY with respect to CCC Agreements.

ARTICLE II

Responsibility for Certain Debts of the Socialist Federal
Republic of Yugoslavia (SFRY)

The FRY confirms its liability for the following former SFRY debts:

- (1) Debts of the former SFRY that are owed or guaranteed by entities located in the territory of the FRY, including entities of the FRY or entities legally authorized to act on the FRY's behalf, and by banks when relevant. Debts owed or guaranteed by former socially-owned legal entities located in the territory of the FRY, regardless of their present ownership status, are included in this definition of allocated debt;
- (2) Debts owed or guaranteed by the former SFRY, when the final beneficiary of the loan or credit concerned is located in the territory of the FRY;
- (3) 36.52 percent of debts owed or guaranteed by the former SFRY and not immediately attributable to any successor state of the SFRY ("Non-allocated debt"); and
- (4) Debts owed or guaranteed by the FRY.

ARTICLE III

Definitions

1. "Contracts" mean debts that are the responsibility of the FRY in accordance with Article II and covered in the following agreements or other financial arrangements:

(a) Commercial credits guaranteed or insured by the United States and its agencies, which had original maturities of more than one year and were extended pursuant to an agreement concluded before December 2, 1982;

(b) Commercial credits guaranteed or insured by the United States and its agencies, which had original maturities of more than one year and were extended pursuant to an agreement concluded between December 2, 1982 and December 20, 2000;

(c) Loans by the United States and its agencies, excluding USAID loans, which had original maturities of more than one year and were extended pursuant to an agreement concluded before December 2, 1982;

(d) Loans by the United States and its agencies, excluding USAID loans, which had original maturities of more than one year and were extended pursuant to an agreement concluded between December 2, 1982 and December 20, 2000;

(e) The bilateral debt rescheduling agreements concluded between the United States and the SFRY on January 16, 1985, February 5, 1986, February 12, 1987 and November 18, 1988, excluding USAID loans, and

(f) USAID loans which have original maturities of more than one year and were extended pursuant to an agreement concluded before December 2, 1982.

A table listing the relevant Contracts to be included under the rescheduling is attached hereto as Annex A.

2. "Agencies" means Ex-Im Bank and USAID.

3. "Consolidated Debt" means 100 percent of the sum of unpaid principal and interest falling due between August 1, 2001 and March 22, 2002, inclusive, under the Contracts specified in

subparagraphs 1(a), 1(b), 1(c), 1(d), 1(e) and 1(f) of this Article.

4. "Consolidated Arrears" means 100 percent of the sum of unpaid principal and interest, including late interest, outstanding as of July 31, 2001, inclusive, under the Contracts specified in subparagraphs 1(a), 1(b), 1(c), 1(d), 1(e) and 1(f) of this Article.

5. "Late Interest" means, with respect to the Consolidated Arrears, interest charges payable on due but unpaid amounts of principal and interest outstanding as of July 31, 2001, inclusive, in accordance with the terms of the relevant contracts, notwithstanding the payment of such principal and interest after the original due dates

6. "Interest I" means 100 percent of the interest accruing from August 1, 2001 to March 22, 2002, inclusive, on Consolidated Arrears and 100 percent of the interest accruing from August 1, 2001 to March 22, 2002 on original maturities of Consolidated Debt

7. "Relevant Principal" means: (i) all Non-ODA amounts of principal and Interest I outstanding as of March 22, 2002 under the Contracts specified in subparagraphs 1(a), 1(b), 1(c), 1(d) and 1(e) of this Article as a result of the deferral and consolidation treatment provided for in Article IV, subparagraph 1(a), and (ii) 100 percent of the amounts of principal and interest due after March 22, 2002 on all credits, loans or consolidation agreements under the Contracts specified in subparagraphs 1(a), 1(b), 1(c), 1(d) and 1(e) of this Article and not treated under Article IV, subparagraph 1(a) of this Agreement.

