

Materiál na rokovanie
Mestského zastupiteľstva
hlavného mesta SR Bratislavy
dňa **12. 12. 2019**

**Návrh na uzatvorenie rámcovej úverovej zmluvy s Európskou investičnou bankou
na roky 2020 - 2024**

Predkladateľ:

Ing. arch. Matúš Vallo, v. r.
primátor

Zodpovedný:

Mgr. Ctibor Košťál, v. r.
riaditeľ magistrátu

Spracovateľ:

Matúš Lupták M. A., v. r.
poverený riadením sekcie financií

Materiál obsahuje:

1. Návrh uznesenia
2. Dôvodová správa
3. Návrh na uzatvorenie rámcovej úverovej zmluvy
4. Návrh zmluvy
5. Výpis zo zasadnutia komisie finančnej stratégie a pre správu a podnikanie s majetkom mesta Mestského zastupiteľstva konané dňa 25. 11. 2019
6. Uznesenie MsR č. 84/2019 zo dňa 28. 11. 2019

Návrh uznesenia

Mestské zastupiteľstvo po prerokovaní materiálu

A. schvaľuje

navrhované uzatvorenie rámcovej úverovej zmluvy s Európskou investičnou bankou (EIB) na roky 2020 - 2024 v celkovej výške úverového rámca 50 mil. eur na realizáciu projektov podľa materiálu.

B. splnomocňuje

primátora hlavného mesta SR Bratislavy

1. na podpísanie rámcovej úverovej zmluvy s EIB a zabezpečenie čerpania tranží z rámcovej úverovej zmluvy v súlade s plánovanými príjmovými finančnými operáciami v schválenom rozpočte na aktuálne rozpočtové obdobie,
2. na predkladanie písomných žiadostí EIB o čerpanie jednotlivých tranží,
3. na akceptovanie úveru poskytnutého EIB a podmienok úveru vyplývajúceho z rámcovej úverovej zmluvy s EIB,
4. na akceptovanie EIB navrhovaných úrokových sadzieb.

C. žiada

primátora hlavného mesta SR Bratislavy

predložiť každoročne na rokovanie mestského zastupiteľstva návrh na čerpanie tranže z rámcovej úverovej zmluvy pre daný rozpočtový rok.

T: každoročne k 30. aprílu

Dôvodová správa

Podľa návrhu rozpočtu hlavného mesta SR Bratislavy na roky 2020-2022 bude hlavné mesto potrebovať čerpanie nových úverov v strednodobom horizonte vo výške približne 50-60 mil. eur. Účel týchto prostriedkov je rozpočtovaný predovšetkým na veľké dopravné stavby (električkové trate, cyklodopravu, parkoviská) a rozvoj vozidlového parku MHD.

Hlavné mesto oslovilo Európsku investičnú banku (EIB) s možnosťou uzatvorenia rámcovej úverovej zmluvy na toto obdobie, ktoré by pokrylo očakávané potreby na úverové financovanie hlavného mesta a mesto by tak nemuselo samostatne súťažiť úverové zmluvy každý rok.

Hlavné mesto spolu s EIB predrokovalo návrh úverovej zmluvy (príloha materiálu) na rámec vo výške 50 mil. eur, ktorý bude môcť byť čerpaný až do roku 2024, na dopravné projekty uvedené v materiáli. Cieľom materiálu je vysvetliť podmienky úverového rámca a zdôvodniť jeho výhodnosť oproti komerčným úverom.

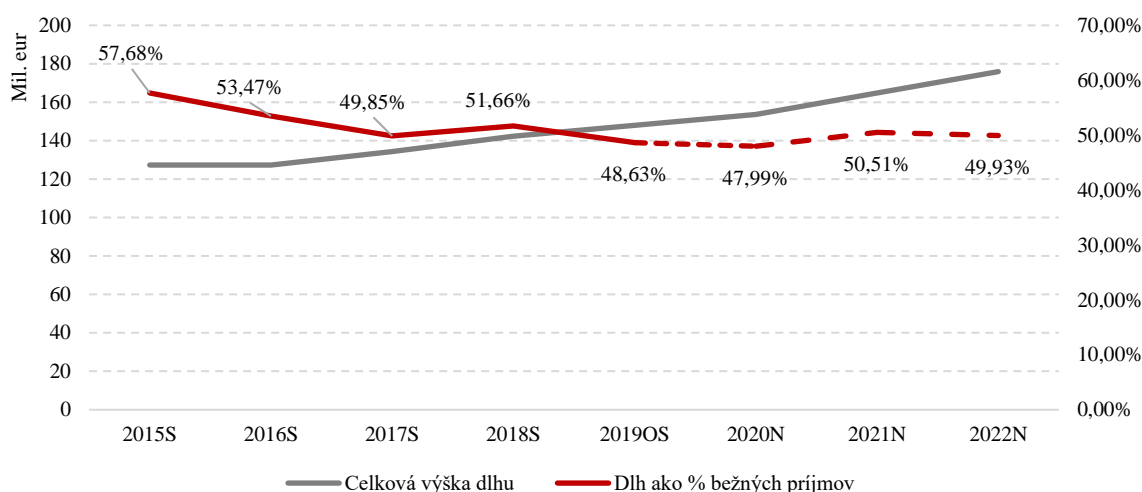
- Hlavné mesto SR Bratislavy predpokladá čerpanie nových úverov v rokoch 2020-2024, predovšetkým na realizáciu dopravných stavieb (električkové trate, parkoviská a cyklotrasy) a nákup nových vozidiel MHD.
- Alternatívou ku komerčným úverom sú dlhodobé investičné úvery medzinárodných bánk, medzi ktoré patrí aj Európska investičná banka (EIB).
- Oproti komerčným bankám poskytujú dlhšie splatnosti úverov, väčšiu stabilitu úrokových sadzieb a poskytovanie financovania nie je podmienené inými bankovými službami.
- V porovnaní s modelovým komerčným úverom prináša navrhovaný postup pri zohľadnení inflácie nižšie náklady na dlhovú službu o 2,7 mil. eur v súčasnej hodnote.
- Pri súčasných trhových podmienkach je možné očakávať pri 20 ročnej splatnosti fixnú úrokovú sadzbu vo výške 0,55 % p.a. na celú dobu splatnosti.
- Hlavné mesto predrokovalo rámcovú zmluvu s EIB na obdobie 5 rokov v celkovej výške 50 mil. eur, ktorú je možné čerpať priebežne podľa potrieb mesta a jej uzatvorenie nezaväzuje k vyčerpaniu celého objemu.

V návrhu uznesenia bol doplnený bod C, na základe návrhu mestského kontrolóra hlavného mesta SR Bratislavy na rokovaní Mestskej rady hlavného mesta SR Bratislavy, v zmysle ktorého bude primátor hlavného mesta SR Bratislavy každoročne predkladať na rokovanie Mestského zastupiteľstva hlavného mesta SR Bratislavy návrh na čerpanie tranže z rámcovej úverovej zmluvy pre daný rozpočtovaný rok k 30. aprílu.

Návrh na uzatvorenie rámcovej úverovej zmluvy s Európskou investičnou bankou na roky 2020 – 2024

Hlavné mesto očakáva potrebu úverového financovania na najbližšie rozpočtové obdobie na úrovni 59 mil. eur za predpokladu nezmenených bežných príjmov. Každý rok bude z dôvodu financovania rozbehnutých a plánovaných investičných projektov (nižšie) potrebné načerpať úver vo výške približne 20 mil. eur. Nižšie nároky na dlhové financovanie vzniknú iba v prípade vyšších bežných príjmov (s čím bude súvisieť vyšší prebytok bežného rozpočtu), či už z miestnych daní alebo zmeny zákona o hlavnom meste.

Graf 1: Vývoj dlhovej služby 2015-2022



Mesto môže okrem štandardných komerčných úverov využiť aj medzinárodné finančné inštitúcie alebo komunálne obligácie. Mestá na Slovensku (vrátane Bratislavy) zvyknú na financovanie využívať komerčné úvery lokálnych bánk. Alternatívou pre väčšie projekty a väčšie mestá je však úverové financovanie cez medzinárodné finančné inštitúcie ako sú Európska investičná banka (EIB), Rozvojová banka Rady Európy (CEB) či Európska banka pre obnovu a rozvoj (EBRD). Tretou alternatívou je emisia vlastných komunálnych obligácií. Tou sa však mesto momentálne nezaobrá kvôli nerozvinutému trhu a vyšším nákladom na financovanie (očakávané vyššie úrokové sadzby oproti úverovému financovaniu).

Európsku investičnú banku považujeme za stabilnejšiu ako ostatné dve menované finančné inštitúcie, od CEB už hlavné mesto úver čerpá. V porovnaní ratingových agentúr (tabuľka 1) vychádza ako najmenej stabilná (hoci stále veľmi stabilná) CEB. EIB a EBRD majú rovnaké ratingy od všetkých agentúr. Od CEB už hlavné mesto úver v minulosti čerpalo vo výške 40 mil. eur a momentálne ho spláca. Za výhodu EIB tiež považujeme blízkosť k ostatným orgánom EÚ a podrobnú znalosť projektov, spolufinancovaných zo štrukturálnych fondov.

Tabuľka 1: Aktuálne hodnotenia ratingových agentúr

Banka	Fitch	Moody's	Standard & Poor's
EIB	AAA	Aaa	AAA
CEB	AA+	Aa1	AAA
EBRD	AAA	Aaa	AAA

Medzinárodné finančné inštitúcie poskytujú dlhodobejšie úvery oproti komerčným bankám (až do 25 rokov oproti max. 10 rokov z komerčných bánk). Z prieskumov trhu ktoré magistrát realizoval v roku 2019 vyplýva, že pre komerčné banky je zaujímavé poskytovať úvery pre hlavné mesto v splatnosti do 10 rokov, štandardné splatnosti investičných úverov sa hýbu medzi 5-10 rokov. Medzinárodné banky poskytujú splatnosti až do 25 rokov, aj s alternatívou fixácie sadzby na celé obdobie. Rovnako ponúkajú dlhšie obdobie medzi čerpaním a začiatkom splácania („grace period“), až do štyroch rokov.

Porovnanie modelového čerpania úverov z medzinárodnej banky a komerčnej banky ukazuje rozdiel v súčasnej hodnote dlhovej služby na úrovni 2,7 mil. eur (5 % úveru). Pri modelovaní vychádzame z optimistických predpokladov v prospech komerčnej banky (10 ročná splatnosť, ročný odklad splácania, fixné úrokové sadzby od 0,15 % p.a.). Úrokové sadzby boli pre rok 2020 stanovené podľa aktuálnej trhovej situácie a informácii od EIB, na roky 2021 a 2022 boli upravené podľa aktuálne obchodovaných futúr za trojmesačný EURIBOR. Hoci úver s kratšou splatnosťou povedie k nižším celkovým nákladom v nominálnej hodnote (na úrokoch zaplatí mesto iba 0,46 mil. eur oproti 3,35 mil. eur), pri zohľadnení 2% inflácie ako diskontnej sadzby je pre mesto efektívnejšie rozložiť splatenie úveru na dlhšie obdobie (v budúcnosti bude dlhová služba tvoriť menší podiel rozpočtu mesta kvôli rastúcim príjmom aj inflácii).

