

**TEMPORARY AGREEMENT
BETWEEN
ŽTP “BEOGRAD” AND UNMIK RAILWAYS**

31 MAY 2002

TEMPORARY AGREEMENT ON RAILWAY TRAFFIC

Taking into account United Nations Security Council Resolution 1244 (1999), and UNMIK Regulation No. 1999/1 of 25 July 1999, as amended on the Authority of the Interim Administration in Kosovo,

Pursuant to the Letter of Intent of 29 May 2001 between the Interim Administration in Kosovo - the Administrative Department of Transport and Infrastructure and the Serbian Railways– Železničko Transportno Preduzeće ŽTP Beograd,

UNMIK Railways and Serbian Railways – Železničko Transportno Preduzeće ŽTP Beograd (hereinafter “the Parties”) hereby agree as follows

ARTICLE 1

Scope

- 1.1 The scope of this Agreement is the organization of the railway operations, hauling of trains, forwarding of consignments, calculation and collection of charges, the use of wagons, calculation of lease charges and record, settlement of accounts, liability and final conditions.
- 1.2 This Agreement regulates all rail transport documentation that ŽTP “Beograd“ will perform on behalf of UNMIK Railways from the date of signing of this Agreement until the date of the end of the United Nations Interim Administration Mission in Kosovo administering the UNMIK Railways.

ARTICLE 2

Organization of the railway operations

- 2.1 Lešak will be the station of acceptance / forwarding of trains, wagons and loading tackle and consignments between ŽTP “Beograd“ and UNMIK Railways.
- 2.2 ŽTP “Beograd“ will organize the railway operations on the North from and to Lešak station and UNMIK Railways will organize the railway operations on the part of the railway network operated by UNMIK Railways.
- 2.3 ŽTP “Beograd“ and UNMIK Railways will make a timetable once a year, and the timetable may be changed by a mutual agreement.
- 2.4 The railway station Lešak will be permanently manned with ŽTP “Beograd” and UNMIK Railways personnel, whose joint work will be defined by separate working instructions.
- 2.5 Joint forms for railway operations, acceptance / forwarding of wagons, loading tackle and consignments shall be drawn up in two languages (Serbian/Albanian, that is Albanian/Serbian).
- 2.6 The way of performing and regulation of the railway operations, shunting and other issues connected with the railway operations at Lesak station will be fully pursuant to the applicable JZ regulations.

ARTICLE 3

Hauling of trains

- 3.1 Transport and hauling of trains will be defined by an agreement per each timetable.
- 3.2 ŽTP “Beograd” and UNMIK Railways agree to organize hauling of trains on the parts of the respective railway networks they operate to and from the Lesak railway station.
- 3.3 ZTP “Beograd” and UNMIK Railways may agree, by a separate annex to this Agreement, to perform hauling of trains even farther from the railway station Lesak.

ARTICLE 4

Consignment note, Calculation and Collection of charges

- 4.1 Forwarding of consignments shall be carried out directly from the origin station to the destination station of consignment with CIM (K-505) consignment note. When more than one wagon is consigned by the same customer per train, a CIM car Manifest will be issued.
- 4.2 All customs documentation shall comply with relevant applicable law governing customs and other related matters.
- 4.3 Each Party will calculate and collect charges for the parts of the railway networks they respectively operate.
- 4.4 Charges for any other services provided by ŽTP “Beograd” at the request of UNMIK Railways and vice versa, will be negotiated separately.

ARTICLE 5

Dangerous materials

- 5.1 Dangerous goods are to be transported in accordance with the regulations contained in RID.
- 5.2 A surcharge will be levied for each wagon containing Dangerous materials listed under Class I and 7 of Annex I RID.

ARTICLE 6

The use of Wagons, Calculation of lease charges and Record

- 6.1 Foreign wagons will be used following general instructions for the use of wagons in accordance with the applicable Regulations governing the reciprocal use of wagons (loading tackle, containers and pallets) in international traffic – RIV 2000.
- 6.2 Only indisputable wagons should be used in the boundary traffic until a special agreement between the parties has been reached for rolling stock. This means only JZ wagons with a domicile different from Pristina should be used for boundary traffic coming in to Kosovo and no wagons present today in Kosovo will be used out of Kosovo.
- 6.3 After handing over the wagons to UNMIK Railways at Lešak station, ŽTP “Beograd“ will calculate the lease charges to UNMIK Railways for foreign and JZ wagons according to the regulations stated in Annex 3 RIV 2000, except for private wagons, rent wagons from private and

railway companies, and all wagons for which ŽTP “Beograd“ do not pay RIV charges to the foreign railway company.

