



The Republic of Lithuania

U.S.\$750,000,000

6.125 per cent. Notes due 2021

to be consolidated and form a single series with the
U.S.\$750,000,000 6.125 per cent. Notes due 2021 issued on 9 March 2011

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions of the Notes which, subject to amendment, will be endorsed on each Note Certificate and will be attached and (subject to the provisions thereof) apply to each Global Note:

The U.S.\$750,000,000 6.125 per cent. Notes due 2021 (the “**Notes**”, which expression includes any further Notes issued pursuant to Condition 13 and forming a single series therewith) of the Republic of Lithuania (the “**Issuer**”) are issued in an aggregate amount of U.S.\$1,500,000,000 of which U.S.\$750,000,000 were issued on 9 March 2011 (the “**Original Notes**”) and U.S.\$750,000,000 were issued on 16 November 2011 (the “**Further Notes**”). The Original Notes and the Further Notes were authorised pursuant to Law No. XI-1210 of 9 December 2010 and Law No. I-1508 of 22 August 1996 (as most recently amended and restated by Law No. XI-1162 of 23 November 2010) of the Republic of Lithuania.

A supplemental fiscal agency agreement dated 16 November 2011 (the “**First Supplemental Fiscal Agency Agreement**”) has been entered into in relation to the Notes between the Issuer and Citibank, N.A., London Branch as fiscal agent, registrar, transfer agent and paying agent Citibank, N.A., New York Branch as New York paying agent and transfer agent and Dexia Banque Internationale a Luxembourg, *societe anonyme* as Luxembourg paying agent and transfer agent. The First Supplemental Fiscal Agency Agreement is supplemental to a fiscal agency agreement dated 9 March 2011 (the “**Original Fiscal Agency Agreement**”) between the Issuer, Citibank, N.A. London Branch as fiscal agent and registrar and the paying agents named in it. The First Supplemental Fiscal Agency Agreement and the Original Fiscal Agency Agreement are together referred to as the “**Fiscal Agency Agreement**”. The fiscal agent, the registrar, the transfer agents and the paying agents for the time being are referred to below respectively as the “**Fiscal Agent**”, the “**Registrar**”, the “**Transfer Agents**” and the “**Paying Agents**” (which expression shall include the Fiscal Agent). The Fiscal Agency Agreement includes the form of the Notes. Copies of the Fiscal Agency Agreement are available for inspection during normal business hours at the specified offices of the Paying Agents. The holders of the Notes are deemed to have notice of all the provisions of the Fiscal Agency Agreement applicable to them.

1. FORM, DENOMINATION AND TITLE

(a) *Form and Denomination*

The Notes will be issued in registered form, without interest coupons. The Notes (i) sold in offshore transactions in reliance on Regulation S (“**Regulation S**”) under the United States Securities Act of 1933 (the “**Securities Act**”), will be issued in denomination of U.S.\$100,000

and in integral multiples of U.S.\$1,000 in excess thereof and (ii) sold in reliance on Rule 144A under the Securities Act (“**Rule 144A**”) will be issued in a minimum denomination of U.S.\$100,000 and in integral multiples of U.S.\$1,000 in excess thereof (each denomination of Notes referred to in (i) and (ii), an “**authorised denomination**”).

(b) *Title*

Title to the Notes will pass by and upon registration in the Register. Each Noteholder shall (except as otherwise required by law) be treated as the absolute owner of such Notes for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing on the Note Certificate relating thereto (other than the endorsed form of transfer (the “**Transfer Form**”)) or any notice of any previous loss or theft of such Note Certificate) and no person shall be liable for so treating such Holder.

2. STATUS

The Notes (subject to Condition 4) constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and the full faith and credit of the Issuer is pledged for the due and punctual payment of principal of, and interest on, the Notes and for the performance of all other obligations of the Issuer pursuant to the Notes. The Notes shall at all times rank *pari passu* without any preference among themselves and at least *pari passu* in all respects with all other present and future unsecured and unsubordinated obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are of mandatory application.