Tabuľka 2: Modelové porovnanie dlhovej služby cez komerčnú a medzinárodnú banku

	Komerčná banka	Medzinárodná banka
Tranža 2020 (mil. eur)	20	20
Fixná úroková sadzba (p.a.)	0,15%	0,55%
Splatnosť (roky)	10	20
Grace period (roky)	1	4
Tranža 2021 (mil. eur)	15	15
Fixná úroková sadzba (p.a.)	0,16%	0,56%
Splatnosť (roky)	10	20
Grace period (roky)	1	4
Tranža 2022 (mil. eur)	15	15
Fixná úroková sadzba (p.a.)	0,25%	0,65%
Splatnosť (roky)	10	20
Grace period (roky)	1	4
 Celkové úrokové náklady (mil. eur)	 0,46	 3,35
Priemerná ročná dlhová služba (mil. eur)	4,20	2,43
Celková dlhová služba (mil. eur)	50,46	53,35
<i>Očakávaná dlhodobá miera inflácie</i>	<i>2,00%</i>	<i>2,00%</i>
Diskontovaná dlhová služba (mil. eur)	44,10	41,38
<i>Hodnota za peniaze medzinárodnej banky (mil. eur)</i>		2,72

Aktuálna indikatívna ponuka EIB na fixných sadzbách sa hýbe od 0,1 % p.a. pri krátkodobom úvere (splatnosť 4 roky) po 0,67 % p.a. (splatnosť 25 rokov). Presné úrokové sadzby budú stanovené pri čerpaní každej tranže.

Navrhovaná rámcová úverová zmluva je účelovo viazaná na dopravné projekty, ktoré mesto plánuje realizovať v najbližšom období. Čerpanie každej ďalšej tranže je podmienené podloženým postupom prác na daných projektoch. Do návrhu zmluvy boli zahrnuté nasledovné projekty:

- Predĺženie električkovej trate do Petržalky (po Janíkov Dvor),
- Rekonštrukcie električkových tratí v Karlovej Vsi a Dúbravke, Rači (Záhumenice), na Americkom námestí a na Nábřeží (medzi tunelom a mostom SNP),
- Nákup nových trolejbusov pre DPB,
- Výstavba novej cyklistickej infraštruktúry podľa územného generelu dopravy,
- Nové záchytné parkoviská a prestupné terminály na verejnú dopravu (Janíkov Dvor, Rača, Cintorín Vrakúňa a iné),
- Preferencia MHD na križovatkách.

Po uzatvorení rámcovej zmluvy nevznikajú mestu žiadne záväzky, dlh mesta navyšujú až samostatné žiadosti o čerpanie tranže z rámcovej zmluvy. Prvá tranža môže byť čerpaná okamžite do výšky 30 % celkovej alokácie (t.j. 15 mil. eur). Ostatné tranže sú podmienené postupom prác na projektoch, uvedených v zmluve. Posledných 10 % úveru môže byť načerpaných až keď zvyšných 90 % bolo vyčerpaných na uvedené projekty a bude zrejmé, na čo bude týchto 10 % použitých.

Pre zabezpečenie financovania hlavného mesta s vysokou mierou stability a istoty považujeme možnosť uzatvorenia rámcovej zmluvy s EIB za ekonomicky výhodnú alternatívu v porovnaní so strednodobými úvermi od komerčných bánk.

Prílohy

Zoznam príloh

1. Príloha 1: Návrh rámcovej úverovej zmluvy s EIB (anglický originál)

DRAFT to client No. 1 dated 13 November 2019

Subject to review, comments and approval by
EIB management and other internal bodies and further
due diligence exercise by the EIB.
Without commitment for EIB.

EIB Internal Classification Level: Corporate Use

Contract Number (FI N°) 91368

Operation Number (Serapis N°) 2019 0529

BRATISLAVA SUSTAINABLE URBAN MOBILITY

Finance Contract

between

Hlavné mesto Slovenskej republiky Bratislava

and the

European Investment Bank

[Location], [Date]

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THIS CONTRACT IS MADE BETWEEN:

Hlavné mesto Slovenskej republiky
Bratislava, having its address at Primaciálne
námestie 1, 814 99 Bratislava, Slovak
Republic, represented by [●]

(the “**Borrower**”)

of the first part, and

The European Investment Bank having its
seat at 100 blvd Konrad Adenauer,
Luxembourg, L-2950 Luxembourg,
represented by [●]

(the “**Bank**”)

of the second part.

WHEREAS:

- (a) The Borrower has stated that it is undertaking various investment schemes in line with the Transport Master Plan of Bratislava for the period 2019–2024 to support the sustainable public transport (each hereafter called a “**Sub-Project**” and together, the “**Project**”), as more particularly described in the technical description set out in Schedule A (the “**Technical Description**”).
- (b) The applicable eligibility criteria as well as the allocation procedures for the Sub-Projects are subject to certain conditions as set out in this finance contract (the “**Contract**”). The Sub-Projects will be implemented by the Borrower, its budgetary organisations (in Slovak: *rozpočtové organizácie*), its contributory organisations (in Slovak: *príspevkové organizácie*), and municipal companies (each hereafter called a “**Final Beneficiary**” and together the “**Final Beneficiaries**”).
- (c) The total cost of the Project, as estimated by the Bank, is EUR 246,260,000 (two hundred forty-six million two hundred and sixty thousand euros) and the Borrower has stated that it intends to finance the Project as follows:

Source	Amount (EUR m)
Credit from the Bank	50.00
EU Grants (as defined below)	152.26
Own funds	44.00
TOTAL	246.26

- (d) In order to fulfil the financing plan set out in Recital (c), the Borrower has requested from the Bank a credit of EUR 50,000,000 (fifty million euros).
- (e) The Bank considering that the financing of the Project falls within the scope of its functions, and having regard to the statements and facts cited in these Recitals, has decided to give effect to the Borrower's request providing to it a credit in an amount of EUR 50,000,000 (fifty million euros) under this Contract; provided that the amount of the Bank loan shall not, in any case, exceed (i) 50% (fifty per cent) of the total cost of the Project set out in Recital (c), and (ii) when aggregated with any EU Grants available for the Project, 90% (ninety per cent) of the total cost of the Project set out in Recital (c).
- (f) The City Assembly (in Slovak: *mestské zastupiteľstvo*) of the Borrower has authorised the borrowing of the sum of EUR 50,000,000 (fifty million euros) represented by this credit on the terms and conditions set out in this Contract in the form set out in Annex I.
- (g) On 11 September 2019, the Slovak Republic confirmed in writing that the present operation is submitted to the Bank with its agreement.
- (h) The Statute of the Bank provides that the Bank shall ensure that its funds are used as rationally as possible in the interests of the European Union; and, accordingly, the terms and conditions of the Bank's loan operations must be consistent with relevant policies of the European Union.
- (i) The financing of the Project includes certain state subsidies or grants and the provision of such funds has been duly authorised and will be provided in compliance with all relevant legislation of the European Union.
- (j) The Bank considers that access to information plays an essential role in the reduction of environmental and social risks, including human rights violations, linked to the projects it finances and has therefore established its transparency policy, the purpose of which is to enhance the accountability of the Bank's group towards its stakeholders and the citizens of the European Union in general.
- (k) The processing of personal data shall be carried out by the Bank in accordance with applicable European Union legislation on the protection of individuals with regard to the processing of personal data by the European Union institutions and bodies and on the free movement of such data.

- (l) The Bank supports the implementation of international and EU standards in the field of anti-money laundering and countering the financing of terrorism and promotes tax good governance standards. It has established policies and procedures to avoid the risk of misuse of its funds for purposes which are illegal or abusive in relation to applicable laws. The EIB Group statement on tax fraud, tax evasion, tax avoidance, aggressive tax planning, money laundering and financing of terrorism is available on the Bank's website and offers further guidance to EIB contracting counterparties.

NOW THEREFORE it is hereby agreed as follows:

INTERPRETATION AND DEFINITIONS

Interpretation

In this Contract:

- (a) references to Articles, Recitals, Schedules and Annexes are, save if explicitly stipulated otherwise, references respectively to articles of, and recitals, schedules and annexes to this Contract;
- (b) references to “law” or “laws” mean:
 - (i) any applicable law and any applicable treaty, constitution, statute, legislation, decree, normative act, rule, regulation, judgement, order, writ, injunction, determination, award or other legislative or administrative measure or judicial or arbitral decision in any jurisdiction which is binding or applicable case law; and
 - (ii) EU Law;
- (c) references to “applicable law”, “applicable laws” or “applicable jurisdiction” mean:
 - (i) a law or jurisdiction applicable to the Borrower, its rights and/or obligations (in each case arising out of or in connection with this Contract), its capacity and/or assets and/or the Project; and/or, as applicable; or
 - (ii) a law or jurisdiction (including in each case the Bank’s Statute) applicable to the Bank, its rights, obligations, capacity and/or assets;
- (d) references to a provision of law or a treaty are references to that provision as amended or re-enacted;
- (e) references to any other agreement or instrument are references to that other agreement or instrument as amended, novated, supplemented, extended or restated; and
- (f) words and expressions in plural shall include singular and vice versa.

Definitions

In this Contract:

“Accepted Tranche” means a Tranche in respect of which a Disbursement Offer has been duly accepted by the Borrower in accordance with its terms on or before the Disbursement Acceptance Deadline.

“Act on Budgetary Rules” means the Act of the Slovak Republic No. 583/2004 Coll., on the budgetary rules of regional self-administration, as amended.

“Act on Register of Public Sector Partners” means the Act of the Slovak Republic No. 315/2016 Coll., on the register of public sector partners, as amended.

“Affected Guarantor” has the meaning given to it in Article 7.4.C.

“Allocation” or **“Allocations”** has the meaning given to it in Article 1.9.B.

“Allocation Letter” has the meaning given to it in Article 1.9.B.

“Allocation Procedure” has the meaning given to it in Article 1.9.

“Allocation Request” has the meaning given to it in Article 1.9.A.

“Agreed Deferred Disbursement Date” has the meaning given to it in Article 1.5.A(2)(b).

“Authorisation” means an authorisation, permit, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

“Authorised Signatory” means a person authorised to sign individually or jointly (as the case may be) Disbursement Acceptances on behalf of the Borrower and named in the most recent List of Authorised Signatories and Accounts received by the Bank prior to the receipt of the relevant Disbursement Acceptance.

“Bratislava Administration Act” means the Act of the Slovak Republic No. 377/1990 Coll., on the capital city of the Slovak republic Bratislava, as amended.

“Business Day” means a day (other than a Saturday or Sunday) on which the Bank and commercial banks are open for general business in Luxembourg.

["Central Registry of Contracts” means the Central Registry of Contracts administered by the Government Office of the Slovak Republic as of the date of this Contract in an electronic form in accordance with the Public Information Access Act (as defined below) and the Regulation of the Government of the Slovak Republic No. 498/2011 Coll., on publishing of contracts in the Central Register of Contracts, as amended.]

“Change-of-Law Event” has the meaning given to it in Article 4.3.A(3).

“Civil Code” means the Act of the Slovak Republic No. 40/1964 Coll., civil code, as amended.

“Compliance Certificate” has the meaning given to it in Article 8.2(a)(i).

“Contract” has the meaning given to it in Recital (b).

“Contract Number” shall mean the Bank generated number identifying this Contract and indicated on the cover page of this Contract after the letters “FI N”.

“Credit” has the meaning given to it in Article 1.1.

“Credit Rating” means any of the following ratings as assigned by a Rating Agency in respect of the Guarantor:

- (a) the rating assigned to the Borrower's most recent unsecured and unsubordinated medium or long term debt;
- (b) the Long Term Issuer Credit Rating (or equivalent) defined as such by Standard and Poor's Financial Services LLC or its successor;
- (c) the Corporate Credit Rating (or equivalent) defined as such by Standard and Poor's Financial Services LLC or its successor;
- (d) the Long Term Issuer Default Rating (or equivalent) defined as such by Fitch Ratings Inc or its successor;
- (e) the Long Term Issuer Rating (or equivalent) defined as such by Moody's Investors Service, Inc. or its successor; or
- (f) the Long Term Foreign Currency Deposit Rating (or equivalent) defined as such by Moody's Investors Service, Inc. or its successor,

provided that in each of the cases (b) to (f) above the terms defined shall be deemed to refer to any equivalent term irrespective of the definition given to it and excludes any rating qualified by the terms *“National Scale”*, *“NSR”*, *“Local”*, *“Local Currency”*, *“Domestic”* or *“Domestic Currency”*.