8. "Reduced Principal" means 49 percent of the amount of Relevant Principal remaining as a result of the cancellation effective on March 22, 2002 pursuant to Article IV, paragraph 2 of this Agreement.

9. "Interest II" means 100 percent of interest due from March 23, 2002 to March 22, 2005 inclusive, on the outstanding balances of Reduced Principal.

10. "Reduced Principal II" means 69.39% of the Reduced Principal remaining as a result of the cancellation effective on March 23, 2005 pursuant to Article IV, paragraph (3) of this Agreement.

11. "Relevant ODA Principal" means: (i) all ODA amounts of principal and Interest I outstanding as of March 22, 2002 as specified in Contract specified in subparagraph (1)(f) of this Article as a result of the deferral and consolidation treatment provided for in Article IV, subparagraph 1(a), and (ii) 100 percent of the amounts of principal and interest due after March 22, 2002 on all credits, loans or consolidation agreements in the Contracts as specified in subparagraph (1)(f) of this Article and not treated under Article IV, paragraph 1(a) of this Agreement.

12. "Interest III" means 100 percent of interest due from March 23, 2002 to March 22, 2005 inclusive, on the outstanding amounts of Relevant ODA Principal.

13. "Additional Interest" means interest accruing at the rates set forth in this Agreement or the Implementing Agreement on due but unpaid installments of Consolidated Debt, Consolidated Arrears, Late Interest, Interest I, Reduced Principal, Interest II, Reduced Principal II and Interest III beginning on the respective due dates for such installments as established by this Agreement, and continuing to accrue until such amounts are repaid in full.

ARTICLE IV

Terms and Conditions of Payment

1. The FRY agrees to repay the Consolidated Debt and Consolidated Arrears in United States dollars as follows:

(a) The Consolidated Debt and Consolidated Arrears shall be deferred and repaid in fourteen (14) equal consecutive semi-annual installments. The first payment will be made on September 22, 2004 and the final payment will be made on March 22, 2011.

(b) The rate of interest on Consolidated Debt and Consolidated Arrears shall be the following for the United States and its Agencies:

(i) For Ex-Im Bank, the rate of interest shall be fixed at approximately 6.125 percent as of August 2002, determined by Ex-Im Bank to be one-half of one percent (1/2 of 1%) over the interest rate applicable to a 22 year U.S. Treasury note that is in effect on the date of the entry into force of this Agreement.

(ii) For USDA CCC Agreements, the rate of interest shall be based on the U.S. Treasury average market yields rate in effect on the date of signature of this Agreement for a 22 year loan maturity plus one-half of one percent (1/2 of 1%) (i.e., approximately 6.125 percent as of August 2002, but subject to change).

(iii) For USAID Direct Loans, the rate of interest shall be 3.00 percent.

(iv) The Interest on Consolidated Debt and Consolidated Arrears shall begin to accrue on March 23, 2002 and shall be paid in consecutive semi-annual installments on September 22 and March 22 of each year.

(c) Interest I shall be capitalized as at March 22, 2002 and paid in fourteen (14) equal consecutive semi-annual installments. The first payment will be made on September

22, 2004 and the final payment will be made on March 22, 2011.

(i) The rate of interest on Interest I for the United States and its Agencies will be the same as the interest rates stated in Article IV, subparagraph 1(b).

(ii) The Interest on Interest I shall begin to accrue on March 23, 2002 and shall be paid in consecutive semi-annual installments on September 22 and March 22 of each year.

A table summarizing the amount of Consolidated Debt, Consolidated Arrears, Late Interest and Interest I owed to the United States and its Agencies is attached hereto as Annex B1, B2, B3 and B4 respectively.

2. Subject to the terms of Article V, paragraph 2, fifty-one percent of the Relevant Principal shall be cancelled effective March 22, 2002. The remaining amount is the Reduced Principal.

