

České dráhy, a.s.

- and -

Česká spořitelna, a.s.

ISSUING AND PAYING AGENCY AGREEMENT
related to the Commercial Paper Programme

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ISSUING AND PAYING AGENCY AGREEMENT

THIS ISSUING AND PAYING AGENCY AGREEMENT (the “**Agreement**”) is entered into on7.11.2011 as an innominate agreement in terms of Section 269 of the Czech Commercial Code (Act No. 513/1991 Coll., as amended),

BY AND BETWEEN:

- (1) **České dráhy, a.s.**, with its registered office at Nábřeží L. Svobody 1222, 110 15 Prague 1, Identification No. 70994226, registered in the Commercial Register maintained by the Municipal Court in Prague, File B, Insert No. 8039, acting by Michal Nebeský, Member of the Board of Directors, and Antonín Blažek, Member of the Board of Directors, (the “**Issuer**”); and
- (2) **Česká spořitelna, a.s.**, with its registered office at Prague 4, Olbrachtova 1929/62, Postal Code: 140 00, Identification No. 45244782, registered in the Commercial Register maintained by the Municipal Court in Prague, File B, Insert No. 1171 (the “**Agent**”)

THE PARTIES HAVE AGREED AS FOLLOWS:

1. Definitions

- 1.1 “**Brokerage Agreement**” means the Brokerage Agreement related to the Programme entered into on this day by and between the Issuer and Agent as a securities broker on7.11.2011.
- 1.2 Capitalized terms not otherwise defined herein shall be interpreted with reference to their definition set out in the Brokerage Agreement, or, as the case may be, the Information Memorandum.

2. Appointment

- 2.1 The Issuer hereby appoints the Agent as the issuing and paying agent for the Notes for the term hereof upon the terms and conditions set out below, and further authorizes the Agent, as so acting, to exercise such rights and powers as are specifically conferred upon it by the terms and conditions hereof. The Agent accepts such appointment subject to the terms and conditions hereof, and undertakes to act with due expert care.
- 2.2 The Agent shall be obliged to perform only such duties as are specifically set forth in this Agreement.

3. Issuance of Notes

- 3.1 Each Note shall be substantially in the form set out in Annex 1 hereto (in each case depending on whether denominated in CZK or EUR), and shall be duly executed by hand as required by law on behalf of the Issuer in the Agent’s premises in Prague. The Issuer shall procure that the Agent has at all times a sufficient number of forms of

the Notes (denominated in CZK or EUR) bearing the valid signature of the Issuer, to enable the Agent to perform its obligations under this Agreement. The Agent shall maintain in safe custody all signed forms of the Notes held by it under this Agreement, and shall procure that any Notes to be issued pursuant to this Agreement are only issued in accordance with the terms hereof.

- 3.2 If a signatory of the Issuer has signed one or several forms of the Notes but ceases for whatever reason to be a person authorized to sign Notes for or on behalf of the Issuer before or after such Note is issued, the Issuer shall promptly inform the Agent in writing thereof and procure new forms of the Notes duly signed by the Issuer for the Agent. The Agent undertakes to return to the Issuer the forms of the Notes not duly signed by the Issuer against receipt of the new forms of the Notes. From the delivery of the notice to the Agent under this Clause 3.2 to the delivery of the new forms of the Notes signed by the Issuer, the Agent may not use the forms of the Notes, which are insufficient, as notified to the Agent, to duly issue a Note, and shall not be required to issue Notes under this Agreement nor shall it be obliged to perform any other related acts towards the Issuer and third parties under this Agreement, Brokerage Agreement, and Information Memorandum. If the Agent issues a Note using a form of the Note not duly signed by the Issuer, without the Agent breaching its obligations described in this Clause 3.2, the Issuer acknowledges and agrees that the issued Note shall constitute a valid and binding obligation of the Issuer enforceable against it, and shall be liable towards the Agent and third parties for any detriment, loss and costs incurred thereby due to a form of the Note not having been duly signed by the Issuer.
- 3.3 The Issuer (acting through a duly authorized person) shall provide the Agent with details of any Note to be issued by the Issuer under this Agreement in accordance with the time schedule contained in Annex 1 to the Brokerage Agreement by dispatching to the Agent the relevant Confirmation of Issuance of Notes substantially in the form set out in Annex 2 hereto (the “**Confirmation**”). The Agent shall thereupon be authorized to issue the relevant number of forms of the Notes signed by the Issuer by inserting in the appropriate place on the face of each Note (for the relevant currency) the name of the holder, Principal Amount, Issue Date, Maturity Date and place of repayment (which shall be the Agent’s office). Forms of the notes become the Notes upon such completion.
- 3.4 The Notes to be issued shall be issued by the Agent upon the Broker’s instructions against the transfer of the Issue Price to the Issuer’s account pursuant to Clause 3.5 of the Brokerage Agreement.
- 3.5 No later than [REDACTED] following the Issue Date of any Notes, the Agent shall deliver to the Issuer information related to:
- (a) the number and aggregate Principal Amount of the Notes (including the specification of the respective currency) issued by such Agent;
 - (b) the Issue Date and Maturity Date of each such Note; and
 - (c) the Principal Amount (including the specification of the respective currency) and serial number of each such Note.

