



BMF

**FEDERAL MINISTRY
OF FINANCE**

Dated 12 March 2012

Master Guarantee

of the

REPUBLIC OF AUSTRIA
(the "Guarantor")

relating to

Autobahnen- und Schnellstrassen-Finanzierungs-Aktiengesellschaft

€12,000,000,000

Guaranteed Euro Medium Term Note Programme

guaranteed by the
Republic of Austria

BINDER GRÖSSWANG

This Master Guarantee (the "**Master Guarantee**") is made on 12 March 2012 by the Republic of Austria (the "**Guarantor**") in favour of each Noteholder (as defined below) and each Relevant Account Holder (as defined in the Deed of Covenant referred to below):

Whereas

- A. Autobahnen- und Schnellstrassen-Finanzierungs-Aktiengesellschaft (the "**Issuer**") proposes to issue from time to time euro medium term notes under its €12,000,000,000 Guaranteed Euro Medium Term Note Programme (the "**Programme**") guaranteed by the Guarantor (the "**Notes**", which expression shall, if the context so admits, include the 2012 Notes (as defined below), bearer notes ("**Bearer Notes**") and registered notes ("**Registered Notes**") and global notes (in temporary or permanent form) to be initially delivered in respect of Notes and any related coupons, receipts and talons.
- B. This Master Guarantee is in respect of (i) Notes (the "**2012 Notes**") issued under the Programme from and including 1 January 2012 up to and including 31 December 2012, and (ii) amounts payable by the Issuer under the Deed of Covenant dated 25 September 2006 relating to the Programme (the "**Deed of Covenant**") and relating to Entries (as defined in the Deed of Covenant) in respect of the 2012 Notes, in relation to which the Guarantor confirmed in writing to Deutsche Bank AG, London Branch in its capacity as fiscal agent (or the respective successor fiscal agent) that its obligations under this Master Guarantee in respect of such Notes do not exceed the Guarantee Allowance (as defined below) for the year ended 31 December 2012 (the "**Guarantee Certificate**").
- C. This Master Guarantee is subject to and limited by a maximum threshold (the "**Guarantee Allowance**") as authorised in relation to the 2012 Notes, by the Austrian Budget Act for 2012 (*Bundesfinanzgesetz 2012*), Federal Law Gazette I No. 2011/110 (the "**Budget Act 2012**"). The euro equivalent amount of the Guarantee Allowance is applicable to obligations issued in other currencies as set out in the relevant Budget Act.
- D. Notes shall only be issued under the Programme in circumstances (i) where the Guarantor's obligations under this Master Guarantee in respect of such Notes shall not exceed the Guarantee Allowance for the year ended 31 December 2012, (ii) where the 2012 Notes issued under the Programme shall benefit from this Master Guarantee in accordance with the provisions of the Budget Act and the Act on Federal Budgets (*Bundeshaushaltsgesetz*), Federal Law Gazette 1986/213 as amended and (iii) where the Guarantor issued a Guarantee Certificate.

E. The Guarantor wishes to grant this Master Guarantee on the terms set out below in favour of the Noteholders.

1. Guarantee by the Republic of Austria

1.1. At the request of the Issuer and according to Article II Sec 5 ASFINAG Act (*ASFINAG-Gesetz*), Federal Law Gazette No. 591/1982, as amended, and the Budget Act, the Guarantor hereby irrevocably unconditionally guarantees pursuant to section 880a second half-sentence of the Austrian Civil Code (*Allgemeines Bürgerliches Gesetzbuch*) for the benefit of each holder of the 2012 Notes, each holder of the interest coupons (the "**Coupons**") or receipts for the instalments of principal (the "**Receipts**") appertaining thereto (together, the "**Noteholders**") and each Relevant Account Holder (for so long as the same has Direct Rights (as defined under the Deed of Covenant)) the due and punctual payment of