“Criminal Offence” means any of the following criminal offences as applicable: fraud, corruption, coercion, collusion, obstruction, money laundering, financing of terrorism.

“Date of Effectiveness” has the meaning given to it in Article 11.10.

“Deferment Indemnity” means a fee calculated on the amount of disbursement deferred or suspended being the higher of:

- (a) 0.125% (12.5 basis points), per annum, and
- (b) the percentage rate by which:
 - (i) the interest rate net of the Margin that would have been applicable to such amount had it been disbursed to the Borrower on the Scheduled Disbursement Date, exceeds
 - (ii) EURIBOR (one month rate) less 0.125% (12.5 basis points), unless this value is less than zero, in which case it will be set at zero.

Such fee shall accrue from the Scheduled Disbursement Date to the Disbursement Date or, as the case may be, until the date of cancellation of the Accepted Tranche in accordance with this Contract.

“Disbursement Acceptance” means a copy of the Disbursement Offer duly countersigned by the Borrower.

“Disbursement Acceptance Deadline” means the date and time of expiry of a Disbursement Offer as specified therein.

“Disbursement Account” means, in respect of each Tranche, the bank account set out in the most recent List of Authorised Signatories and Accounts.

“Disbursement Date” means the date on which disbursement of a Tranche is made by the Bank.

“Disbursement Offer” means a letter substantially in the form set out in Schedule C.1.

“Dispute” has the meaning given to it in Article 11.2.

“Disruption Event” means either or both of:

- (a) a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made in connection with this Contract; or
- (b) the occurrence of any other event which results in a disruption (of a technical or systems-related nature) to the treasury or payments operations of either the Bank or the Borrower, preventing that party from:
 - (i) performing its payment obligations under this Contract; or
 - (ii) communicating with other parties,

and which disruption (in either such case as per (a) or (b) above) is not caused by, and is beyond the control of, the party whose operations are disrupted.

“Environment” means the following, in so far as they affect human health or social well-being:

- (a) fauna and flora;
- (b) soil, water, air, climate and the landscape; and
- (c) cultural heritage and the built environment,

and includes, without limitation, occupational and community health and safety.

“Environmental Approval” means any Authorisation required by Environmental Law.

“Environmental Claim” means any claim, proceeding, formal notice or investigation by any person in respect of any Environmental Law.

“Environmental Law” means:

- (a) EU Law, including principles and standards;
- (b) laws and regulations of the Slovak Republic; and
- (c) applicable international treaties,

in each case of which a principal objective is the preservation, protection or improvement of the Environment.

“EU Grants” means any financial assistance in the form of grant made to the Borrower from the resources of the European Union.

“EU Grants Event” has the meaning given to it in Article 4.3.A(5).

“EU Law” means the *acquis communautaire* of the European Union as expressed through the Treaties of the European Union, the regulations, directives, delegated acts, implementing acts, and the case law of the Court of Justice of the European Union.

“EUR” or **“euro”** means the lawful currency of the Member States of the European Union which adopt or have adopted it as their currency in accordance with the relevant provisions of the Treaty on European Union and the Treaty on the Functioning of the European Union or their succeeding treaties.

“EURIBOR” has the meaning given to it in Schedule B.

“Event of Default” means any of the circumstances, events or occurrences specified in Article 10.1.

“Final Availability Date” means the day falling 4 years after the Date of Effectiveness.

“Fixed Rate” means an annual interest rate including the Margin determined by the Bank in accordance with the applicable principles from time to time laid down by the governing bodies of the Bank for loans made at a fixed rate of interest, denominated in the currency of the Tranche and bearing equivalent terms for the repayment of capital and the payment of interest. Such rate shall not be of negative value.

“Fixed Rate Tranche” means a Tranche on which the Fixed Rate is applied.

“Floating Rate” means a fixed-spread floating annual interest rate, determined by the Bank for each successive Floating Rate Reference Period equal to EURIBOR plus the Spread. If the Floating Rate for any Floating Rate Reference Period is calculated to be below zero, it will be set at zero.

“Floating Rate Reference Period” means each period from one Payment Date to the next relevant Payment Date; the first Floating Rate Reference Period shall commence on the date of disbursement of the Tranche.

“Floating Rate Tranche” means a Tranche on which the Floating Rate is applied.

“GAAP” means generally accepted accounting principles in the Slovak Republic, including IFRS.

“Guarantee” has the meaning given to it in Article 7.4.A.

“Guarantor” has the meaning given to it in Article 7.4.A.

“Guarantor Default Event” has the meaning given to it in Article 7.4.D.

“IFRS” means international accounting standards within the meaning of IAS Regulation 1606/2002 to the extent applicable to the relevant financial statements.

“Indemnifiable Prepayment Event” means a Prepayment Event other than those specified in paragraphs 4.3.A(2) (**Chyba! Nenašiel sa žiaden zdroj odkazov.**) or 4.3.A(4) ().

“Interest Revision/Conversion” means the determination of new financial conditions relative to the interest rate, specifically the same interest rate basis (**“revision”**) or a different interest rate basis (**“conversion”**) which can be offered for the remaining term of a Tranche or until the next Interest Revision/Conversion Date, if any.

“Interest Revision/Conversion Date” means the date, which shall be a Payment Date, specified by the Bank pursuant to Article 1.2.B in the Disbursement Offer.

“Interest Revision/Conversion Proposal” means a proposal made by the Bank under Schedule D.

“Interest Revision/Conversion Request” means a written notice from the Borrower, delivered at least 75 (seventy-five) days before an Interest Revision/Conversion Date, requesting the Bank to submit to it an Interest Revision/Conversion Proposal. The Interest Revision/Conversion Request shall also specify:

- (a) the Payment Dates chosen in accordance with the provisions of Article 3.1;
- (b) the amount of the Tranche for which the Interest Revision/Conversion shall apply; and
- (c) any further Interest Revision/Conversion Date chosen in accordance with Article 3.1.

“List of Authorised Signatories and Accounts” means a list, in form and substance satisfactory to the Bank, setting out:

- (a) the Authorised Signatories, accompanied by evidence of signing authority of the persons named on the list and specifying if they have individual or joint signing authority;
- (b) the specimen signatures of such persons; and
- (c) the bank account(s) to which disbursements may be made under this Contract (specified by IBAN code if the country is included in the IBAN Registry published by SWIFT, or in the appropriate account format in line with the local banking practice), BIC/SWIFT code of the bank and the name of the bank account(s) beneficiary.

“Loan” means the aggregate of the amounts disbursed from time to time by the Bank under this Contract.

“Loan Outstanding” means the aggregate of the amounts disbursed from time to time by the Bank under this Contract that remains outstanding.

“Margin” means the component of the rate of interest quantified in Article 3.1.

“Market Disruption Event” means any of the following circumstances:

- (a) there are, in the opinion of the Bank, events or circumstances adversely affecting the Bank's access to its sources of funding;
- (b) in the opinion of the Bank, funds are not available from the Bank's ordinary sources of funding in order to adequately fund a Tranche in the relevant currency and/or for the relevant maturity and/or in relation to the reimbursement profile of such Tranche; or
- (c) in relation to a Tranche in respect of which interest would be payable at Floating Rate:
 - (i) the cost to the Bank of obtaining funds from its sources of funding, as determined by the Bank, for a period equal to the Floating Rate Reference Period of such Tranche (i.e. in the money market) would be in excess of EURIBOR; or
 - (ii) the Bank determines that adequate and fair means do not exist for ascertaining EURIBOR for such Tranche or it is not possible to determine EURIBOR in accordance with the definition contained in Schedule B.

“Material Adverse Change” means, any event or change of condition, which, in the opinion of the Bank has a material adverse effect on:

- (a) the ability of the Borrower to perform its obligations under this Contract;
- (a) the operations, property, condition (financial or otherwise) or prospects of the Borrower; or
- (b) the legality, validity or enforceability of, or the effectiveness or ranking of, or the value of any Security granted to the Bank, or the rights or remedies of the Bank under this Contract.

“Maturity Date” means the last Repayment Date of a Tranche specified pursuant to Article 4.1.A(b)(iv).

“Non-EIB Financing” has the meaning given to it in Article 4.3.A(2).

“Payment Date” means: the annual, semi-annual or quarterly dates specified in the Disbursement Offer until and including the Interest Revision/Conversion Date, if any, or the Maturity Date, save that, in case any such date is not a Relevant Business Day, it means:

- (a) for a Fixed Rate Tranche, the following Relevant Business Day, without adjustment to the interest due under Article 3.1; except for those cases where the payment is made in full and in relation to the Interest Revision/Conversion in accordance with Schedule D, point C and to the final interest payment only, when it shall mean the preceding Relevant Business Day with adjustment to the interest due under Article 3.1; and
- (b) for a Floating Rate Tranche, the next day, if any, of that calendar month that is a Relevant Business Day or, failing that, the nearest preceding day that is a Relevant Business Day, in all cases with corresponding adjustment to the interest due under Article 3.1.

“Prepayment Amount” means the amount of a Tranche to be prepaid by the Borrower in accordance with Article 4.2.A or Article 4.3.A, as applicable.

“Prepayment Date” means the date, which shall be a Payment Date, on which the Borrower proposes to or is requested by the Bank, as applicable, to effect prepayment of a Prepayment Amount.

“Prepayment Event” means any of the events described in Article 4.3.A.

“Prepayment Indemnity” means in respect of any principal amount to be prepaid or cancelled, the amount communicated by the Bank to the Borrower as the present value (calculated as of the Prepayment Date or the date of cancellation pursuant to Article 1.6.C(2)) of the excess, if any, of:

- (a) the interest net of the Margin that would accrue thereafter on the Prepayment Amount over the period from the Prepayment Date or the date of cancellation pursuant to Article 1.6.C(2) to the Interest Revision/Conversion Date, if any, or the Maturity Date, if it were not prepaid; over
- (b) the interest that would so accrue over that period, if it were calculated at the Redeployment Rate, less 0.15% (fifteen basis points).

The said present value shall be calculated at a discount rate equal to the Redeployment Rate, applied as of each relevant Payment Date.

"Prepayment Notice" means a written notice from the Bank to the Borrower in accordance with Article 4.2.C.

"Prepayment Request" means a written request from the Borrower to the Bank to prepay all or part of the Loan Outstanding, in accordance with Article 4.2.A.

"Project" has the meaning given to it in Recital (a).

"Public Information Access Act" means the Act of the Slovak Republic No. 211/2000 Coll., on free access to public information, as amended.

"Qualifying Guarantor" has the meaning given to it in Article 7.4.B.

"Rating Agency" means any of:

- (a) Standard and Poor's Financial Services LLC;
- (b) Fitch Ratings Inc.; and
- (c) Moody's Investors Service, Inc.;

or their respective successors.

"Redeployment Rate" means the fixed annual rate excluding the Margin determined by the Bank, being a rate which the Bank would apply on the day of the indemnity calculation to a loan that has the same currency the same terms for the payment of interest and the same repayment profile to the Interest Revision/Conversion Date, if any, or the Maturity Date as the Tranche in respect of which a prepayment or cancellation is proposed or requested to be made. Such rate shall not be of negative value.

"Relevant Business Day" means a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007 (TARGET2) is open for the settlement of payments in EUR.

"Repayment Date" shall mean each of the Payment Dates specified for the repayment of the principal of a Tranche in the Disbursement Offer, in accordance with the criteria set out in Article 4.1.

"Requested Deferred Disbursement Date" has the meaning given to it in Article 1.5.A(1)(b).

"Scheduled Disbursement Date" means the date on which a Tranche is scheduled to be disbursed in accordance with Article 1.2.B.