(a) The Reduced Principal shall be paid as follows in thirty-two (32) consecutive semi-annual installments payable on September 22 and March 22 each year, commencing on September 22, 2008:

0.91% on September 22, 2008;	0.97% on March 22, 2009;
1.04% on September 22, 2009;	1.11% on March 22, 2010;
1.19% on September 22, 2010;	1.27% on March 22, 2011;
1.36% on September 22, 2011;	1.46% on March 22, 2012;
1.56% on September 22, 2012;	1.67% on March 22, 2013;
1.78% on September 22, 2013;	1.91% on March 22, 2014;
2.04% on September 22, 2014;	2.19% on March 22, 2015;
2.34% on September 22, 2015;	2.50% on March 22, 2016;
2.68% on September 22, 2016;	2.87% on March 22, 2017;
3.07% on September 22, 2017;	3.28% on March 22, 2018;
3.51% on September 22, 2018;	3.76% on March 22, 2019;
4.02% on September 22, 2019;	4.30% on March 22, 2020;
4.60% on September 22, 2020;	4.92% on March 22, 2021;
5.27% on September 22, 2021;	5.64% on March 22, 2022;
6.03% on September 22, 2022;	6.45% on March 22, 2023;
6.91% on September 22, 2023;	7.39% on March 22, 2024.

(b) The rate of interest on the Reduced Principal for the United States and its Agencies shall be as listed in subparagraphs 1(b)(i) and 1(b)(ii) of this Article.

(c) The Interest on Reduced Principal shall begin to accrue on March 23, 2002 and be paid on March 22 and September 22 of each year. The first payment will be made on September 22, 2002. Additional interest will be charged on these amounts.

(d) Sixty (60) percent of Interest II shall be capitalized on their due dates and repaid in fourteen (14) equal consecutive semi-annual installments on September 22 and March 22 of each year, with the first payment to be made on September 22, 2007 and the final payment to be made on March 22, 2014. Interest shall begin accruing the date after each capitalization.

(i) The rate of interest on sixty (60) percent of Interest II for the United States and its Agencies shall be as listed in subparagraphs 1(b)(i) and 1(b)(ii) of this Article.

(ii) The Interest on the 60 % of Interest II shall be paid in consecutive semi-annual installments on September 22 and March 22 of each year, commencing on March 22, 2003. Additional Interest will be charged on these amounts.

(e) Forty (40) percent of Interest II shall be paid in consecutive semi-annual installments as specified in subparagraph 2(c). The first payment will be made on September 22, 2002. Additional Interest will be charged on these amounts.

A table summarizing the amount of Relevant Principal, Reduced Principal and Interest II owed to the United States and its Agencies is attached hereto as Annex C1, C2 and C3 respectively.

3. Subject to the terms of Article V, paragraph 3, the amount equal to 30.61 percent of the Reduced Principal as of March 23, 2005 shall be cancelled, excluding amounts due in subparagraphs 2(d) and 2(e) of this Article. The remaining amounts, Reduced Principal II, will be paid on due dates specified in Article IV subparagraphs 2(a), 2(b), and 2(c) of this Agreement.

A table summarizing the amount of Relevant Principal II owed to the United States is attached hereto as Annex D.

4. Subject to the terms of Article V, paragraph 2, the amount equal to 100 percent of the Relevant ODA Principal is rescheduled. The FRY agrees to repay the Relevant ODA Principal and Interest III in United States dollars in accordance with the following terms and conditions:

(a) The Relevant ODA Principal shall be repaid in forty-six (46) consecutive semi-annual installments payable on March 22 and September 22 of each year, commencing on September 22, 2018 as follows:

0.50% on September 22, 2018;	0.53% on March 22, 2019;
0.55% on September 22, 2019;	0.59% on March 22, 2020;
0.62% on September 22, 2020;	0.65% on March 22, 2021;
0.69% on September 22, 2021;	0.73% on March 22, 2022;
0.77% on September 22, 2022;	0.81% on March 22, 2023;
0.86% on September 22, 2023;	0.91% on March 22, 2024;
0.96% on September 22, 2024;	1.01% on March 22, 2025;
1.07% on September 22, 2025;	1.13% on March 22, 2026;
1.19% on September 22, 2026;	1.26% on March 22, 2027;
1.33% on September 22, 2027;	1.40% on March 22, 2028;
1.48% on September 22, 2028;	1.56% on March 22, 2029;
1.65% on September 22, 2029;	1.74% on March 22, 2030;
1.84% on September 22, 2030;	1.94% on March 22, 2031;
2.05% on September 22, 2031;	2.17% on March 22, 2032;
2.29% on September 22, 2032;	2.41% on March 22, 2033;
2.55% on September 22, 2033;	2.69% on March 22, 2034;
2.84% on September 22, 2034;	3.00% on March 22, 2035;
3.17% on September 22, 2035;	3.35% on March 22, 2036;
3.54% on September 22, 2036;	3.73% on March 22, 2037;
3.94% on September 22, 2037;	4.16% on March 22, 2038;
4.40% on September 22, 2038;	4.64% on March 22, 2039;
4.90% on September 22, 2039;	5.18% on March 22, 2040;
5.47% on September 22, 2040;	5.75% on March 22, 2041;

(b) The rate of interest on Relevant ODA Principal shall be as set forth in subparagraph 1(b)(iii) of this Article.

(c) The Interest on Relevant ODA Principal shall be paid in consecutive semi-annual installments on March 22 and September 22 of each year, commencing September 22, 2002.

(d) Sixty (60) percent of Interest III shall be capitalized on their due dates and repaid in fourteen (14) equal consecutive semi-annual installments. The first payment to be made on September 22, 2007 and the final payment to be made on March 22, 2014. Interest shall begin accruing the date after each capitalization.

(i) The rate of interest on sixty (60) percent of Interest III for the United States and its Agencies shall be as listed in subparagraphs 1(b)(iii) of this Article.

(ii) The Interest on the 60% of Interest III shall be paid in consecutive semi-annual installments on September 22 and March 22 of each year, commencing on March 22, 2003. Additional interest will be charged on these amounts.

(e) Forty (40) percent of Interest III shall be paid when due, as specified in accordance with the schedule in paragraph 4 subparagraph (c) of this Article. Additional interest will be charged on these amounts.

A table summarizing the amount of Relevant ODA Principal and Interest III owed to the United States is attached hereto as Annex E1 and E2.

5. Adjustments to the amounts of Consolidated Debt, Consolidated Arrears, Late Interest, Interest I, Relevant Principal, Reduced Principal, Interest II, Reduced Principal II, Relevant ODA Principal, Interest III, and Additional Interest may be made as necessary and as mutually agreed.

ARTICLE V

General Provisions

1. The FRY agrees to grant the United States and its Agencies treatment on terms no less favorable than that which it has accorded, or may accord, to any other creditor country or its agencies for the consolidation of debts of comparable maturities.

2. Provisions of Article IV, paragraph 2 and Article IV, paragraph 4 of this Agreement shall apply provided that the Executive Board of the International Monetary Fund (IMF) has approved an appropriate successor three-year arrangement with the FRY. The Chairman of the Paris Club will inform the FRY of this provision taking effect.

3. Provisions of Article IV, paragraph 3 of this Agreement shall apply provided that the Executive Board of the IMF has completed the final review of the arrangement mentioned in paragraph 2 above and that the FRY has made satisfactory payments to the Participating Creditor Countries in accordance with the Minute. The Chairman of the Paris Club will inform the FRY of this provision taking effect.

4. The FRY will seek to secure from external creditors, including banks and suppliers, rescheduling or refinancing arrangements on terms comparable to those set forth in the Minute for credits of comparable maturities, while trying to avoid inequity between different categories of creditors.

5. The FRY agrees to pay all Consolidated Debt, Consolidated Arrears, Late Interest, Interest, and Additional Interest, if any, to the United States and its Agencies, in United States dollars, without any deductions for taxes, fees or other public charges or any other costs accruing inside or outside the FRY.