3. REGISTRATION AND TRANSFERS

(a) *Register*

The Registrar will maintain a register (the “**Register**”) in respect of the Notes, which the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Fiscal Agency Agreement. In these Conditions, the “**Holder**” of a Note means the person in whose name such Note is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof) and “**Noteholder**” shall be construed accordingly. A certificate (each a “**Note Certificate**”) will be issued to each Noteholder in respect of its registered holding or holdings of Notes. Each Note Certificate will be numbered serially with an identifying number which will be recorded in the Register.

(b) *Transfers*

Subject to paragraphs (e) and (f) below, a Note may be transferred in whole or in part in an authorised denomination upon surrender of the relevant Note Certificate, with the endorsed form of transfer duly completed, at the specified office of the Registrar or the Transfer Agent, together with such evidence as the Registrar or, as the case may be, such Transfer Agent may reasonably require to prove the title of the transferor and the authority of the persons who have executed the Transfer Form; *provided, however, that* a Note may not be transferred unless the principal amount of Notes transferred and (where not all of the Notes held by a Holder are being transferred) the principal amount of the balance of Notes not transferred are authorised denominations. Where not all the Notes represented by the surrendered Note Certificate are the subject of the transfer, a new Note Certificate in respect of the balance of the Notes will be issued to the transferor.

(c) *Registration and delivery of Note Certificates*

Subject to paragraphs (d) and (e) below, within five Business Days (as defined below) of the surrender of a Note Certificate in accordance with paragraph (b) above, the Registrar will register the transfer in question and deliver a new Note Certificate of the same aggregate principal amount as the Notes transferred to each relevant Holder at its specified office or (as the case may be) the specified office of the Transfer Agent or (at the request and risk of any

such relevant Holder) by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such relevant Holder. In this paragraph, “**Business Day**” means a day on which commercial banks are open for business (including dealings in foreign currencies) in the city where the Registrar or (as the case may be) the Transfer Agent has its specified office. Where some but not all the Notes in respect of which a Note Certificate is issued are to be transferred, a new Note Certificate in respect of the Notes not so transferred will, within five Business Days of the surrender of the original Note Certificate in accordance with paragraph (b) above, be mailed by uninsured first class mail (airmail if overseas) at the request of the Holder of the Notes not so transferred to the address of such Holder appearing on the Register.

(d) *No charge*

Registration or transfer of a Note will be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agent but against payment or such indemnity as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty or governmental charge of whatsoever nature which may be levied or imposed in connection with such registration or transfer.

(e) *Closed periods*

Noteholders may not require transfers to be registered during the period beginning on the 15th calendar day before the due date for any payment of principal or interest in respect of such Notes.

(f) *Regulations concerning transfers and registration*

All transfers of Notes and entries on the Register are subject to the detailed regulations concerning the transfer of Notes scheduled to the Fiscal Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrar. A copy of the current regulations will be mailed (free of charge) by the Registrar to any Noteholder who requests in writing a copy of such regulations.

4. **NEGATIVE PLEDGE**

So long as any of the Notes remain outstanding, the Issuer will not grant or permit to be outstanding, and will procure that there is not granted or permitted to be outstanding, any mortgage, charge, lien, pledge or other security interest (any of the foregoing a “**Security Interest**”) over any of its present or future assets or revenues (which expression includes the International Monetary Assets of the Issuer) or any part thereof, to secure any Relevant Indebtedness or any guarantee thereof unless the Issuer shall, in the case of the granting of the security, before or at the same time, and in any other case, promptly, procure that all amounts payable in respect of the Notes are secured equally and rateably, or such other security or other arrangement is provided as shall be approved by an Extraordinary Resolution (as defined in the Fiscal Agency Agreement) of the Noteholders.