"Security" means any mortgage, pledge, lien, charge, assignment, hypothecation, or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"Spread" means the fixed spread (being of either positive or negative value) to EURIBOR as determined by the Bank and notified to the Borrower in the relevant Disbursement Offer or Interest Revision/Conversion Proposal. The Spread shall include the Margin.

"Sub-Project" has the meaning given to it in Recital (a).

"Tax" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

"Technical Description" has the meaning given to it in Recital (a).

“Tranche” means each disbursement made or to be made under this Contract. In case no Disbursement Acceptance has been received, Tranche shall mean a Tranche as offered under Article 1.2.B.

ARTICLE 1

Credit and Disbursements

1.1 Amount of Credit

By this Contract the Bank establishes in favour of the Borrower, and the Borrower accepts, a credit in an amount of EUR 50,000,000 (fifty million euros) for the financing of the Project (the “Credit”).

1.2 Disbursement procedure

1.2.A Tranches

The Bank shall disburse the Credit in up to 5 (five) Tranches. The amount of each Tranche shall be in a minimum amount of EUR 10,000,000 (ten million euros) or (if less) the entire undrawn balance of the Credit.

1.2.B Disbursement Offer

Upon request by the Borrower and subject to Article 1.4.A, provided that no event mentioned in Article 1.5 or Article 1.6.B has occurred and is continuing, the Bank shall send to the Borrower within 5 (five) Business Days after the receipt of such request a Disbursement Offer for the disbursement of a Tranche. The latest time for receipt by the Bank of such Borrower's request is 15 (fifteen) Business Days before the Final Availability Date. The Disbursement Offer shall specify:

- (a) the amount of the Tranche in EUR;
- (b) the Scheduled Disbursement Date, which shall be a Relevant Business Day, falling at least 10 (ten) days after the date of the Disbursement Offer and on or before the Final Availability Date;
- (c) the interest rate basis of the Tranche, being: (i) a Fixed Rate Tranche; or (ii) a Floating Rate Tranche, in each case, pursuant to the relevant provisions of Article 3.1;
- (d) the Payment Dates and the first interest Payment Date for the Tranche;
- (e) the terms for repayment of principal for the Tranche, in accordance with the provisions of Article 4.1;
- (f) the Repayment Dates and the first and the last Repayment Date for the Tranche;
- (g) the Interest Revision/Conversion Date, if requested by the Borrower, for the Tranche;
- (h) for a Fixed Rate Tranche, the Fixed Rate and for a Floating Rate Tranche the Spread, applicable until the Interest Revision/Conversion Date, if any or until the Maturity Date; and
- (i) the Disbursement Acceptance Deadline.

1.2.C Disbursement Acceptance

The Borrower may accept a Disbursement Offer by delivering a Disbursement Acceptance to the Bank no later than the Disbursement Acceptance Deadline. The Disbursement Acceptance shall be signed by an Authorised Signatory with individual representation right or two or more Authorised Signatories with joint representation right and shall specify the Disbursement Account to which the disbursement of the Tranche should be made in accordance with Article 1.2.D.

If a Disbursement Offer is duly accepted by the Borrower in accordance with its terms on or before the Disbursement Acceptance Deadline, the Bank shall make the Accepted Tranche available to the Borrower in accordance with the relevant Disbursement Offer and subject to the terms and conditions of this Contract.

The Borrower shall be deemed to have refused any Disbursement Offer which has not been duly accepted in accordance with its terms on or before the Disbursement Acceptance Deadline.

1.2.D Disbursement Account

Disbursement shall be made to the Disbursement Account specified in the relevant Disbursement Acceptance provided that such Disbursement Account is acceptable to the Bank.

Notwithstanding Article 5.2(e), the Borrower acknowledges that payments to a Disbursement Account notified by the Borrower shall constitute disbursements under this Contract as if they had been made to the Borrower's own bank account.

Only one Disbursement Account may be specified for each Tranche.

1.3 Currency of disbursement

The Bank shall disburse each Tranche in EUR.

1.4 Conditions of disbursement

1.4.A Condition precedent to the first request for Disbursement Offer

The Bank shall have received from the Borrower in form and substance satisfactory to the Bank:

- (a) evidence that the execution of this Contract by the Borrower has been duly authorised and that the person or persons signing this Contract on behalf of the Borrower is/are duly authorised to do so together with the specimen signature of each such person or persons; and
- (b) the List of Authorised Signatories and Accounts;

prior to requesting a Disbursement Offer under Article 1.2.B by the Borrower. Any request for a Disbursement Offer made by the Borrower without the above documents having been received by the Bank and to its satisfaction shall be deemed not made.

1.4.B First Tranche

The disbursement of the first Tranche under Article 1.2 is conditional upon receipt by the Bank, in form and substance satisfactory to it, on or before the date falling 5 (five) Business Days before the Scheduled Disbursement Date (and, in the case of deferment under Article 1.5, the Requested Deferred Disbursement Date or the Agreed Deferred Disbursement Date, respectively), of the following documents or evidence:

- (a) evidence that the Borrower has obtained all necessary Authorisations, required in connection with this Contract and the Project;
- (b) the amount requested to be disbursed does not exceed 30% (thirty per cent) of the Credit, except if it does not exceed the amount already allocated to eligible Sub-Projects;
- (c) a legal opinion in the English language from an in-house legal counsel of the Borrower on the legal capacity and due authorisation of the Borrower, the due execution of this Contract by the Borrower, and on the legal, valid, binding and enforceable character of the Borrower's obligations under this Contract in the Slovak Republic, such opinion substantially in the form annexed hereto as Annex II; and
- (d) evidence of compliance by the Borrower with the financial covenants pursuant to Article 6.8.

1.4.C Second and Subsequent Tranches

The disbursement of the second and any subsequent Tranche under Article 1.2 is also conditional upon receipt by the Bank, in form and substance satisfactory to it, on or before the date falling 5 (five) Business Days before the Scheduled Disbursement Date (and, in the case of deferment under Article 1.5, the Requested Deferred Disbursement Date or the Agreed Deferred Disbursement Date, respectively), of the following documents or evidence:

- (a) evidence that 80% (eighty per cent) of the previously disbursed Tranches have been committed by the Borrower and allocated to eligible Sub-Projects to the satisfaction of the Bank; or

- (b) evidence that 50% (fifty per cent) of the previously disbursed Tranches have been effectively paid out towards any expenditures incurred with respect to any eligible Sub-Projects allocated to the satisfaction of the Bank; and
- (c) prior to the disbursement of the last 10% (ten per cent) of the Credit:
 - (i) evidence that 100% (hundred per cent) of the previously disbursed Tranches have been allocated; and
 - (ii) a list of eligible Sub-Projects expected to be allocated under this amount to the satisfaction of the Bank.

1.4.D All Tranches

The disbursement of each Tranche under Article 1.2, including the first, is subject to the following conditions:

- (a) that the Bank has received, in form and substance satisfactory to it, on or before the date falling 5 (five) Business Days before the Scheduled Disbursement Date (and, in the case of deferment under Article 1.5, the Requested Deferred Disbursement Date or the Agreed Deferred Disbursement Date, respectively) for the proposed Tranche, of the following documents or evidence:
 - (i) a certificate from the Borrower in the form of Schedule E signed by an authorised representative of the Borrower and dated no earlier than the date falling 10 (ten) days before the Scheduled Disbursement Date (and, in the case of deferment under Article 1.5, the Requested Deferred Disbursement Date or the Agreed Deferred Disbursement Date, respectively); and
 - (ii) a copy of all relevant Environmental Approvals and other relevant documents in the context of the environmental impact assessment under EIA Directive 2011/92/EU applicable to any Sub-Project allocated prior to the date of the request of the Borrower for the Disbursement Offer;
 - (iii) a copy of any other authorisation or other document, opinion or assurance which the Bank has notified the Borrower is necessary or desirable in connection with the entry into and performance of, and the transactions contemplated by, this Contract or the legality, validity, binding effect or enforceability of the same; and
- (b) that on the Scheduled Disbursement Date (and, in the case of deferment under Article 1.5, on the Requested Deferred Disbursement Date or the Agreed Deferred Disbursement Date, respectively) for the proposed Tranche:
 - (i) the representations and warranties which are repeated pursuant to Article 6.10 are correct in all respects; and
 - (ii) no event or circumstance which constitutes or would with the passage of time or giving of notice under this Contract constitute:
 - (1) an Event of Default; or
 - (2) a Prepayment Event,
 has occurred and is continuing unremedied or unwaived or would result from the disbursement of the proposed Tranche.

1.5 Deferment of disbursement

1.5.A Grounds for deferment

1.5.A(1) BORROWER'S REQUEST

The Borrower may send a written request to the Bank requesting the deferral of the disbursement of an Accepted Tranche. The written request must be received by the Bank at least 5 (five) Business Days before the Scheduled Disbursement Date of the Accepted Tranche and specify:

- (a) whether the Borrower would like to defer the disbursement in whole or in part and if in part, the amount to be deferred; and

- (b) the date until which the Borrower would like to defer a disbursement of the above amount (the “**Requested Deferred Disbursement Date**”), which must be a date falling not later than:
 - (i) 6 (six) months from its Scheduled Disbursement Date; and
 - (ii) 30 (thirty) days prior to the first Repayment Date; and
 - (iii) the Final Availability Date.

Upon receipt of such a written request, the Bank shall defer the disbursement of the relevant amount until the Requested Deferred Disbursement Date.

1.5.A(2) FAILURE TO SATISFY CONDITIONS TO DISBURSEMENT

- (a) The disbursement of an Accepted Tranche shall be deferred if any condition for disbursement of such Accepted Tranche referred to in Article 1.4 is not fulfilled both:
 - (i) at the date specified for fulfilment of such condition in Article 1.4; and
 - (ii) at its Scheduled Disbursement Date (or, where the Scheduled Disbursement Date has been deferred previously, the date expected for disbursement).
- (b) The Bank and the Borrower shall agree the date until which the disbursement of such Accepted Tranche shall be deferred (the “**Agreed Deferred Disbursement Date**”), which must be a date falling not:
 - (i) earlier than 5 (five) Business Days following the fulfilment of all conditions of disbursement; and
 - (ii) later than the Final Availability Date.
- (c) Without prejudice to the Bank’s right to suspend and/or cancel the undisbursed portion of the Credit in whole or in part pursuant to Article 1.6.B, the Bank shall defer disbursement of such Accepted Tranche until the Agreed Deferred Disbursement Date.

1.5.A(3) DEFERMENT INDEMNITY

If disbursement of an Accepted Tranche is deferred pursuant to paragraphs 1.5.A(1) or 1.5.A(2) above, the Borrower shall pay the Deferment Indemnity.

1.5.B Cancellation of a disbursement deferred by 6 (six) months

If a disbursement has been deferred by more than 6 (six) months in aggregate pursuant to Article 1.5.A, the Bank may notify the Borrower in writing that such disbursement shall be cancelled and such cancellation shall take effect on the date of such written notification. The amount of the disbursement which is cancelled by the Bank pursuant to this Article 1.5.B shall remain available for disbursement under Article 1.2.

1.6 Cancellation and suspension

1.6.A Borrower’s right to cancel

The Borrower may send a written notice to the Bank requesting the cancellation of the undisbursed portion of the Credit. The written notice:

- (a) must specify whether the Borrower would like to cancel the undisbursed portion of the Credit in whole or in part and, if in part, the amount of the Credit the Borrower would like to cancel; and
- (b) must not relate to an Accepted Tranche which has a Scheduled Disbursement Date falling within 5 (five) Business Days of the date of the written notice.

Upon receipt of such written notice, the Bank shall cancel the requested undisbursed portion of the Credit with immediate effect.