4. Loss or Mutilation of Notes

- 4.1 If any Note has been lost, stolen, mutilated or impaired, the Agent shall only repay the Note subject to the redemption proceedings after receiving a final decision of the relevant court on the redemption of any such Note.
- 4.2 If any person presents any Note for payment but the Agent has doubts as to its authenticity or flawlessness, the Agent shall not repay such Note without first consulting the Issuer. If the Agent ascertains that the Note corresponds in all material aspects to the form and substance set out in Annex 1 hereto, it may repay such Note without further notice. If it turns out that the Note was authentic and duly submitted for repayment, any default interest shall be borne by the Issuer, unless the Agent proceeded without due expert care pursuant to applicable laws.

5. Payments

- 5.1 In respect of each Note issued pursuant to this Agreement, the Issuer shall remit an amount sufficient to pay the entire Principal Amount payable as of the Maturity Date of such Note to the Agent's account kept with the Agent, account No. [REDACTED] (for Notes payable in CZK), or to the Agent's account kept with the Agent, account No. [REDACTED] IBAN: [REDACTED] (for Notes payable in EUR), [REDACTED]. Payment shall be made on the Maturity Date in immediately available funds in CZK (for Notes payable in CZK) or in EUR (for Notes payable in EUR). For the purposes of all payments of the Principal Amount to be performed among the Parties hereto (and subject to Clause 3.6 of the Brokerage Agreement), any payment shall be deemed to have been duly made once (for interbank transfers) the relevant amount is credited to the clearing account of the Agent, no later than on maturity date of such payment.
- 5.2 If for any reason any payment on account of any Note is due on a day which is not a Business Day, the Agent shall make such payment on the immediately following Business Day, but the holder of the Note shall not be entitled to any default interest thereon.
- 5.3 If for any reason (other than gross negligence, breach of law or breach of any obligations under this Agreement by the Agent, its employees or authorized agents) there are, in the Agent's account pursuant to Clause 5.1 hereof on the Maturity Date of any Note, no funds sufficient to pay the Principal Amount, with due regard to amounts to be withheld or deducted pursuant to Clause 5.5, the Agent shall be authorized, but not required, to repay the due Notes in accordance with their terms. If the Agent has not received the full amount due and payable in respect of any Note as of the respective Maturity Date, it shall promptly notify the Issuer thereof.
- 5.4 If the Agent makes payment on behalf of the Issuer pursuant to Clause 5.3 hereof, the Issuer shall, in any such case, pay to the Agent default interest in the amount agreed in Annex 3 hereto.
- 5.5 Without prejudice to mandatory provisions of applicable laws, the Agent shall not be entitled to exercise any lien, right of set-off or similar claim against any holder of any Notes in respect of any amounts payable in respect of the Notes by the Agent to such

holder. When paying, remitting or crediting the amounts payable in respect of the Notes to the holder of any Notes, the Agent shall be obliged to withhold and pay to the relevant governmental agency all taxes and other charges imposed by the applicable laws and regulations of the Czech Republic. Neither the Agent nor the Issuer shall be obliged to make any additional payments to indemnify the holders of any Notes against the taxes or other charges so withheld.