- (a) all amounts payable by the Issuer in respect of the 2012 Notes and such Coupons and Receipts, and
- (b) all amounts payable by the Issuer under the Deed of Covenant relating to Entries in respect of the 2012 Notes

when and as the same shall become due and payable, whether at maturity, upon redemption or otherwise, according to the terms thereof (the "**Guaranteed Obligations**"), it being agreed that Notes shall only be issued under the Programme and that this Master Guarantee is only effective in circumstances where (i) the Guarantor's obligations hereunder shall not exceed the Guarantee Allowance for the year ended 31 December 2012, (ii) where the 2012 Notes issued under the Programme shall benefit hereunder in accordance with the provisions of the Budget Act and the Act on Federal Budgets (*Bundeshaushaltsgesetz*), Federal Law Gazette No. 1986/213 as amended and (iii) where the Guarantor issued a Guarantee Certificate prior to the closing date of the Notes issue, as any amounts of principal or interest exceeding the Guarantee Allowance will not be guaranteed.

1.2. In the case of default by the Issuer in the punctual payment of all or any part of the Guaranteed Obligations, the Guarantor hereby agrees to pay or to cause to be paid the amount or amounts in respect of which such default has been made punctually when and as the same shall become due and payable, whether at maturity, upon redemption or otherwise, and as if such payment were made by the Issuer.

1.3. The Guarantor hereby agrees that its obligations hereunder shall be unconditional and irrevocable, irrespective of the recovery of any judgment against the Issuer or any action to enforce the same, any consolidation, merger,

conveyance or transfer by the Issuer or any other circumstance (including, but not limited to, any change in the constitution, legal structure or powers of the Issuer) which might otherwise constitute a legal or equitable discharge or defence of a guarantor. The Guarantor hereby waives, with respect to the Guaranteed Obligations, or the indebtedness evidenced thereby, diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Issuer, any right to require proceedings first against the Issuer, protest, notice and all demands whatsoever and covenants that this Master Guarantee will not be discharged except by complete performance of the Guaranteed Obligations.

- 1.4. This Master Guarantee constitutes the direct, unconditional, irrevocable and unsecured obligation of the Guarantor and ranks *pari passu* with all other loan or bond indebtedness of the Republic of Austria resulting from financial debts. So long as any amount payable in respect of the Guaranteed Obligations, remains outstanding, the Guarantor undertakes that it shall not create or permit to subsist any charge, pledge, encumbrance or other security interest in respect of any loan or bond indebtedness of the Republic of Austria resulting from financial debts unless, at the same time or prior thereto, this Master Guarantee is secured equally and rateably therewith and the instrument creating such charge, pledge, encumbrance or other security interests shall expressly state that this Master Guarantee is so secured.
- 1.5. The Guarantor represents, warrants and agrees that the execution, delivery and performance of this Guarantee by the Guarantor constitutes a private and commercial act rather than a public or governmental act. Under the laws of the Republic of Austria, neither the Guarantor nor any of its property has any immunity from jurisdiction of any court or from set-off or any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise), except for property used for the purposes of a diplomatic mission. The waivers of immunity by the Guarantor contained in this Guarantee, the consent by the Guarantor to the jurisdiction of the courts specified in this Guarantee, and the provisions that the laws of Austria shall govern this Guarantee are irrevocably binding on the Guarantor.

2. **Benefit of the Master Gurantee**

This Master Guarantee constitutes a contract in favour of the respective Noteholders as third party beneficiaries (*Vertrag zugunsten Dritten*) giving rise to the right of each such Noteholder to require performance of the obligations assumed hereby directly from the Guarantor and to enforce such obligations directly against the Guarantor. Each Noteholder may enforce its claims under this Master Guarantee directly in legal actions or proceedings against the

Guarantor without being required to institute legal actions or proceedings against the Issuer first.