6. Except as they may be modified by this Agreement, all terms of the Contracts remain in full force and effect. Internal debt transfers within the former SFRY do not lead to any debtor or guarantor substitution under the Contracts or this Agreement. The original debtors and guarantors remain responsible according to their original commitments.

7. The FRY represents and warrants that it has taken all action necessary or advisable under its laws and regulations to authorize the execution, delivery and performance of this Agreement and that this Agreement constitutes the valid and binding obligations of the FRY and is enforceable against the FRY in accordance with its terms.

8. With respect to amounts owing to Ex-Im Bank under this Agreement, Ex-Im Bank and the FRY (referred to as the "Government" in Annex F hereto) agree to the additional terms and conditions set forth in Annex F.

9. With respect to amounts owing to USAID under this Agreement, USAID and the FRY (referred to as the "Government" in Annex G hereto) agree to the additional terms and conditions set forth in Annex G.

ARTICLE VI

Suspension, Modification or Termination

1. Either party may suspend or terminate this Agreement by giving sixty (60) days written notice to the other party.
2. This Agreement may be amended or modified by mutual consent of the United States and the FRY.

ARTICLE VII

Entry into Force

This Agreement shall enter into force following signature and receipt by FRY of written notice from the United States that all necessary domestic legal requirements for entry into force of the Agreement have been fulfilled.

Done Belgrade, FRY in English, this 3rd day of October, 2002.

FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA



William D. MONTGOMERY
Ambassador of the
United States of America
to the Federal Republic
of Yugoslavia

FOR THE GOVERNMENT OF
THE FEDERAL
REPUBLIC OF YUGOSLAVIA



Goran SVILANOVIC
Federal Minister of Foreign Affairs
of the Federal Republic
of Yugoslavia

Annex B

Contracts Included in Allocated Debt

Export-Import Bank

006675-01	G006403
006675-02	G010785
006675-03	G060430-01 002
R065B	G060430-01 003
R080B	G060430-01 009
R080G	G094009-01 003
R080Q	G094009-01 004
R080Y	G094010-01 002
R097B	R125G
R097Q	R125Q
R097Y	R125Y
R125B	

Annex B1

Summary of Reduced Principal II as of July 10, 2006 Included in Allocated Debt (thousands of U.S. dollars)

Ex-Im	<u>\$17,426</u>
Total	\$17,426

Annex C

Contracts Included in Non-allocated Debt

Export-Import Bank

R065G	R097I
R065D	R0125D
R065O	R125G
R080G	R125I
R080I	

U.S. Agency for International Development

170B029R
170B032R

Annex C1

Summary of Reduced Principal II and Relevant ODA Principal as of July 10, 2006
Included in Non-allocated Debt
(thousands of U.S. dollars)

Ex-Im	\$1,088
USAID	\$ <u>321</u>
Total	\$1,409

Annex D

Summary of Capitalized Amounts of Interest II and Interest III as of July 10, 2006
(thousands of U.S. dollars)