6. Cancellation and Custody of Notes

- 6.1 Upon reaching maturity and being repaid by the Issuer, all Notes issued pursuant to this Agreement shall be promptly designated as such pursuant to the repayment clause and invalidated by the Agent. The same shall apply, if the Agent issues any Note at variance with the Broker's instructions; in such a case, the Agent shall stamp such Note with the word "Neplatné" ("*Invalid*") immediately upon its erroneous issuance, and shall promptly inform the Issuer thereof. Upon the Issuer's request, the Agent may destroy under record any invalidated Notes provided with repayment clause and/or stamped "Neplatné" ("*Invalid*") pursuant to this Clause 6.1. The Agent shall, as soon as reasonably practicable after each Maturity Date, furnish the Issuer with information regarding the aggregate Principal Amount of the Notes which have been repaid, invalidated or destroyed since the last certificate so furnished, and the serial numbers of all such Notes.
- 6.2 During the term hereof (or as long as mandatory provisions of applicable laws may require, if and when applicable), the Agent shall keep and make available to the Issuer following delivery of a written request therefore to the Agent a full and complete record of all Notes and of their Principal Amounts, their Issue Dates, Maturity Dates, their serial numbers, and information on their cancellation and destruction, provided that relevant banking secrecy and confidentiality requirements are duly satisfied (if any).
- 6.3 Upon a written request of the Issuer, the Agent is obliged to cancel and destroy all forms of the Notes in the Agent's possession without undue delay following such request.
- 6.4 The Parties acknowledge that the Agent may charge its clients a handling fee for each operation for their account and offer its clients, on their cost, acceptance of the Notes into custody.

7. Title

Except as required by generally binding law, the Issuer and Agent may treat any person whose name appears on any Note as the holder thereof, as the owner thereof for all purposes, and shall not be bound by any third party rights, whether legally enforceable or not, to which any Note may be subject.

8. Agency

Notwithstanding anything to the contrary specified herein, the Agent shall not, by reason only of its appointment as the issuing and paying agent and the exercise of its powers and duties arising herefrom:

- (a) be responsible for:
 - (i) the validity or legality of any Note issued by it hereunder; or
 - (ii) any act or omission of the Issuer, provided, however, that such act or omission was not caused by the gross negligence or willful misconduct of the Agent; or
- (b) be under any obligation towards any person other than the Issuer, the obligations to which are expressly assumed by the Agent herein.

9. Indemnity

- 9.1 The Issuer undertakes to indemnify the Agent and assume liability vis-à-vis the Agent for any loss or damage incurred (a) as a consequence of a breach of obligations contained in this Agreement by the Issuer, and/or (b) due to the incorrectness or inaccuracy of any representations or warranties provided by the Issuer in this Agreement.
- 9.2 The Agent undertakes to indemnify the Issuer and assume liability vis-à-vis the Issuer for any loss or damage incurred (a) as a consequence of a breach of obligations contained in this Agreement by the Agent, and/or (b) due to the incorrectness or inaccuracy of any representations or warranties provided by the Agent in this Agreement.
- 9.3 If any proceedings (court, arbitration, administrative or other, including investigations by governmental authorities) are initiated in connection with the Programme and among the participants to the proceedings there is any person on whose behalf indemnity is sought under this Clause 9, then that person (the “**Indemnified Party**”) shall promptly notify in writing that party from whom indemnity is sought (the “**Indemnifying Party**”), whereas the latter must, upon the request of the former, hire legal counsel (who must adequately meet such reasonable criteria as are raised by the Indemnified Party for representation of the Indemnified Party and other persons identified by the Indemnified Party in the proceedings) and must pay the fees and expenses of such legal counsel in connection with the proceedings. The Indemnified Party is entitled to hire their own legal counsel for such proceedings; however, in such a case, fees and expenses are borne by the Indemnified Party, unless (i) the Indemnified Party and the Indemnifying Party have a mutual agreement regarding such hiring of legal counsel, or (ii) the participants to said proceedings comprise both the Indemnifying Party and the Indemnified Party, and having them both represented by the same legal counsel is thus not permissible, given the actual or potential conflict of interest. The Indemnifying Party is not obliged to indemnify the Indemnified Party, if the latter accedes to an amicable settlement without the former’s consent.
- 9.4 The provisions regarding the indemnity in this Clause 9 shall survive the termination of this Agreement.