1.6.B Bank's right to suspend and cancel

- (a) At any time upon the occurrence of the following events, the Bank may notify the Borrower in writing that the undisbursed portion of the Credit shall be suspended and/or (apart from on the occurrence of a Market Disruption Event) cancelled in whole or in part:
 - (i) a Prepayment Event;
 - (ii) an Event of Default;
 - (iii) an event or circumstance which would with the passage of time or giving of notice under this Contract constitute a Prepayment Event or an Event of Default; or
 - (iv) a Market Disruption Event provided the Bank has not received a Disbursement Acceptance.
- (b) On the date of such written notification the relevant undisbursed portion of the Credit shall be suspended and/or cancelled with immediate effect. Any suspension shall continue until the Bank ends the suspension or cancels the suspended amount.

1.6.C Indemnity for suspension and cancellation of a Tranche

1.6.C(1) SUSPENSION

If the Bank suspends an Accepted Tranche upon the occurrence of an Indemnifiable Prepayment Event or an Event of Default, the Borrower shall pay to the Bank the Deferment Indemnity calculated on the amount of disbursement suspended.

1.6.C(2) CANCELLATION

- (a) If an Accepted Tranche which is a Fixed Rate Tranche is cancelled:
 - (i) by the Borrower pursuant to Article 1.6.A;
 - (ii) by the Bank upon an Indemnifiable Prepayment Event or pursuant to Article 1.5.B,the Borrower shall pay to the Bank the Prepayment Indemnity. The Prepayment Indemnity shall be calculated as if the cancelled amount had been disbursed and repaid on the Scheduled Disbursement Date or, to the extent that the disbursement of the Tranche is currently deferred or suspended, on the date of the cancellation notice.
- (b) If the Bank cancels an Accepted Tranche upon the occurrence of an Event of Default, the Borrower shall indemnify the Bank in accordance with Article 10.3.
- (c) Save in the cases (a) or (b) above, no indemnity is payable upon cancellation of a Tranche.

1.7 Cancellation after expiry of the Credit

On the day following the Final Availability Date, and unless otherwise specifically agreed to in writing by the Bank, any part of the Credit in respect of which no Disbursement Acceptance has been received in accordance with Article 1.2.C shall be automatically cancelled, without any notice being served by the Bank to the Borrower and without liability arising on the part of either party.

1.8 Sums due under Articles 1.5 and 1.6

Sums due under Articles 1.5 and 1.6 shall be payable in EUR. Sums due under Articles 1.5 and 1.6 shall be payable within 15 (fifteen) days of the Borrower's receipt of the Bank's demand or within any longer period specified in the Bank's demand.

1.9 Allocation Procedure

1.9.A Allocation Request

The Borrower may and shall no later than by 30 September 2023 submit to the Bank for approval a request for allocation.

The Loan may solely be allocated to Sub-Projects identified as eligible for financing in the Technical Description. In order for a Sub-Project to qualify for financing hereunder, the Borrower must comply with the Allocation Procedure, continuing Project undertakings in Article 6.5, allocation procedures modulated according to the Sub-Project size in line with applicable framework loan procedures and as indicated in Schedule A and reporting requirements set out in Article 8.1.

1.9.B Allocation Letter

The Bank shall have full discretion whether or not to approve the Allocation Request following such examination of the Sub-Projects as it deems necessary and shall, in the event of approval, issue a letter of allocation informing the Borrower of (i) its approval of the Sub-Projects submitted and (ii) the portion of the Credit (or the Loan, as the case be), which the Bank has allocated to any so approved Sub-Projects (each such portion being hereafter called an “**Allocation**”, which term shall include any such portion as may be re-allocated). In the event the Bank does not approve a submitted Allocation Request, the Bank shall inform the Borrower thereof in writing.

The Borrower shall provide the Bank with any additional information regarding the Sub-Projects as the Bank, in its own discretion, may request.

The Bank may review and amend the Allocation Procedures in view of any change required by, inter alia, the European Commission or the development of the Project (or any individual Sub-Project).

1.10 Reallocation Procedure

1.10.A Reallocation at the request of the Borrower

The Borrower may, by written request to the Bank which shall include reasons therefor, and not later than 30 December 2023, propose to reallocate in accordance with Article 1.9 any corresponding part of the original Allocation which has not been spent by the Borrower on a Sub-Project or made available in full, directly or indirectly, by the Borrower to the relevant Final Beneficiaries.

The Bank may, at its discretion, accept the Borrower’s proposal for reallocation and reallocate any corresponding portion of the original Allocation in accordance with the provisions of Article 1.9.

1.10.B Reallocation at the request of the Bank

The Borrower shall propose to reallocate any corresponding part of the original Allocation, which has been allocated in accordance with the Allocation Procedures in relation to a Sub-Project, if such Sub-Project, in the reasonable opinion of the Bank, is ineligible for financing by the Bank under the Bank’s Statute, policies or guidelines, or under Article 309 of the Treaty on the Functioning of the European Union.

ARTICLE 2

The Loan

2.1 Amount of Loan

The Loan shall comprise the aggregate amount of Tranches disbursed by the Bank under the Credit, as confirmed by the Bank pursuant to Article 2.3.

2.2 Currency of repayment, interest and other charges

Interest, repayments and other charges payable in respect of each Tranche shall be made by the Borrower in the currency in which the Tranche is disbursed.

Other payment, if any, shall be made in the currency specified by the Bank having regard to the currency of the expenditure to be reimbursed by means of that payment.

2.3 Confirmation by the Bank

The Bank shall deliver to the Borrower the amortisation table referred to in Article 4.1, if appropriate, showing the Disbursement Date, currency, the amount disbursed, the repayment terms and the interest rate of and for that Tranche.

ARTICLE 3

Interest

3.1 Rate of interest

For the purposes of this Contract “**Margin**” means 3 (three) basis point(s) (0.03%).

3.1.A Fixed Rate Tranches

The Borrower shall pay interest on the outstanding balance of each Fixed Rate Tranche at the Fixed Rate quarterly, semi-annually or annually in arrear on the relevant Payment Dates as specified in the Disbursement Offer, commencing on the first such Payment Date following the Disbursement Date of the Tranche. If the period from the Disbursement Date to the first Payment Date is 15 (fifteen) days or less then the payment of interest accrued during such period shall be postponed to the following Payment Date.

Interest shall be calculated on the basis of Article 5.1(a).

3.1.B Floating Rate Tranches

The Borrower shall pay interest on the outstanding balance of each Floating Rate Tranche at the Floating Rate quarterly or semi-annually in arrear on the relevant Payment Dates, as specified in the Disbursement Offer commencing on the first such Payment Date following the Disbursement Date of the Tranche. If the period from the Disbursement Date to the first Payment Date is 15 (fifteen) days or less then the payment of interest accrued during such period shall be postponed to the following Payment Date.

The Bank shall notify the Borrower of the Floating Rate within 10 (ten) days following the commencement of each Floating Rate Reference Period.

If pursuant to Articles 1.5 and 1.6 disbursement of any Floating Rate Tranche takes place after the Scheduled Disbursement Date EURIBOR applicable to the first Floating Rate Reference Period shall apply as though the disbursement had been made on the Scheduled Disbursement Date.

Interest shall be calculated in respect of each Floating Rate Reference Period on the basis of Article 5.1.(b).

3.1.C Revision or Conversion of Tranches

Where the Borrower exercises an option to revise or convert the interest rate basis of a Tranche, it shall, from the effective Interest Revision/Conversion Date (in accordance with the procedure set out in Schedule D) pay interest at a rate determined in accordance with the provisions of Schedule D.

3.2 Interest on overdue sums

Without prejudice to Article 10 and by way of exception to Article 3.1, if the Borrower fails to pay any amount payable by it under this Contract on its due date, interest shall accrue on any overdue amount payable under the terms of this Contract from the due date to the date of actual payment at an annual rate equal to:

- (a) for overdue sums related to Floating Rate Tranches, the applicable Floating Rate plus 2% (200 basis points);
- (b) for overdue sums related to Fixed Rate Tranches, the higher of
 - (i) the applicable Fixed Rate plus 2% (200 basis points); or
 - (ii) EURIBOR plus 2% (200 basis points); and

- (c) for overdue sums other than under (a) or (b) above, EURIBOR plus 2% (200 basis points),

and shall be payable in accordance with the demand of the Bank. For the purpose of determining the EURIBOR in relation to this Article 3.2, the relevant periods within the meaning of Schedule B shall be successive periods of one month commencing on the due date. Any unpaid but due interest may be capitalised in conformity with article 1154 of the Luxembourg Civil Code. For the avoidance of doubt, capitalisation of interest shall occur only for interest due but unpaid for a period of more than one year. The Borrower hereby agrees in advance to have the unpaid interest due for a period of more than one year compounded and that as of the capitalisation, such unpaid interest will in turn produce interest at the interest rate set out in this Article 3.2.

If the overdue sum is in a currency other than the currency of the Loan, the following rate per annum shall apply, namely the relevant interbank rate that is generally retained by the Bank for transactions in that currency plus 2% (200 basis points), calculated in accordance with the market practice for such rate.

3.3 Market Disruption Event

If at any time (i) from the receipt by the Bank of a Disbursement Acceptance in respect of a Tranche, and (ii) until the date falling 30 (thirty) calendar days prior to the Scheduled Disbursement Date, a Market Disruption Event occurs, the Bank may notify to the Borrower that this clause has come into effect. In such case, the following rules shall apply:

- (a) The rate of interest applicable to such Accepted Tranche until the Maturity Date or the Interest Revision/Conversion Date if any, shall be the percentage rate per annum which is the sum of:
- (i) the Margin; and
 - (ii) the rate (expressed as a percentage rate per annum) which is determined by the Bank to be the all-inclusive cost to the Bank for the funding of the relevant Tranche based upon the then applicable internally generated Bank reference rate or an alternative rate determination method reasonably determined by the Bank.

The Borrower shall have the right to refuse in writing such disbursement within the deadline specified in the notice and shall bear charges incurred as a result, if any, in which case the Bank shall not effect the disbursement and the corresponding portion of the Credit shall remain available for disbursement under Article 1.2.B. If the Borrower does not refuse the disbursement in time, the parties agree that the disbursement and the conditions thereof shall be fully binding for both parties.

- (b) The Spread or the Fixed Rate previously accepted by the Borrower shall no longer be applicable.

ARTICLE 4

Repayment

4.1 Normal repayment

4.1.A Repayment by instalments

- (a) The Borrower shall repay each Tranche by instalments on the Repayment Dates specified in the relevant Disbursement Offer in accordance with the terms of the amortisation table delivered pursuant to Article 2.3.
- (b) Each amortisation table shall be drawn up on the basis that:
- (i) in the case of a Fixed Rate Tranche without an Interest Revision/Conversion Date, repayment shall be made quarterly, semi-annually or annually by equal instalments of principal or constant instalments of principal and interest;
 - (ii) in the case of a Fixed Rate Tranche with an Interest Revision/Conversion Date or a Floating Rate Tranche, repayment shall be made by equal quarterly, semi-annual or annual instalments of principal;

- (iii) the first Repayment Date of each Tranche shall be a Payment Date falling not earlier than 30 (thirty) days from the Scheduled Disbursement Date and not later than the first Repayment Date immediately following the 5th (fifth) anniversary of the Scheduled Disbursement Date of the Tranche; and
- (iv) the last Repayment Date of each Tranche shall be a Payment Date falling not earlier than 4 (four) years and not later than 25 (twenty-five) years from the Scheduled Disbursement Date.

4.2 Voluntary prepayment

4.2.A Prepayment option

Subject to Articles 4.2.B, 4.2.C and 4.4, the Borrower may prepay all or part of any Tranche, together with accrued interest and indemnities if any, upon giving a Prepayment Request with at least 30 (thirty) calendar days' prior notice specifying:

- (a) the Prepayment Amount;
- (b) the Prepayment Date;
- (c) if applicable, the choice of application method of the Prepayment Amount in line with Article 5.5.C(a); and
- (d) the Contract Number.

The Prepayment Request shall be irrevocable.