For this purpose, “**Relevant Indebtedness**” means any indebtedness, present or future, in the form of, or represented by, notes, bonds or other similar instruments denominated, payable or optionally payable in a currency other than the lawful currency of the Issuer and which is capable of being traded on any stock exchange provided that if at any time the lawful currency of the Issuer is the Euro, then any such indebtedness in the form of, or represented by, notes, bonds or other similar instruments denominated, payable or optionally payable in Euro shall be included in “**Relevant Indebtedness**”.

In these Conditions, “**International Monetary Assets**” means all official holdings of gold and the reserves of the Issuer by whomsoever and in whatever form owned and held or customarily regarded and held out as the international monetary assets of the Issuer, Special Drawing Rights, Reserve Positions in the Fund and Foreign Exchange of the Government or

any agency or department of the Government from time to time, and the terms “**Special Drawing Rights**”, “**Reserve Positions in the Fund**” and “**Foreign Exchange**” have, as to the types of assets included, the meanings given to them in the International Monetary Fund’s (“**IMF**”) publication entitled “International Financial Statistics” or such other meanings as shall be formally adopted by the IMF from time to time. “**Government**” means the government of the Republic of Lithuania from time to time.

5. INTEREST

Each Note bears interest from 9 September 2011 at the rate of 6.125 per cent. per annum, payable semi-annually in arrear on 9 March and 9 September in each year until maturity (each an “**Interest Payment Date**”). Interest will be paid subject to and in accordance with the provisions of Condition 7. The period beginning on and including 9 September 2011 and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next successive Interest Payment Date is called an “**Interest Period**”.

Each Note will cease to bear interest from the due date for redemption unless, after surrender of such Note, payment of principal is improperly withheld or refused, in which case it will continue to bear interest at the rate specified above (after as well as before judgment) until whichever is the earlier of (a) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (b) the day which is seven days after notice has been given to the Noteholders that the Fiscal Agent has received all sums due in respect of the Notes up to such seventh day (except, in the case of payment to the Fiscal Agent, to the extent that there is any subsequent default in payment in accordance with these Conditions).

The amount of interest payable on each Interest Payment Date shall be rounded to the nearest U.S. cent with half of a U.S. cent being rounded upwards. If interest is required to be calculated for a period of less than a complete Interest Period, the relevant day-count fraction will be determined on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed.

6. REDEMPTION, PURCHASE AND CANCELLATION

(a) *Final Redemption*

Unless previously purchased and cancelled, the Notes will be redeemed at their principal amount on 9 March 2021 subject as provided in Condition 7.

(b) *Purchase and Cancellation*

The Issuer may at any time purchase Notes in the open market or otherwise at any price. Any Notes so purchased may be cancelled or held and resold (*provided that*, for so long as any of the Notes are “**restricted securities**” as defined in Rule 144 (a)(3) under the Securities Act, such resale is outside the United States, as defined in Regulation S).

7. PAYMENTS

(a) *Method of Payment*

Payments of principal and interest in respect of the Notes will be made by U.S. dollar cheque drawn on a bank in New York City and mailed to the Holder by uninsured first class mail (airmail if overseas), at the address appearing in the Register at the opening of business on the relevant Record Date or, upon application by a Noteholder to the specified office of the Paying Agent not later than the 15th day before the due date for any such payment, by transfer to a U.S. dollar account maintained by the payee with a bank in New York City.

(b) *Payments subject to Fiscal Laws*

All payments are subject in all cases to any applicable tax or other similar laws and regulations, but without prejudice to the provisions of Condition 8. No commissions or expenses shall be charged to the Noteholders in respect of such payments.

(c) *Payments on Business Days*

Where payment is to be made by transfer to a U.S. dollar account with a bank in New York City, payment instructions (for value the due date, or, if the due date is not a business day, for value the next succeeding business day) will be initiated and, where payment is to be made by a U.S. dollar cheque drawn on a bank in New York City, the cheque will be mailed on the due date for payment. A Noteholder shall not be entitled to any interest or other payment in respect of any delay in payment resulting from (A) the due date for a payment not being a business day or (B) a cheque mailed in accordance with this Condition 7 arriving after the due date for payment or being lost in the mail. In this Condition 7, “**business day**” means any day on which banks are open for business (including dealings in foreign currencies) in London, Luxembourg and New York.