10. Representations and Warranties

10.1 As of the date hereof and as of each Issue Date, the Issuer hereby makes to the Agent the following representations and warranties:

- (a) the Issuer is a joint-stock company duly organized, existing, and conducting its business in accordance with the laws of the Czech Republic;
- (b) the Issuer has full power and authority to enter into this Agreement, issue Notes, and perform its obligations ensuing from this Agreement and from the Notes;
- (c) this Agreement constitutes a valid, lawful, and binding obligation of the Issuer enforceable in accordance with the relevant terms and conditions contained herein;
- (d) each Note shall represent a valid, lawful, and binding promissory obligation of the Issuer enforceable in accordance with its relevant terms and conditions;
- (e) the execution of this Agreement, the issuance of the Notes, and the performance of obligations arising from this Agreement and the Notes have been duly approved by the Issuer in accordance with its corporate documents. The execution of this Agreement, the issuance of the Notes, and the performance of obligations arising from this Agreement and the Notes shall not result in any breach of the generally binding laws and regulations of the Czech Republic or of the corporate documents of the Issuer, nor shall it result in a violation of the terms of any agreement, preliminary injunction, administrative, judicial or arbitral decision, to which the Issuer is a party or which is binding on the Issuer's assets.

10.2 As of the date hereof and as of each Issue Date, the Agent hereby makes to the Issuer the following representations and warranties:

- (a) the Agent is a joint-stock company duly organized, existing, and conducting its business in accordance with the laws of the Czech Republic and the country of its incorporation (if different from the Czech Republic);
- (b) the Agent has full power and capacity to enter into, and perform its obligations under this Agreement;
- (c) this Agreement constitutes a valid, lawful, and binding obligation of the Agent enforceable in accordance with the relevant terms and conditions contained herein; and
- (d) the execution of this Agreement by the Agent and the performance of obligations ensuing from this Agreement have been duly approved by the Agent in accordance with its corporate documents. The execution of this Agreement and the performance of obligations by the Agent ensuing from this Agreement will not result in any breach of the generally binding laws and regulations or the corporate documents of the Agent, nor shall it result in the violation of the terms of any agreement, preliminary injunction,

administrative, judicial or arbitration decision, to which the Agent is a party or which is binding on the Agent's assets.

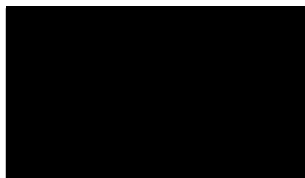
11. Communication

- 11.1 The Confirmation shall be signed by two authorized signatories appointed in accordance with Clause 9.1 of the Brokerage Agreement and shall be sent by facsimile or e-mail (as a scanned copy).
- 11.2 Payment instructions from the Issuer shall be included in the Confirmation and sent by facsimile or e-mail.
- 11.3 Unless set out otherwise herein, any notice or communication in any form to be given under this Agreement shall be in Czech (except for the Confirmation, which shall be in English in the form specified in Annex 2 hereto), and may be delivered in person or sent by a fax message, e-mail, or telephone (subject to confirmation by a fax message or e-mail) to the following addresses:

if to the Issuer:

České dráhy, a.s.
Nábřeží L. Svobody 1222
110 15 Praha 1
Czech Republic

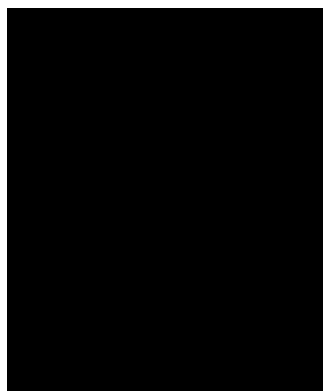
Phone:
Fax:
E-mail:
Attn.:



if to the Agent:

Česká spořitelna, a.s.
Budějovická 1518/13b
140 00 Prague 4
Czech Republic

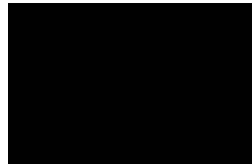
Phone:
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Phone:
Fax:
E-mail:
Attn.:



Phone:
Fax:
E-mail:
Attn.:



(e-mail address of the Agent shall be always used at the same time:



or to such other person, address, facsimile number, e-mail address or telephone number which either Party may communicate to the respective other Party for that purpose in writing.

Both Parties hereto agree that the other Party may record any telephone communication in connection with this Agreement.

12. Remedies and Waivers

Failure of either Party to exercise any right or remedy hereunder or any delay by either Party in exercising any right or remedy hereunder shall in no case operate as a waiver thereof, nor shall the individual or partial exercise of any right or remedy prevent any further or other exercise thereof or the exercise of any other right or remedy. The rights and remedies herein provided are cumulative and not exclusive of any rights or remedies provided by generally binding law.