- 6.4 Costs for transit of foreign and JZ wagons through the territory managed by UNMIK Railways will be calculated according to existing or negotiated tariffs.
- 6.5 Calculation of RIV charges shall be made according to the records of KOL-65a, K-200, KOL-39a, KOL-39b and KOL 41 on handing over/forwarding of the wagons.

ARTICLE 7

Settlement of Accounts and Payments

- 7.1 ŽTP “Beograd“ will charge UNMIK Railways the RIV charges mentioned in Article 6 above. Invoicing will be carried out once a month.
- 7.2 All payments under this Agreement shall be defined in Euro currency, by deposit bank or bank transfer within 15 days of the receipt of the invoice for charges or upon final settlement in respect of claims at the following address:
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| a) ŽTP „Beograd“
Eksport Import Banka A.D. Beograd
Eksim Banka A.D. Beograd,
SWIFT CODE: EKBEYUBG
Account: 9359258
With: Deutsche Bank, F/M
(DEUTDEFF)
Beneficiary: ŽTP „Beograd“ | b) UNMIK Railways
For UNMIK-Railways
Micro Enterprise Bank-Pristina
Account: 10036818-00-01 |
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ARTICLE 8

Liability

- 8.1 The parties are liable for any loss or damage caused by any of them to each other's or third parties' rolling stock, property as well as to the load transported in accordance with AIM.
- 8.2 Before any wagon is handed over to UNMIK Railways or taken from UNMIK Railways at Lesak station, they will be inspected by a joint inspection attended by the representatives of both Parties for any damages. The joint inspectors are obliged to issue a report concerning their observations. If they shall not agree on the content of the report, then the wagon subject of disagreement shall remain in the station until further inspections are carried out independently by the inspectors of each Party to be duly appointed.
- 8.3 ZTP Beograd shall be responsible for the maintenance of railway infrastructure north of km 164+400 and UNMIK Railways south of the same point.
- 8.4 ŽTP “Beograd“ will be liable in case of any railway accidents, operating incidents and damages north of km 164+400 between the stations Rudnica and Lešak; UNMIK Railways will have the same liability south of this point.
- 8.5 Any claim for damages to load, rolling stock and other railways equipment shall be accompanied by documentation including, where applicable, a consignment note showing the value of the lost or damaged load, rolling stock and other railway equipment. Claims are to be submitted to:

For ŽTP “Beograd“:

Direkcija za robni saobraćaj

Nemanjina 6

11000 Beograd

Tel. 011 361 67 88

Fax. 011 361 67 88

Email: zbundalo@yurail.co.yu

For UNMIK Railways:

UNMIK Directorate of Infrastructure Affairs/Transport

Rilindja Container Complex

38000 Pristina

Tel. 381 38 518 449 and 381 38 66 350

Fax. 381 38 68 730

Email: Unmikrailways@yahoo.com

8.6 Nothing in or relating to this Agreement shall be deemed a waiver express or implied of any of the privileges and immunities of the United Nations or UNMIK.

ARTICLE 9

Final conditions

- 9.1 This Agreement is drawn up in twelve (12) original copies, of which six (6) in Serbian, six (6) in English, all of which shall be authentic. In case of dispute the English version shall prevail.
- 9.2 Each party can terminate the Agreement by sending the other party a written notification 30 days in advance.
- 9.3 This Agreement may be amended only with the consent of the Parties expressed in writing.
- 9.4 All disputes that arise from this Agreement will be resolved in an amicable manner. If the parties fail to resolve the dispute in this manner, the dispute will be solved according to international UNCITRAL Arbitration rules.
- 9.5 This Agreement will be effective and applicable on the date of signing of this Agreement.

Signed in Belgrade

on 31.05.2002.

For ŽTP “Beograd“

For UNMIK Railways

Mr. Slobodan Rosic
Director General

Mr. Gunnar Hallert
Managing Director