Ex-Im	\$3,251
USAID	<u>\$22</u>
Total	\$3,273

AGENCY FOR INTERNATIONAL DEVELOPMENT
MONTENEGRO
AMORTIZATION SCHEDULE

LOAN AMOUNT \$ 321,206.91 INTEREST RATE 3.000%

NO.	DUE DATE	NUMBER OF DAYS	INSTALLMENT TOTAL	INTEREST	PRINCIPAL	REMAINING BALANCE	
	09/22/05					321,206.91	
1	03/22/06	181	4,778.50	4,778.50	-	321,206.91	0.00%
2	09/22/06	184	4,857.70	4,857.70	-	321,206.91	0.00%
3	03/22/07	181	4,778.50	4,778.50	-	321,206.91	0.00%
4	09/22/07	184	4,857.70	4,857.70	-	321,206.91	0.00%
5	03/22/08	182	4,804.90	4,804.90	-	321,206.91	0.00%
6	09/22/08	184	4,857.70	4,857.70	-	321,206.91	0.00%
7	03/22/09	181	4,778.50	4,778.50	-	321,206.91	0.00%
8	09/22/09	184	4,857.70	4,857.70	-	321,206.91	0.00%
9	03/22/10	181	4,778.50	4,778.50	-	321,206.91	0.00%
10	09/22/10	184	4,857.70	4,857.70	-	321,206.91	0.00%
11	03/22/11	181	4,778.50	4,778.50	-	321,206.91	0.00%
12	09/22/11	184	4,857.70	4,857.70	-	321,206.91	0.00%
13	03/22/12	182	4,804.90	4,804.90	-	321,206.91	0.00%
14	09/22/12	184	4,857.70	4,857.70	-	321,206.91	0.00%
15	03/22/13	181	4,778.50	4,778.50	-	321,206.91	0.00%
16	09/22/13	184	4,857.70	4,857.70	-	321,206.91	0.00%
17	03/22/14	181	4,778.50	4,778.50	-	321,206.91	0.00%
18	09/22/14	184	4,857.70	4,857.70	-	321,206.91	0.00%
19	03/22/15	181	4,778.50	4,778.50	-	321,206.91	0.00%
20	09/22/15	184	4,857.70	4,857.70	-	321,206.91	0.00%
21	03/22/16	182	4,804.90	4,804.90	-	321,206.91	0.00%
22	09/22/16	184	4,857.70	4,857.70	-	321,206.91	0.00%
23	03/22/17	181	4,778.50	4,778.50	-	321,206.91	0.00%
24	09/22/17	184	4,857.70	4,857.70	-	321,206.91	0.00%

25	03/22/18	181	4,778.50	4,778.50	-	321,206.91	0.00%
26	09/22/18	184	6,463.73	4,857.70	1,606.03	319,600.88	0.50%
27	03/22/19	181	6,457.01	4,754.61	1,702.40	317,898.48	0.53%
28	09/22/19	184	6,574.31	4,807.67	1,766.64	316,131.84	0.55%
29	03/22/20	182	6,624.11	4,728.99	1,895.12	314,236.72	0.59%
30	09/22/20	184	6,743.77	4,752.29	1,991.48	312,245.24	0.62%
31	03/22/21	181	6,733.02	4,645.18	2,087.84	310,157.40	0.65%
32	09/22/21	184	6,906.93	4,690.60	2,216.33	307,941.07	0.69%
33	03/22/22	181	6,925.96	4,581.15	2,344.81	305,596.26	0.73%
34	09/22/22	184	7,094.91	4,621.62	2,473.29	303,122.97	0.77%
35	03/22/23	181	7,111.25	4,509.47	2,601.78	300,521.19	0.81%
36	09/22/23	184	7,307.25	4,544.87	2,762.38	297,758.81	0.86%
37	03/22/24	182	7,377.13	4,454.15	2,922.98	294,835.83	0.91%
38	09/22/24	184	7,542.48	4,458.89	3,083.59	291,752.24	0.96%
39	03/22/25	181	7,584.50	4,340.31	3,244.19	288,508.05	1.01%
40	09/22/25	184	7,800.10	4,363.19	3,436.91	285,071.14	1.07%
41	03/22/26	181	7,870.56	4,240.92	3,629.64	281,441.50	1.13%
42	09/22/26	184	8,078.68	4,256.32	3,822.36	277,619.14	1.19%
43	03/22/27	181	8,177.27	4,130.06	4,047.21	273,571.93	1.26%
44	09/22/27	184	8,409.36	4,137.31	4,272.05	269,299.88	1.33%
45	03/22/28	182	8,525.33	4,028.43	4,496.90	264,802.98	1.40%
46	09/22/28	184	8,758.55	4,004.69	4,753.86	260,049.12	1.48%
47	03/22/29	181	8,879.51	3,868.68	5,010.83	255,038.29	1.56%
48	09/22/29	184	9,156.93	3,857.02	5,299.91	249,738.38	1.65%
49	03/22/30	181	9,304.29	3,715.29	5,589.00	244,149.38	1.74%
50	09/22/30	184	9,602.55	3,692.34	5,910.21	238,239.17	1.84%
51	03/22/31	181	9,775.63	3,544.22	6,231.41	232,007.76	1.94%
52	09/22/31	184	10,093.46	3,508.72	6,584.74	225,423.02	2.05%
53	03/22/32	182	10,342.27	3,372.08	6,970.19	218,452.83	2.17%
54	09/22/32	184	10,659.36	3,303.72	7,355.64	211,097.19	2.29%
55	03/22/33	181	10,881.52	3,140.43	7,741.09	203,356.10	2.41%
56	09/22/33	184	11,266.19	3,075.41	8,190.78	195,165.32	2.55%
57	03/22/34	181	11,543.89	2,903.42	8,640.47	186,524.85	2.69%
58	09/22/34	184	11,943.15	2,820.87	9,122.28	177,402.57	2.84%
59	03/22/35	181	12,275.38	2,639.17	9,636.21	167,766.36	3.00%
60	09/22/35	184	12,719.44	2,537.18	10,182.26	157,584.10	3.17%
61	03/22/36	182	13,117.72	2,357.29	10,760.43	146,823.67	3.35%