4.2.B Prepayment indemnity

4.2.B(1) FIXED RATE TRANCHE

Subject to Article 4.2.B(3) below, if the Borrower prepays a Fixed Rate Tranche, the Borrower shall pay to the Bank on the Prepayment Date the Prepayment Indemnity in respect of the Fixed Rate Tranche which is being prepaid.

4.2.B(2) FLOATING RATE TRANCHE

Subject to Article 4.2.B(3) below, the Borrower may prepay a Floating Rate Tranche without indemnity on any relevant Payment Date.

4.2.B(3) REVISION/CONVERSION

Prepayment of a Tranche on its Interest Revision/Conversion Date may be effected without indemnity unless the Borrower has accepted in writing a Fixed Rate under an Interest Revision/Conversion Proposal, as accepted under Article 1.2.C or pursuant to Schedule D.

4.2.C Prepayment mechanics

Upon presentation by the Borrower to the Bank of a Prepayment Request, the Bank shall issue a Prepayment Notice to the Borrower, not later than 15 (fifteen) days prior to the Prepayment Date. The Prepayment Notice shall specify the Prepayment Amount, the accrued interest due thereon, the Prepayment Indemnity payable under Article 4.2.B or, as the case may be, that no indemnity is due, the method of application of the Prepayment Amount and if a Prepayment Indemnity is applicable, the deadline by which the Borrower may accept the Prepayment Notice.

If the Borrower accepts the Prepayment Notice no later than by the deadline (if any) specified in the Prepayment Notice, the Borrower shall effect the prepayment. In any other case, the Borrower may not effect the prepayment.

The Borrower shall accompany the payment of the Prepayment Amount by the payment of accrued interest, the Prepayment Indemnity due on the Prepayment Amount, as specified in the Prepayment Notice, and the fee under Article 4.2.D, if any.

4.2.D Administrative Fee

If the Borrower prepays a Tranche on a date other than a relevant Payment Date, or if the Bank exceptionally accepts, solely upon the Bank's discretion, a Prepayment Request with

prior notice of less than 30 (thirty) calendar days, the Borrower shall pay to the Bank an administrative fee in such amount as the Bank shall notify to the Borrower.

4.3 Compulsory prepayment

4.3.A Prepayment Events

4.3.A(1) PROJECT COST REDUCTION

If the total cost of the Project falls below the figure stated in Recital (c) so that the amount of the Credit exceeds 50% (fifty per cent) and/or the amount of the Credit together with EU Grants exceeds 90% (ninety per cent) of such total cost of the Project, the Bank may forthwith, by notice to the Borrower, cancel the undisbursed portion of the Credit and/or demand prepayment of the Loan Outstanding up to the amount by which the Credit exceeds 50% (fifty per cent) of the total cost of the Project and/or the amount by which the Credit together with EU Grants exceeds 90% (ninety per cent) of the total cost of the Project, together with accrued interest and all other amounts accrued and outstanding under this Contract in relation to the proportion of the Loan Outstanding to be prepaid. The Borrower shall effect payment of the amount demanded on the date specified by the Bank, such date being a date falling not less than 30 (thirty) days from the date of the demand.

4.3.A(2) *PARI PASSU* TO NON-EIB FINANCING

If the Borrower voluntarily prepays (for the avoidance of doubt, prepayment shall include a repurchase or cancellation where applicable) a part or the whole of any Non-EIB Financing and such prepayment is not made out of the proceeds of a loan or other indebtedness having a term at least equal to the unexpired term of the Non-EIB Financing prepaid, the Bank may, by notice to the Borrower, cancel the undisbursed portion of the Credit and demand prepayment of the Loan Outstanding, together with accrued interest and all other amounts accrued and outstanding under this Contract in relation to the proportion of the Loan Outstanding to be prepaid. The proportion of the Loan Outstanding that the Bank may require to be prepaid shall be the same as the proportion that the prepaid amount of the Non-EIB Financing bears to the aggregate outstanding amount of all Non-EIB Financing.

The Borrower shall effect payment of the amount demanded on the date specified by the Bank, such date being a date falling not less than 30 (thirty) days from the date of the demand.

For the purposes of this Article, “**Non-EIB Financing**” includes any loan (save for the Loan and any other direct loans from the Bank to the Borrower, credit bond or other form of financial indebtedness or any obligation for the payment or repayment of money originally granted to the Borrower for a term of more than 3 (three) years.

4.3.A(3) CHANGE OF LAW

The Borrower shall promptly inform the Bank if a Change-of-Law Event has occurred or is likely to occur. In such case, or if the Bank has reasonable cause to believe that a Change-of-Law Event has occurred or is about to occur, the Bank may request that the Borrower consult with it. Such consultation shall take place within 30 (thirty) days from the date of the Bank's request. If, after the lapse of 30 (thirty) days from the date of such request for consultation the Bank is of the opinion that the effects of the Change-of-Law Event cannot be mitigated to its satisfaction, the Bank may by notice to the Borrower, cancel the undisbursed portion of the Credit and/or demand prepayment of the Loan Outstanding, together with accrued interest and all other amounts accrued and outstanding under this Contract.

The Borrower shall effect payment of the amount demanded on the date specified by the Bank, such date being a date falling not less than 30 (thirty) days from the date of the demand.

For the purposes of this Article “**Change-of-Law Event**” means the enactment, promulgation, execution or ratification of or any change in or amendment to any law, rule or regulation (or in the application or official interpretation of any law, rule or regulation) that occurs after the date of this Contract and which, in the opinion of the Bank, would materially impair the Borrower's ability to perform its obligations under this Contract.

4.3.A(4) ILLEGALITY

If it becomes unlawful in any applicable jurisdiction for the Bank to:

- (a) perform any of its obligations as contemplated in this Contract; or
- (b) fund or maintain the Loan,

the Bank shall promptly notify the Borrower and may immediately (i) suspend or cancel the undisbursed portion of the Credit and/or (ii) demand prepayment of the Loan Outstanding, together with accrued interest and all other amounts accrued and outstanding under this Contract on the date indicated by the Bank in its notice to the Borrower.

4.3.A(5) EU GRANTS EVENT

If the Borrower is informed, or has reasonable grounds to believe, that any EU Grant has been, or is intended to be suspended or cancelled, or if the Borrower has repaid or has been required to repay fully or partially any EU Grant (such suspension, cancellation or repayment hereinafter referred to as “**EU Grants Event**”), the Borrower shall promptly inform the Bank. Upon receipt of such information, the Bank may demand that the Borrower consult with it. Such consultation shall take place within 30 (thirty) days from the date of the Bank's request. After the elapse of 30 (thirty) days from the date of such request, the Bank may by notice to the Borrower, cancel the undisbursed portion of the Credit and/or demand prepayment of the Loan Outstanding in such proportion as the suspended, cancelled or repaid EU Grants bear to the total financial assistance for the Project from EU Grants, together with accrued interest and all other amounts accrued and outstanding under this Contract in relation to the proportion of the Loan Outstanding to be prepaid.

The Borrower shall effect payment of the amount demanded on the date specified by the Bank, such date being a date falling not less than 30 (thirty) days from the date of the demand.

4.3.A(6) NON-ALLOCATION

The Borrower shall prepay to the Bank on 31 March 2024 such part of the Loan Outstanding that has not been allocated or reallocated by such date in accordance with Article 1.9 and 1.10 (as applicable). The Borrower shall effect payment of the amount demanded together with accrued interest and all other amounts accrued or outstanding under this Contract. The Borrower shall effect payment of the amount demanded on the date specified by the Bank, such date being a date falling not less than 30 (thirty) days from the date of the demand.

4.3.B Prepayment mechanics

Any sum demanded by the Bank pursuant to Article 4.3.A, together with any interest or other amounts accrued or outstanding under this Contract including, without limitation, any indemnity due under Article 4.3.C, shall be paid on the date indicated by the Bank in its notice of demand.

4.3.C Prepayment indemnity

In the case of an Indemnifiable Prepayment Event, the indemnity, if any, shall be determined in accordance with Article 4.2.B.

4.4 General

4.4.A No prejudice to Article 10

This Article 4 shall not prejudice Article 10.

4.4.B No reborrowing

A repaid or prepaid amount may not be reborrowed.

ARTICLE 5

Payments

5.1 Day count convention

Any amount due by way of interest or indemnity from the Borrower under this Contract, and calculated in respect of a fraction of a year, shall be determined on the following respective conventions:

- (a) in respect of interest and indemnities due under a Fixed Rate Tranche, a year of 360 (three hundred and sixty) days and a month of 30 (thirty) days; and
- (b) in respect of interest and indemnities due under a Floating Rate Tranche, a year of 360 (three hundred and sixty) days and the number of days elapsed.

5.2 Time and place of payment

- (a) Unless otherwise specified in this Contract or in the Bank's demand, all sums other than sums of interest, indemnity and principal are payable within 15 (fifteen) days of the Borrower's receipt of the Bank's demand.
- (b) Each sum payable by the Borrower under this Contract shall be paid to the relevant account notified by the Bank to the Borrower. The Bank shall notify the account not less than 15 (fifteen) days before the due date for the first payment by the Borrower and shall notify any change of account not less than 15 (fifteen) days before the date of the first payment to which the change applies. This period of notice does not apply in the case of payment under Article 10.
- (c) The Borrower shall indicate the Contract Number in the payment details for each payment made hereunder.
- (d) A sum due from the Borrower shall be deemed paid when the Bank receives it.
- (e) Any disbursements by and payments to the Bank under this Contract shall be made using account(s) acceptable to the Bank. Any account in the name of the Borrower held with a duly authorised financial institution in the jurisdiction where the Borrower is incorporated or where the Project is undertaken is deemed acceptable to the Bank.

5.3 No set-off by the Borrower

All payments to be made by the Borrower under this Contract shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

5.4 Disruption to Payment Systems

If either the Bank determines (in its discretion) that a Disruption Event has occurred or the Bank is notified by the Borrower that a Disruption Event has occurred:

- (a) the Bank may, and shall if requested to do so by the Borrower, consult with the Borrower with a view to agreeing with the Borrower such changes to the operation or administration of this Contract as the Bank may deem necessary in the circumstances;
- (b) the Bank shall not be obliged to consult with the Borrower in relation to any changes mentioned in paragraph (a) if, in its opinion, it is not practicable to do so in the circumstances and, in any event, shall have no obligation to agree to such changes; and
- (c) the Bank shall not be liable for any damages, costs or losses whatsoever arising as a result of a Disruption Event or for taking or not taking any action pursuant to or in connection with this Article 5.4.

5.5 Application of sums received

5.5.A General

Sums received from the Borrower shall only discharge its payment obligations if received in accordance with the terms of this Contract.

5.5.B Partial payments

If the Bank receives a payment that is insufficient to discharge all the amounts then due and payable by the Borrower under this Contract, the Bank shall apply that payment:

- (a) firstly, in or towards pro rata to each of any unpaid fees, costs, indemnities and expenses due under this Contract;

- (b) secondly, in or towards payment of any accrued interest due but unpaid under this Contract;
- (c) thirdly, in or towards payment of any principal due but unpaid under this Contract; and
- (d) fourthly, in or towards payment of any other sum due but unpaid under this Contract.

5.5.C Allocation of sums related to Tranches

- (a) In case of:
 - (i) a partial voluntary prepayment of a Tranche that is subject to a repayment in several instalments, the Prepayment Amount shall be applied pro rata to each outstanding instalment, or, at the request of the Borrower, in inverse order of maturity; or
 - (ii) a partial compulsory prepayment of a Tranche that is subject to a repayment in several instalments, the Prepayment Amount shall be applied in reduction of the outstanding instalments in inverse order of maturity.
- (b) Sums received by the Bank following a demand under Article 10.1 and applied to a Tranche, shall reduce the outstanding instalments in inverse order of maturity. The Bank may apply sums received between Tranches at its discretion.
- (c) In case of receipt of sums which cannot be identified as applicable to a specific Tranche, and on which there is no agreement between the Bank and the Borrower on their application, the Bank may apply these between Tranches at its discretion.