(d) *Registrar, Transfer Agents and Paying Agents*

The initial Registrar, Transfer Agents and Paying Agents and their initial specified offices are listed below. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and/or Transfer Agent and/or the Registrar and appoint additional or other Paying Agents and Transfer Agents, *provided that* they will maintain (i) a Registrar and Fiscal Agent, (ii) a Paying Agent and a Transfer Agent (which may be the Fiscal Agent) having its specified office in a major European city (which, so long as the Notes are listed on the Luxembourg Stock Exchange, shall be Luxembourg) and (iii) a Paying Agent and a Transfer Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to any law implementing European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income. Notice of any change in the Paying Agents, the Registrar or the Transfer Agents or their specified offices will promptly be given to the Noteholders in accordance with Condition 14.

(e) *Record Date*

Payment in respect of a Note will be made to the person shown as the Holder in the Register at the opening of business in the place of the Registrar’s specified office on the 15th day before the due date for such payment (the “**Record Date**”).

8. TAXATION

All payments of principal and interest in respect of the Notes by the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (“**Taxes**”) imposed or levied by or on behalf of the Republic of Lithuania or any political subdivision of, or any authority in, or of, the Republic of Lithuania having power to tax, unless withholding or deduction of the Taxes is required by law. In that event, the Issuer will pay such additional amounts as may be necessary in order that the amounts received by the Noteholders after the withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Notes, as the case may be in the absence of the withholding or deduction, except that no additional amounts shall be payable in relation to any payment in respect of any Note:

- (i) to, or to a third party on behalf of, a holder who is liable to pay Taxes in respect of the Note by reason of having some connection with the Republic of Lithuania other than the mere holding of the Note; or

- (ii) presented for payment more than 30 days after the Relevant Date except to the extent that a holder would have been entitled to additional amounts on presenting the same for payment on the last day of the period of 30 days assuming that day to have been a business day as defined in Condition 7; or
- (iii) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (iv) to a third party on behalf of, a Noteholder who would have been able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent in a Member State of the European Union.

In these Conditions, “**Relevant Date**” means the date on which the payment first becomes due but, if the full amount of the money payable has not been received by the Fiscal Agent on or before the due date, it means the date on which, the full amount of the money having been so received, notice to that effect has been given to the Noteholders by the Issuer in accordance with Condition 14.

Any reference in these Conditions to any amounts payable in respect of the Notes shall be deemed to include any additional amounts which may be payable under this Condition 8.

9. EVENTS OF DEFAULT

If any of the following occurs (each an “**Event of Default**”):

(a) *Non-payment*

Any default is made in the payment of any interest due in respect of the Notes or any of them when due and the default continues for a period of 14 days; or

(b) *Breach of Other Obligations*

The Issuer fails to perform or observe any of its other obligations under these Conditions and (except in any case where the failure is incapable of remedy when no continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 45 days next following the service by any Noteholder to the Fiscal Agent or the Issuer of notice requiring the same to be remedied; or

(c) *Cross-acceleration*

Any other loan or debt in the form of Relevant Indebtedness of the Issuer having an aggregate principal amount of at least EUR 120,000,000 (or its equivalent in any other currency or currencies) shall become due and payable prior to the stated maturity thereof following a default or any security therefor becomes enforceable or the Issuer fails to make repayment of any loan or debt in the form of Relevant Indebtedness at the maturity thereof or at the expiration of any grace period applicable thereto or any guarantee of any loan, debt in the form of Relevant Indebtedness or other moneys having an aggregate principal amount of at least EUR 120,000,000 (or its equivalent in any other currency or currencies) given by the Issuer shall not be honoured when due and validly called upon,

then the holders of at least 25 per cent. in aggregate principal amount of the outstanding Notes may, by notice in writing to the Issuer (with a copy to the Fiscal Agent), declare all the Notes to be immediately due and payable, whereupon they shall become immediately due and payable at their principal amount together with accrued interest without further action or formality. Notice of any such declaration shall promptly be given to all other Noteholders by the Issuer.