62	09/22/36	184	13,591.18	2,220.46	11,370.72	135,452.95	3.54%
63	03/22/37	181	13,996.11	2,015.09	11,981.02	123,471.93	3.73%
64	09/22/37	184	14,522.85	1,867.30	12,655.55	110,816.38	3.94%
65	03/22/38	181	15,010.79	1,648.58	13,362.21	97,454.17	4.16%
66	09/22/38	184	15,606.93	1,473.83	14,133.10	83,321.07	4.40%
67	03/22/39	181	16,143.54	1,239.54	14,904.00	68,417.07	4.64%
68	09/22/39	184	16,773.83	1,034.69	15,739.14	52,677.93	4.90%
69	03/22/40	182	17,426.52	788.00	16,638.52	36,039.41	5.18%
70	09/22/40	184	18,115.05	545.03	17,570.02	18,469.39	5.47%
71	03/22/41	181	18,744.15	274.76	18,469.39	(0.00)	5.75%
			<u>597,050.55</u>	<u>275,843.64</u>	<u>321,206.91</u>		<u>100.00%</u>

AGENCY FOR INTERNATIONAL DEVELOPMENT
MONTENEGRO
AMORTIZATION SCHEDULE

LOAN AMOUNT \$ 21,859.67 INTEREST RATE 3.000%

NO.	DUE DATE	NUMBER OF DAYS	INSTALLMENT TOTAL	INTEREST	PRINCIPAL	REMAINING BALANCE
	09/22/05					21,859.67
1	03/22/06	181	312.18	312.18		21,859.67
2	09/22/06	184	330.59	330.59		21,859.67
3	03/22/07	181	325.20	325.20		21,859.67
4	09/22/07	184	1,891.99	330.59	1,561.40	20,298.27
5	03/22/08	182	1,865.04	303.64	1,561.40	18,736.87
6	09/22/08	184	1,844.76	283.36	1,561.40	17,175.47
7	03/22/09	181	1,816.91	255.51	1,561.40	15,614.07
8	09/22/09	184	1,797.54	236.14	1,561.40	14,052.67
9	03/22/10	181	1,770.46	209.06	1,561.40	12,491.27
10	09/22/10	184	1,750.31	188.91	1,561.40	10,929.87
11	03/22/11	181	1,724.00	162.60	1,561.40	9,368.47
12	09/22/11	184	1,703.08	141.68	1,561.40	7,807.07
13	03/22/12	182	1,678.19	116.79	1,561.40	6,245.67
14	09/22/12	184	1,655.86	94.46	1,561.40	4,684.27
15	03/22/13	181	1,631.09	69.69	1,561.40	3,122.87
16	09/22/13	184	1,608.63	47.23	1,561.40	1,561.47
17	03/22/14	181	1,584.70	23.23	1,561.47	(0.00)
			25,290.53	3,430.86	21,859.67	