ARTICLE 6

Borrower undertakings and representations

The undertakings in this Article 6 remain in force from the date of this Contract for so long as any amount is outstanding under this Contract or the Credit is in force.

A. PROJECT UNDERTAKINGS

6.1 Use of Loan and availability of other funds

The Borrower shall, and shall procure that each Final Beneficiary will, use all amounts borrowed by it under this Contract for the execution of the Project.

The Borrower shall ensure that it has available to it the other funds listed in Recital (c) and that such funds are expended, to the extent required, on the financing of the Project.

The Borrower shall ensure that the amount of the Credit shall not, in any case, exceed 50% (fifty per cent) of the total cost of the Project set out in Recital (c) and that the amount of the Credit together with any EU Grant shall not, in any case, exceed 90% (ninety per cent) of the total cost of the Project as set out in Recital (c).

The Borrower shall ensure that the total amount of the Loan disbursed by the Bank shall not, in any case, exceed the total amount of Allocations.

6.2 Completion of Project

The Borrower shall, and shall procure that each Final Beneficiary will, carry out the Project in accordance with the Technical Description as may be modified from time to time with the approval of the Bank, and complete it by the final date specified therein.

6.3 Increased cost of Project

If the total cost of the Project exceeds the estimated figure set out in Recital (c), the Borrower shall obtain the finance to fund the excess cost without recourse to the Bank, so as to enable the Project to be completed in accordance with the Technical Description. The plans for funding the excess cost shall be communicated to the Bank without delay.

6.4 **Procurement procedure**

The Borrower shall, and shall procure that each Final Beneficiary will, purchase equipment, secure services and order works for the Project (a) in so far as they apply to it or to the Project, in accordance with European Union law in general and in particular with the relevant EU Directives and (b) in so far as EU Directives do not apply, by procurement procedures which, to the satisfaction of the Bank, respect the criteria of economy and efficiency and, in case of public contracts, the principles of transparency, equal treatment and non-discrimination on the basis of nationality.

6.5 **Continuing Project undertakings**

The Borrower shall and shall procure that each Final Beneficiary will:

- (a) **Maintenance:** maintain, repair, overhaul and renew all property forming part of the Project as required to keep it in good working order;
- (b) **Project assets:** unless the Bank shall have given its prior consent in writing retain title to and possession of all or substantially all the assets comprising the Project or, as appropriate, replace and renew such assets and maintain the Project in substantially continuous operation in accordance with its original purpose; the Bank may withhold its consent only where the proposed action would prejudice the Bank's interests as lender to the Borrower or would render the Project ineligible for financing by the Bank under its Statute or under article 309 of the Treaty on the Functioning of the European Union;
- (c) **Insurance:** insure all works and property forming part of the Project with first class insurance companies in accordance with the most comprehensive relevant industry practice;
- (d) **Rights and Permits:** maintain in force all rights of way or use and all Authorisations necessary for the execution and operation of the Project;
- (e) **Environment:**
 - (i) implement and operate the Project in compliance with Environmental Law;
 - (ii) obtain and maintain requisite Environmental Approvals for the Project; and
 - (iii) comply with any such Environmental Approvals;
- (f) **Integrity:** take, within a reasonable timeframe, appropriate measures in respect of any member of its or any Final Beneficiary's administrative or management bodies who has been convicted by a final and irrevocable court ruling of a Criminal Offence perpetrated in the course of the exercise of his/her professional duties, in order to ensure that such member is excluded from any Borrower's or the relevant Final Beneficiary's activity in relation to the Credit, Loan or the Project;
- (g) **Integrity Audit Rights:** ensure that all contracts under the Project to be procured after the date of signature of this Contract in accordance with EU Directives on procurement provide for:
 - (i) the requirement that the relevant contractor promptly informs the Bank of a genuine allegation, complaint or information with regard to Criminal Offence related to the Project;
 - (ii) the requirement that the relevant contractor keeps books and records of all financial transactions and expenditures in connection with the Project; and
 - (iii) the Bank's right, in relation to an alleged Criminal Offence, to review the books and records of the relevant contractor in relation to the Project and to take copies of documents to the extent permitted by law;
- (h) **EU Law:** execute and operate the Project and each individual Sub-Project in accordance with the relevant rules and standards of EU Law directly applicable to the Borrower or the Final Beneficiary (as the case may be) and the Project or each individual Sub-Project (as the case may be), in particular in the fields of Environment, climate change, safety, state aid and public procurement; and

- (i) **Decommissioning:** dispose of or decommission the rolling stock to be replaced in line with applicable EU Law (including, inter alia, EU Directive 2000/53/EC on end-of life vehicles), national legislations and the best practice.
- (j) **Other Undertakings:**
 - (i) provide the Bank:
 - (1) any updates in its Transport Master Plan (in Slovak: *Územný Generel Dopravy*) or any other similar plan, as soon as it is approved;
 - (2) following the expiry of the relevant currently valid and effective public service contracts, information concerning the new operation arrangements, including confirmation of compliance of the new public service contracts with the EU Law, in particular relating to tendering of contracts for provision of passenger services (Regulation (EC) No 1370/2007);
 - (ii) ensure that there is no double-financing of the Sub-Projects with other Bank's loans with the same Borrower or with EU Grants; and
 - (iii) keep updated and available all relevant documents, such as documents supporting compliance of the Borrower and any of the Sub-Projects with Environmental Law, and any other information to be promptly provided to the Bank upon request (with reference to the commitment in the Bank's public disclosure policy on responses to external enquiries).

B. GENERAL UNDERTAKINGS

6.6 Minimum level of fixed assets

The Borrower shall, during the life of the Loan, maintain at all times a level of fixed assets, as reported by the Borrower in its unconsolidated balance sheet, which are not subject to any Security, of a value of not less than 10 (ten) times of the amount of the outstanding Credit. For avoidance of any doubt, in case of full disbursement of the Credit, the value of such fixed assets should be not less than EUR 500,000,000 (five hundred million euros).

6.7 Compliance with laws

- (a) The Borrower shall, and shall procure that each Final Beneficiary will, comply in all respects with all laws and regulations (including, for the avoidance of any doubt, but not limited to, EU Law and regulations) to which it (including, for the avoidance of any doubt, but not limited to, the Act on Budgetary Rules) or the Project is subject.
- (b) The Borrower shall duly publish this Contract in [the Central Registry of Contracts/on the official website of the Borrower]¹ within 15 (fifteen) calendar days after the Borrower received this Contract signed by all parties hereto, in line with Section 5a of the Public Information Access Act and Section 47a of the Civil Code, and shall deliver to the Bank, in form and substance satisfactory to it, the evidence of such publication within 5 (five) calendar days thereafter.
- (c) The Borrower shall:
 - (i) enter into any sub-financing agreement in respect of any funds provided under this Contract, related to the Credit, the Loan or the Project, only with Final Beneficiaries that comply in all respects with the Act on Register of Public Sector Partners; and
 - (ii) duly publish any sub-financing agreement entered into with Final Beneficiaries in respect of any funds provided under this Contract, related to the Credit, the Loan or the Project, in the Central Registry of Contracts in line with Section 5a of the Public Information Access act and Section 47a of the Civil Code.

¹ To be discussed with Borrower.

6.8 **Financial covenants**

So long as the Loan is outstanding, the Borrower shall maintain a sound financial situation and, in particular, shall maintain for each financial year:

- (a) a ratio of no more than 70% (seventy per cent) of Total Debt to Annual Operating Revenues;
- (b) a ratio of no more than 15% (fifteen per cent) of Annual Debt Service Obligations to Annual Operating Revenues; and
- (c) a ratio of no less than 150% (one hundred and fifty per cent) of Gross Operating Surplus to interest payments.

The ratios under (a) to (c) above for the preceding financial year shall be calculated based on the audited consolidated budget statements of the Borrower at the end of the respective financial year.

The terms used in this Article 6.8 shall have the following meanings:

“Annual Debt Service Obligations” means the aggregate annual amount of the Borrower's and its contributory organisations' (in Slovak: *príspevkové organizácie*):

- (i) principal repayments on the Borrower's and its contributory organisations' (in Slovak: *príspevkové organizácie*) Total Debt; and
- (ii) interest payments and other similar charges on the Borrower's and its contributory organisations' (in Slovak: *príspevkové organizácie*) Total Debt.

“Annual Operating Revenues” means the aggregate of the Borrower's:

- (i) tax revenues;
- (ii) non-tax revenues;
- (iii) operating subsidies; and
- (iv) transfers from own funds (if any).

“Financial Indebtedness” means any indebtedness for or in respect of:

- (i) moneys borrowed;
- (ii) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (iii) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (iv) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as a finance or capital lease;
- (v) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (vi) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (vii) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);
- (viii) any counter indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (ix) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (i) to (viii) above.

“Gross Operating Surplus” means the aggregate of the Borrower's Annual Operating Revenues minus the Borrower's operating expenditures before interest payments and other similar charges on Financial Indebtedness.

“**Total Debt**” means the aggregate of the total outstanding Financial Indebtedness of the Borrower and its contributory organisations (in Slovak: *príspevkové organizácie*) including any guarantees granted by the Borrower and its contributory organisations (in Slovak: *príspevkové organizácie*) in relation to the Financial Indebtedness of any third party.

6.9 **Books and records**

The Borrower shall, and shall procure that each Final Beneficiary will, ensure that it and the Final Beneficiaries (as applicable) have kept and will continue to keep proper books and records of account, in which full and correct entries shall be made of all financial transactions and the assets and business of the Borrower and the Final Beneficiaries, respectively, including expenditures in connection with the Project and any Sub-Project (as applicable), in accordance with GAAP as in effect from time to time.

6.10 **General Representations and Warranties**

The Borrower represents and warrants to the Bank that:

- (a) it is validly existing as a municipality (in Slovak: *mesto*) under the laws of the Slovak Republic and it has power to carry on its business as it is now being conducted and to own its property and other assets;
- (b) it has the power to execute, deliver and perform its obligations under this Contract and all necessary action has been taken to authorise the execution, delivery and performance of the same by it;
- (c) the acceptance of the Credit and the execution of this Contract was approved by the City Assembly (in Slovak: *mestské zastupiteľstvo*) of the Borrower on [●] in its [●]th [extraordinary] meeting, by Resolution No. [●]/[●], in accordance with Section 11(5)g) of the Bratislava Administration Act;²
- (d) this Contract constitutes its legally valid, binding and enforceable obligations;
- (e) the execution and delivery of, the performance of its obligations under and compliance with the provisions of this Contract do not and will not contravene or conflict with:
 - (i) any applicable law, statute, rule or regulation, or any judgement, decree or permit to which it is subject;
 - (ii) any agreement or other instrument binding upon it which might reasonably be expected to have a material adverse effect on its ability to perform its obligations under this Contract;
 - (iii) any provision of its statute and any provision of any Final Beneficiary's by-laws, constitutional documents or regulatory instruments (as the case may be);
- (f) the latest available annual budget statement and related documents of the Borrower reviewed by the external auditors (if applicable) have been prepared on a basis consistent with previous years and have been approved by the external auditors in its revision or other report as representing a true and fair view of the results of its operations for that year and accurately disclose or reserve against all the liabilities (actual or contingent) of the Borrower;
- (g) there has been no Material Adverse Change since 12 November 2019;
- (h) no event or circumstance which constitutes a Prepayment Event or an Event of Default has occurred and is continuing unremedied or unwaived;
- (i) no litigation, arbitration, administrative proceedings or investigation is current or to its knowledge is threatened or pending before any court, arbitral body or agency which has resulted or if adversely determined is reasonably likely to result in a Material Adverse Change, nor is there subsisting against it any unsatisfied judgement or award;
- (j) it has obtained all necessary Authorisations in connection with this Contract and in order to lawfully comply with its obligations hereunder, and the Project and all such Authorisations are in full force and effect and admissible in evidence;

² Missing information to be added by Borrower.