If the Issuer receives notice in writing from holders of at least 50 per cent. in aggregate principal amount of the outstanding Notes to the effect that the Event of Default or Events of Default giving rise to any above mentioned declaration of acceleration is or are cured following any such declaration and that such holders wish the relevant declaration to be withdrawn, the Issuer shall give notice thereof to the Noteholders (with a copy to the Fiscal Agent), whereupon the relevant declaration shall be withdrawn and shall have no further effect. No such withdrawal shall affect any other or any subsequent Event of Default or any right of any Noteholder in relation thereto.

10. PRESCRIPTION

Claims against the Issuer in respect of principal and interest shall become prescribed unless made within a period of ten years, in the case of principal, and five years, in the case of interest, from the appropriate Relevant Date (as defined in Condition 8).

11. REPLACEMENT OF NOTES

If any Note is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Fiscal Agent subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes must be surrendered before replacements will be issued.

12. MEETINGS OF NOTEHOLDERS; WRITTEN RESOLUTIONS

(a) Convening Meetings of Noteholders

The Fiscal Agency Agreement contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions or the provisions of the Fiscal Agency Agreement. Such a meeting may be convened by the Issuer or the Fiscal Agent and shall be convened by the Issuer or the Fiscal Agent at any time upon the request in writing of holders of at least 10 per cent. of the aggregate principal amount of the outstanding Notes.

(b) Quorum

The quorum at any meeting of Noteholders convened to vote on an Extraordinary Resolution will be:

- (i) one or more persons present and holding or representing at least 50 per cent. of the aggregate principal amount of the outstanding Notes; or
- (ii) where a meeting is adjourned and rescheduled owing to a lack of quorum, at any rescheduled meeting of Noteholders, one or more persons present and holding or representing at least 25 per cent. of the aggregate principal amount of the outstanding Notes;

provided, however (i), that any proposals relating to a Reserved Matter may only be approved by an Extraordinary Resolution passed at a meeting of Noteholders at which one or more persons present and holding or representing at least 75 per cent. of the aggregate principal amount of the outstanding Notes, or where a meeting is adjourned and rescheduled owing to a lack of quorum, at any rescheduled meeting of Noteholders, one or more persons present and holding or representing at least 50 per cent. of the aggregate principal amount of the outstanding Notes, form a quorum and (ii) any proposals relating to a Unanimous Matter may only be approved by unanimous resolution at a Meeting of Noteholders at which one or more persons present and holding or representing at least 100 per cent. of the aggregate principal amount of the outstanding Notes form a quorum.

(c) *Reserved Matters*

In these Conditions, “**Reserved Matter**” means, subject as provided in paragraph (d), any proposal:

- (i) to change the date, or the method of determining the date, for payment of principal, interest or any other amount in respect of the Notes, to reduce or cancel the amount of principal, interest or any other amount payable on any date in respect of the Notes or to change the method of calculating the amount of principal, interest or any other amount payable in respect of the Notes on any date;
- (ii) to change the currency in which any amount due in respect of the Notes is payable or the place in which any payment is to be made;
- (iii) to change the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution, Written Resolution or any other resolution of Noteholders or the number or percentage of votes required to be cast, or the number or percentage of Notes required to be held, in connection with the taking of any decision or action by or on behalf of the Noteholders or any of them;
- (iv) to change this definition, the definition of “**Extraordinary Resolution**”, the definition of “**outstanding**” or the definition of “**Written Resolution**”;
- (v) to change or waive the provisions of the Notes set out in Condition 4; or
- (vi) to change any provision of the Notes describing circumstances in which Notes may be declared due and payable prior to their scheduled maturity date, set out in Condition 9.