13. Severability

If, at any time, any provision hereof is or becomes illegal, invalid or unenforceable in any respect under the law of any relevant jurisdiction, neither the legality, validity or enforceability of the remaining provisions hereof nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired thereby.

14. Assignment and Transfer

No party shall be entitled to assign or transfer any or all of its rights, benefits or obligations hereunder without the prior written consent of the other party, save for the Agent who may do so provided that (i) such entity is within the Agent's Group of entities (*i.e.*, affiliated with the Agent), (ii) such entity may perform Agent's duties as stipulated hereunder, (iii) notification of such assignment or transfer is delivered to the Party notified of the termination prior to the effective date thereof, and (iv) no adverse impact on performance of the Agent's duties hereunder may be reasonably expected to occur as a consequence thereof.

15. Termination

This Agreement shall terminate as of the termination date of the Brokerage Agreement; nevertheless, the provisions of Clause 5.5, Clause 9 and Clause 17.4 hereof shall survive the same, and termination shall not enter into effect until all outstanding Notes have been repaid in full. Following termination hereof in



accordance with this Clause 15, the Agent shall not be required to perform any obligations arising from this Agreement; however, termination hereof shall not be prejudicial to the Agent's obligations related to any Notes outstanding as of the termination hereof.

16. Governing Law and Dispute Resolution

- 16.1 This Agreement is governed by, and shall be constructed in accordance with, Czech law.
- 16.2 The parties endeavor to settle all matters arising under this Agreement amicably. If the Parties fail to reach an understanding, then the dispute shall be brought before the competent court for the relevant district of Prague, Czech Republic.

17. General Provisions

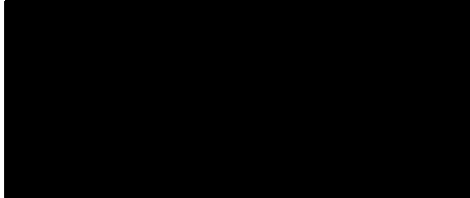
- 17.1 The headings of Clauses of this Agreement are for convenience only, and shall be disregarded in the interpretation of this Agreement.
- 17.2 Changes and amendments to this Agreement require written form and their contents must be confirmed by way of signatures of the authorized representatives of both Parties.
- 17.3 This Agreement, including Annexes hereto, which are an integral part hereof, and any documents incorporated herein by reference (including the Information Memorandum) constitute the entire understanding between the Parties hereto, and supersede all prior oral and written agreements and understandings relating to the subject matter hereof.
- 17.4 The contents of this Agreement are confidential. The Parties undertake to refrain from disclosing any information contained herein to third parties, other than the members of their statutory bodies, employees, agents and advisors, including with respect to the Agent, also the members of statutory bodies, employees, agents and advisors of the entities within the Agent's group (*i.e.*, affiliated with the Agent), and unless such disclosure is required by the relevant laws or any binding court decision.
- 17.5 The parties agree that the Agent's fee for services provided to the Issuer pursuant to this Agreement is fully reflected and included in the Broker's fee or its profit from the sale of Notes upon the relevant provisions of the Brokerage Agreement.
- 17.6 This Agreement has been drawn up in English. If more than one language version exists, then in the event of conflict the English version shall prevail.

17.7 This Agreement has been drawn up in two counterparts, of which each Party receives one counterpart, respectively.

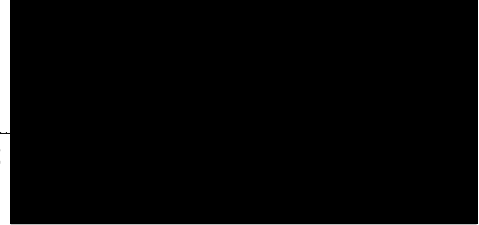
We confirm and acknowledge that this Agreement is an expression of the free will to contract on the part of both the Issuer and the Agent and that we approved the wording hereof.

České dráhy, a.s.

By
Name:
Title:

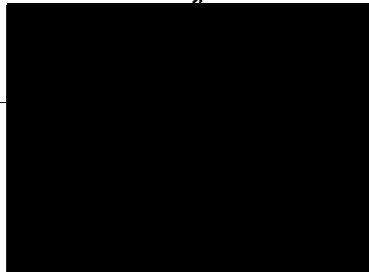


By: _____
Name:
Title:

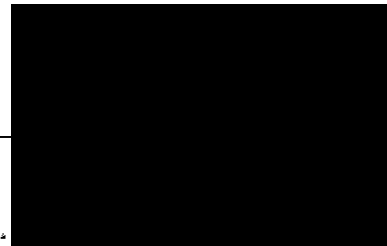


Česká spořitelna, a.s.