3. Taxation

All payments by the Guarantor in implementation of this Master Guarantee will be made without deduction for or on account of any present or future taxes or duties of whatsoever nature imposed or levied within the Republic of Austria or any province, municipality or other political subdivision or taxing authority therein or thereof, unless the deduction of such taxes or duties is required by law. In that event, the Guarantor will pay such additional amounts as may be necessary in order that the net amounts received by the holders of the Notes, Coupons and Receipts and the Relevant Accountholders under the Deed of Covenant after such deduction shall equal the respective amounts of principal and interest which would have been receivable in respect of the relevant Notes, Coupons and Receipts and the Relevant Accountholders under the Deed of Covenant, as the case may be, in the absence of such deduction, except that no such additional amounts shall be payable with respect to:

- (a) Bearer Notes, Coupons or Receipts presented for payment:
 - (i) in the Republic of Austria; or
 - (ii) where such deduction would not be required if the holder or any person acting on his behalf had presented the requested form or certificate or had made the requested declaration of non-residence or similar claim for exemption upon the presentation or making of which that holder would have been able to avoid such deduction; or
 - (iii) by or on behalf of a holder who is liable to such taxes or duties in respect of such Bearer Notes, Coupons or Receipts by reason of his having some connection with the Republic of Austria other than the mere holding of such Bearer Note, Coupon or Receipt; or
 - (iv) more than 30 days after the Relevant Date (as defined in the terms and conditions endorsed) except to the extent that the holder thereof would have been entitled to additional amounts on presenting the same for payment on the expiry of such period of 30 days; or
 - (v) where such 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 ECOFIN council meeting of 26-27 November 2000 on the taxation of savings or any law implementing or complying with, or introduced in order to conform to, such Directive; or

- (vi) by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the Bearer Notes or Coupons to another Paying Agent in a Member State of the European Union.
- (b) Registered Notes:
- (i) if the Certificate (as defined in the terms and conditions) in respect of such Registered Note is required to be surrendered and is surrendered in the Republic of Austria; or
 - (ii) where such deduction would not be required if the holder or any person acting on his behalf had presented the requested form or Certificate or had made the requested declaration of non-residence or similar claim for exemption upon the presentation or making of which that holder would have been able to avoid such deduction; or
 - (iii) to a holder (or to a third party on behalf of a holder) where such holder is liable to such taxes or duties in respect of such Registered Note by reason of his having some connection with the Republic of Austria, other than the mere holding of such Registered Note or the receipt of the relevant payment in respect thereof; or
 - (iv) if the Certificate in respect of such Registered Note is required to be surrendered and is surrendered more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to additional amounts on presenting the same for payment on the expiry of such period of 30 days; or
 - (v) where such 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 ECOFIN council meeting of 26-27 November 2000 on the taxation of savings or any law implementing or complying with, or introduced in order to conform to, such Directive.
- (c) a Relevant Account Holder under the Deed of Covenant:
- (i) where such deduction would not be required if the Relevant Account Holder or any person acting on his behalf had presented the requested form or certificate or had made the requested declaration of non-residence or similar claim for exemption upon the presentation or making of which that Relevant Account Holder would have been able to avoid such deduction; or
 - (ii) who is subject to such taxes or duties, by reason of his having some connection with the Republic of Austria other than merely

having the relevant Entry credited to his Securities Account (as defined in the Deed of Covenant).

4. Governing Law and Jurisdiction

- 4.1. This Master Guarantee shall be governed by and construed in accordance with Austrian law.
- 4.2. The Guarantor irrevocably and unconditionally submits to the jurisdiction of the competent courts of the Republic of Austria (being at the date hereof the courts of Vienna) for all purposes in connection with this Master Guarantee provided that such submission shall not prevent any such proceedings being taken in any other competent courts.
- 4.3. To the extent that it is legally able to do so, the Guarantor hereby waives irrevocably any immunity to which it might otherwise be entitled in proceedings brought before such courts and hereby consents generally in respect of any proceedings arising out of or in connection with this Master Guarantee to the giving of any relief or the issue of any process in the competent courts of the Republic of Austria in connection with such proceedings including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use except for certain minor property such as the equipment of embassies) of any judgment which may be given in such proceedings.

In witness whereof the Guarantor has caused this Master Guarantee to be duly executed the day and year first above mentioned.

REPUBLIC OF AUSTRIA

For the Federal Minister of Finance

12 March 2012



(Mag. Gerlinde Wagner)