(d) *Matters requiring unanimity*

Any proposal:

- (i) to change the law governing the Notes, the courts to the jurisdiction of which the Issuer has submitted in the Notes, the Issuer’s obligation to maintain an agent for service of process in England or the Issuer’s waiver of immunity, in respect of actions or proceedings brought by any Noteholder, set out in Condition 17;
- (ii) to modify any provision of these Conditions in connection with any exchange or substitution of the Notes for, or the conversion of the Notes into, any other obligations or securities of the Issuer or any other person, which would result in the Conditions as so modified being less favourable to the holders of Notes which are subject to the Conditions as so modified than:
 - (A) the provisions of the other obligations or securities of the Issuer or any other person resulting from the relevant exchange or substitution or conversion; or
 - (B) if more than one series of other obligations or securities results from the relevant exchange or substitution or conversion, the provisions of the resulting series having the largest aggregate principal amount; or
- (iii) to modify the provisions of this paragraph (d),

(each a “**Unanimous Matter**”) may only be given effect with the consent of the holders of all of the outstanding Notes.

(e) *Modifications*

Any modification of any provision of these Conditions may be made if approved by a Written Resolution or subject, as provided in paragraph (d), an Extraordinary Resolution. In these Conditions, “**Extraordinary Resolution**” means a resolution passed at a meeting of Noteholders duly convened and held in accordance with the Fiscal Agency Agreement by a majority of at least:

- (i) in the case of a Reserved Matter, 75 per cent. of the aggregate principal amount of the outstanding Notes which are represented at that meeting; or
- (ii) in the case of a matter other than a Reserved Matter, 66²/₃ per cent. of the aggregate principal amount of the outstanding Notes which are represented at that meeting.

Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders, whether present or not and whether they voted in favour or not.

(f) *Written resolutions*

In addition, the Fiscal Agency Agreement contains provisions relating to Written Resolutions. A “**Written Resolution**” is a resolution in writing signed by or on behalf of the holders of 100 per cent. of the aggregate principal amount of the outstanding Notes in the case of a Unanimous Matter, at least 75 per cent. of the aggregate principal amount of the outstanding Notes, in the case of a Reserved Matter, or 66 ²/₃ per cent. of the aggregate principal amount of the outstanding Notes, in the case of a matter other than a Reserved Matter. Any Written Resolution may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders. Any Written Resolution shall be binding on all of the Noteholders, whether or not signed by them.

(g) *Manifest error, etc.*

The Notes, these Conditions and the provisions of the Fiscal Agency Agreement may be amended without the consent of the Noteholders to cure any ambiguity or to correct a manifest error. In addition, the parties to the Fiscal Agency Agreement may agree to modify any provision thereof, but the Issuer shall not agree, without the consent of the Noteholders, to any such modification unless it is of a formal, minor or technical nature or it is not materially prejudicial to the interests of the Noteholders.

(h) *Notes controlled by the Issuer*

For the purposes of (i) ascertaining the right to attend and vote at any meeting of Noteholders or the right to sign, or authorise the signature of, any Written Resolution, (ii) this Condition 12 and Schedule 3 to the Fiscal Agency Agreement and (iii) Condition 9, those Notes (if any) which are held in circumstances where the Issuer has the power to direct the casting of votes in respect of such Notes, whether directly or indirectly, shall (unless and until ceasing to be so held) be disregarded and be deemed not to remain outstanding. Without prejudice to the generality of the previous sentence, the Issuer shall be deemed to have the power to direct the casting of votes in respect of a Note if the Note is held by or on behalf of the Issuer or by or on behalf of any person which is owned or controlled directly or indirectly by the Issuer or by any public sector instrumentality of the Issuer, where:

- (i) “**public sector instrumentality**” means the Bank of Lithuania, any department, ministry or agency of the government of the Republic of Lithuania or any corporation, trust, financial institution or other entity owned or controlled by the government of the Republic of Lithuania; and
- (ii) “**control**” means the power, directly or indirectly, through the ownership of voting securities or other ownership interests or otherwise, to direct the management of or elect or appoint a majority of the board of directors or other persons performing similar functions in lieu of, or in addition to, the board of directors of a corporation, trust, financial institution or other entity.