By
Name:
Title:



By: _____
Name:
Title:



ANNEX 1
NOTE TEMPLATE

A. Template of CZK Denominated Note (the template is intentionally on the next page)

SMĚNKA

Číslo

Praha, dne _____
Datum vystavení (měsíc slovy)



Za tuto vlastní směnku zaplatíme dne _____
Datum splatnosti (měsíc slovy)

Na řad _____ CZK “BEZ PROTESTU”
(Komu)

_____ korun českých
Částka slovy

Splatno v (místo placení) u (domicil) _____

VÝSTAVCE:

České dráhy, a.s.
Nábřeží L. Svobody 1222
110 15 Praha 1

Podpisy oprávněných osob

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “US SECURITIES ACT”) OR UNDER ANY U.S. STATE SECURITIES LAW, AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE US SECURITIES ACT.

B. Template of EUR Denominated Note (the template is intentionally on the next page)

SMĚNKA

Číslo

Praha, dne _____
Datum vystavení (měsíc slovy)



Za tuto vlastní směnku zaplatíme dne _____
Datum splatnosti (měsíc slovy)

Na řad _____ EUR "BEZ PROTESTU"
(Komu) _____

_____ euro
Částka slovy

Splatno v (místo placení) u (domicil) _____

VÝSTAVCE:

České dráhy, a.s.

Nábřeží L. Svobody 1222

110 15 Praha 1

Podpisy oprávněných osob

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "US SECURITIES ACT") OR UNDER ANY U.S. STATE SECURITIES LAW, AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE US SECURITIES ACT.

ANNEX 2
CONFIRMATION OF ISSUANCE OF NOTES
pursuant to the Issuing and Paying Agency Agreement
dated [●]

To: Česká spořitelna, a.s.

Telephone: [●]
Facsimile: [●]
E-mail: [●]
Attn. [●]

From: České dráhy, a.s.

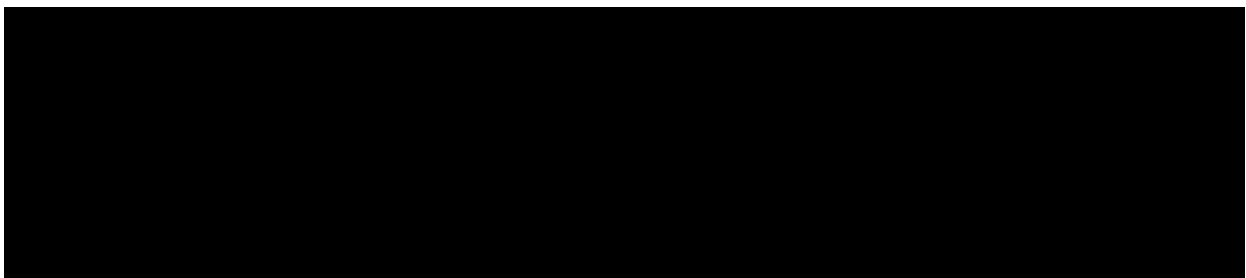
Telephone: [●]
Facsimile: [●]
E-mail: [●]
Attn. [●]

Date: [●]

České dráhy, a.s., hereby confirms the issuance of the following Notes in accordance with the Brokerage Agreement dated [●] and Clause 3.3 of the Issuing and Paying Agency Agreement dated [●], subject to the following terms:

Serial Number of Note	Principal Amount	Issue Date	Maturity Date	Issue Price
--------------------------	---------------------	---------------	------------------	-------------

Payment Instructions



Sincerely,

On behalf of **České dráhy, a.s.**

Name: [●]
Signature: [●]
Title: [●]

ANNEX 3

DEFAULT INTEREST

The Issuer shall pay the Agent a default interest for all due amounts in respect of which the Issuer is in default.

The default interest shall be calculated on the basis of the one-month PRIBOR (if the due amount is denominated in CZK) or one-month EURIBOR (if the due amount is denominated in EUR) displayed on the relevant page of the “Reuter Screen Service” on each day of default plus [REDACTED]. The default interest shall accrue on an actual number of days of default over a calendar year of [REDACTED].