In advance of any meeting of Noteholders or Written Resolution the Issuer shall provide to the Fiscal Agent a certificate of the Issuer setting out the total number of Notes which are held in circumstances where the Issuer has at the date of such certificate the power to direct the casting of votes in respect of such Notes. The Fiscal Agent shall make any such certificate

available for inspection during normal business hours at its specified office and, upon reasonable request, will allow copies of such certificate to be taken.

13. FURTHER ISSUES

The Issuer shall be at liberty from time to time, without the consent of the Noteholders, to create and issue further notes ranking equally in all respects (or in all respects save for the date for and amount of the first payment of interest thereon) so that the same shall be consolidated and form a single series with the Notes.

14. NOTICES

Notices to Noteholders will be valid if published in a leading newspaper having general circulation in London (which is expected to be the *Financial Times*) and (so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of that Stock Exchange so require) published either on the website of the Luxembourg Stock Exchange (www.bourse.lu) or in a leading newspaper having general circulation in Luxembourg (which is expected to be *Luxemburger Wort*). Any such notice shall be in English and shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made.

15. CURRENCY INDEMNITY

The U.S. dollar (“**Contractual Currency**”) is the sole currency of account and payment for all sums payable by the Issuer under or in connection with the Notes, including damages. Any amount received or recovered in a currency other than the Contractual Currency (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction or otherwise) by any Noteholder in respect of any sum expressed to be due to it from the Issuer shall only constitute a discharge to the Issuer to the extent of the Contractual Currency amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If that Contractual Currency amount is less than the Contractual Currency amount expressed to be due to the recipient under any Note, the Issuer shall indemnify such recipient against any loss sustained by it as a result. In any event, the Issuer shall indemnify the recipient against the cost of making any such purchase.

These indemnities constitute separate and independent obligations from the Issuer’s other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Noteholder and shall continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note or any judgment or order.

16. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

17. GOVERNING LAW

- (a) The Notes and the Fiscal Agency Agreement and any non-contractual obligations arising out of or in connection with them shall be governed by, and construed in accordance with, the laws of England.
- (b) The Issuer irrevocably agrees for the benefit of the Noteholders that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Fiscal Agency Agreement or the Notes and that accordingly any suit, action or proceedings arising out of or in connection therewith (together referred to as “**Proceedings**”) may be brought in the courts of England.

- (c) The Issuer irrevocably and unconditionally waives and agrees not to raise any objection which it may have now or subsequently to the laying of the venue of any Proceedings in the courts of England and any claim that any Proceedings have been brought against the Issuer in an inconvenient forum and further irrevocably and unconditionally agrees that a judgment in any Proceedings brought in the courts of England shall be conclusive and binding upon the Issuer and may be enforced in the courts of any other jurisdiction. Nothing in this Condition shall limit any right to take Proceedings against the Issuer in any other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.
- (d) The Issuer hereby irrevocably and unconditionally appoints the Embassy of the Republic of Lithuania to the United Kingdom of Great Britain and Northern Ireland to the Court of St. James's for the time being as its agent for service of process in England in respect of any Proceedings.
- (e) The Issuer hereby irrevocably waives any right to claim sovereign or other immunity from jurisdiction or execution and any similar defence, and irrevocably consents to the giving of any relief or the issue of any process, including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order, award or judgment made or given in connection with any Proceedings *provided, however*, that immunity is not waived with respect to present or future “**premises of the mission**” as defined in the Vienna Convention on Diplomatic Relations signed in 1961, “**consular premises**” as defined in the Vienna Convention on Consular Relations signed in 1963 or military property or military assets or property or assets of the Issuer related thereto or property other than monetary assets located in the Republic of Lithuania.