- (k) at the date of this Contract, no Security exists over its assets save as permitted under Article 7.1(c);
- (l) its payment obligations under this Contract rank not less than *pari passu* in right of payment with all other present and future unsecured and unsubordinated obligations under any of its debt instruments except for obligations mandatorily preferred by law applying to municipalities generally;
- (m) it is in compliance with Article 6.5(e) and to the best of its knowledge and belief (having made due and careful enquiry) no Environmental Claim has been commenced or is threatened against it or any Final Beneficiary;
- (n) it is in compliance with all undertakings under this Article 6;
- (o) no loss-of-rating clause or financial covenants concluded with any other creditor of the Borrower are more restrictive than the ones contained in this Contract; and
- (p) to the best of its knowledge, no funds invested in the Project by the Borrower or by any Final Beneficiary are of illicit origin, including products of money laundering or linked to the financing of terrorism; the Borrower shall promptly inform the Bank, and shall ensure that each Final Beneficiary will promptly inform the Borrower, if at any time it becomes aware of the illicit origin of any such funds.

The representations and warranties set out above shall survive the execution of this Contract and are, with the exception of the representation set out in paragraph (g) above, deemed repeated on each date of Disbursement Acceptance, date of Compliance Certificate, Disbursement Date and on each Payment Date.

ARTICLE 7

Security

7.1 Negative pledge

- (a) The Borrower shall not create or permit to subsist any Security over any of its assets.
- (b) For the purposes of this Article 7.1, the term Security shall also include any arrangement or transaction on assets or receivables or money (such as the sale, transfer or other disposal of assets on terms whereby they are or may be leased to or re-acquired by the Borrower, the sale, transfer or other disposal of any receivables on recourse terms or any arrangement under which money or the benefit of a bank account or other account may be applied or set-off or any preferential arrangement having a similar effect) in circumstances where the arrangement or transaction is entered into primarily as a method of raising credit or of financing the acquisition of an asset.
- (c) Paragraph (a) above does not apply to any Security, listed below:
 - (i) any Security listed in Schedule F except to the extent the principal amount secured by that Security exceeds the amount stated in that Schedule;
 - (ii) any Security on land and other assets created to secure any credit granted to the Borrower by the State Housing Development Fund (in Slovak: *Štátny fond rozvoja bývania*) to finance the social rental housing supported by the Slovak Republic;
 - (iii) any Security created pursuant to mandatory provisions of law; and
 - (iv) any Security created with the prior written consent of the Bank.

7.2 Pari passu ranking

The Borrower shall ensure that its payment obligations under this Contract rank, and will rank, not less than *pari passu* in right of payment with all other present and future unsecured and unsubordinated obligations under any of its debt instruments except for obligations mandatorily preferred by law applying to municipalities generally.

7.3 **Clauses by inclusion**

If the Borrower concludes with any other financial creditor a financing agreement that includes a loss-of-rating clause or a covenant or other provision regarding its financial ratios, if applicable, that is not provided for in this Contract or is more favourable to the relevant financial creditor than any equivalent provision of this Contract is to the Bank, the Borrower shall promptly inform the Bank and shall provide a copy of the more favourable provision to the Bank. The Bank may request that the Borrower promptly executes an agreement to amend this Contract so as to provide for an equivalent provision in favour of the Bank.

7.4 **Substitution with guarantee or cash collateral**

7.4.A **Alternative Security**

If, at any time while the Loan is outstanding, the Borrower is in breach of Article 6.8, then the Bank may request the Borrower to consult it within 15 (fifteen) days from the date of the Bank's request at the venue specified in the request.

By a notice delivered to the Borrower not earlier than 16 (sixteen) or later than 30 (thirty) days from the date of such request, the Bank may demand that, within a period specified in such notice, the Borrower:

- (a) shall provide the Bank with a duly issued guarantee (the "**Guarantee**") whereby a guarantor (the "**Guarantor**"), which is a Qualifying Guarantor, unconditionally guarantees the due performance of the Borrower's financial obligations under this Contract; or
- (b) shall make, with a bank approved by the Bank, a cash collateral deposit in EUR, as specified by the Bank in its notice, charged in favour of the Bank on such terms as the Bank may reasonably require, as security for the Borrower's financial obligations under this Contract; or
- (c) shall execute other Security offering protection in manner, form and substance acceptable to the Bank.

If none of the foregoing actions is taken within the period specified by the Bank in its relevant notice and to its satisfaction, the Borrower shall, upon demand by the Bank, immediately prepay to the Bank an amount equal to the aggregate of the amount of the Loan Outstanding, unpaid interest accrued to the date of prepayment on the amount prepaid, the amount of indemnity calculated in accordance with Article 4.2.B in respect of the amount prepaid, and any other sums then payable under this Contract on the amount prepaid.

The provisions of this Article 7.4.A shall not in any way limit or restrict the right of the Bank to demand repayment of the Loan pursuant to Article 10.

The non-exercise by the Bank of the right to demand the issuance of the Guarantee, or to demand the making of a cash collateral deposit or the execution of other Security shall not be deemed to be a waiver of the Bank's right hereunder.

7.4.B **Qualifying Guarantor**

For the purposes of this Article, "**Qualifying Guarantor**" means a bank or other financial institution that satisfies one of the following conditions:

- (a) at the time of issue of the Guarantee, or, as the case may be, at the time it accedes to the Guarantee:
 - (i) each credit rating that it holds is not lower than:
 - (1) BBB+, where the rating is assigned by Standard & Poor's Financial Services LLC or its successor;
 - (2) Baa1, where the rating is assigned by Moody's Investors Service, Inc. or its successor; and
 - (3) BBB+, where the rating is assigned by Fitch Ratings Inc. or its successor; and
 - (ii) such bank or other financial institution is in other respects acceptable to the Bank; or

- (b) is accepted by the Bank by notice in writing, with a copy to the Borrower, subject to (i) the conditions the Bank may in its discretion deem appropriate, (ii) the acceptance of the terms of notice by the Guarantor and (iii) acknowledgement by the Borrower.

7.4.C Loss of qualifying status

If, in respect of any Guarantor:

- (a) any Credit Rating is lower than the respective Credit Rating specified in Article 7.4.B(a)(i); or
- (b) all of the Credit Ratings of two or more rating agencies specified under Article 7.4.B(a)(i) cease to be published; or
- (c) in the opinion of the Bank such Guarantor has suffered a material adverse change since becoming a Guarantor or has failed to comply with any condition specified in the Bank's notice of acceptance delivered under Article 7.4.B(b); or
- (d) its obligations under the Guarantee cease to be valid, legal and enforceable,

(the Guarantor affected by any such event being defined herein as the “**Affected Guarantor**”) the Bank may at any time thereafter demand that the Borrower shall, within a period of time specified in the Bank's notice, either:

- (i) procure the replacement of the Affected Guarantor by a Qualifying Guarantor; or
- (ii) save in the case of paragraph (d) of this Article 7.4.C procure that the Affected Guarantor either: (x) provides cash collateral in favour of the Bank, which collateral shall be acceptable to the Bank and be executed on such terms as the Bank may reasonably require, as security for the Affected Guarantor's obligations under the Guarantee; or (y) provides other security offering protection in manner, form and substance acceptable to the Bank; or
- (iii) provide other Security offering protection in manner, form and substance acceptable to the Bank.

If none of the foregoing actions is taken within the aforementioned period and to the satisfaction of the Bank, the Borrower shall, upon demand by the Bank, immediately prepay to the Bank an amount equal to the aggregate of the amount of the Loan Outstanding, unpaid interest accrued to the date of prepayment on the amount prepaid, the amount of an indemnity calculated in accordance with Article 4.2.B in respect of the amount prepaid, and any other sum then payable under this Contract in respect of the amount prepaid.

The non-exercise by the Bank of the right to demand substitution of the Affected Guarantor, the delivery of collateral or the execution of other security shall not be deemed to be a waiver of any of the Bank's rights or remedies under this Contract.

7.4.D Guarantor default event

If an event of the nature described in any of Article 10.1.A(c) to (i) inclusive occurs to any Guarantor (a “**Guarantor Default Event**”), the Borrower shall replace such Guarantor with a Qualifying Guarantor. If the Borrower fails to demonstrate to the Bank, promptly upon the latter's request, that it has a reasonable prospect of replacing the Guarantor or if, in any case, the Borrower does not, following demand by the Bank, replace the Guarantor, within 30 (thirty) days of the date when the said event occurred, the Bank may require the Borrower to prepay immediately all or part of an amount equal to the aggregate of

- (a) the amount of the Loan Outstanding;
- (b) unpaid interest accrued to the date of prepayment on the amount prepaid;
- (c) the amount of an indemnity calculated in accordance with Article 4.2.B in respect of the amount prepaid, and
- (d) any other sum then payable under this Contract in respect of the amount prepaid.

ARTICLE 8
Information and Visits

8.1 Information concerning the Project and Final Beneficiaries

The Borrower shall:

- (a) deliver to the Bank:
 - (i) the information in content and in form, and at the times, specified in Schedule A.2 or otherwise as agreed from time to time by the parties to this Contract; and
 - (ii) any such information or further document concerning the financing, procurement, implementation, operation and environmental matters of or for the Project as the Bank may reasonably require within a reasonable time,

provided always that if such information or document is not delivered to the Bank on time, and the Borrower does not rectify the omission within a reasonable time set by the Bank in writing, the Bank may remedy the deficiency, to the extent feasible, by employing its own staff or a consultant or any other third party, at the Borrower's expense and the Borrower shall provide such persons with all assistance necessary for the purpose;

- (b) submit for the approval of the Bank without delay any material change to the Project, also taking into account the disclosures made to the Bank in connection with the Project prior to the signing of this Contract, in respect of, inter alia, the price, design, plans, timetable or to the expenditure programme or financing plan for the Project;

- (c) promptly inform the Bank of:

- (i) any action or protest initiated or any objection raised by any third party or any genuine complaint received by the Borrower or any Final Beneficiary or any Environmental Claim that is to its knowledge commenced, pending or threatened against it or any Final Beneficiary with regard to environmental or other matters affecting the Project;
- (ii) any fact or event known to the Borrower, which may substantially prejudice or affect the conditions of execution or operation of the Project;
- (iii) a genuine allegation, complaint or information with regard to Criminal Offence related to the Project;
- (iv) any non-compliance by the Borrower or any Final Beneficiary with any applicable Environmental Law;
- (v) any suspension, revocation or modification of any Environmental Approval;
- (vi) any measure taken by a Final Beneficiary pursuant to Article 6.5(f) of this Contract; and
- (vii) unless prohibited by law, any material litigation, arbitration, administrative proceedings or investigation carried out by a court, administration or similar public authority, which, to the best of its knowledge and belief, is current, imminent or pending against any Final Beneficiary or its controlling entities or members of its management or administrative bodies in connection with a Criminal Offence related to the Credit, the Loan or any Sub-Project under the Project;
- (viii) any intention on its part or on the part of any Final Beneficiary to relinquish ownership of material component of the Project;

and set out the action to be taken with respect to such matters; and

- (d) promptly inform the Bank of:

- (i) any event when the implementation of any allocated Sub-Project is delayed, suspended or any such Sub-Project is cancelled;
- (ii) any suspension of any payments or infringement procedures initiated by the European Commission related to the implementation of any Sub-Project and/or the relevant laws and regulations; and

- (iii) any audit reports carried out by the European Commission or the European Court of Auditors;
- (iv) any irregularities concerning procurement during the implementation of any Sub-Project resulting (or likely to result) in financial correction.

8.2 Information concerning the Borrower

The Borrower shall:

- (a) deliver to the Bank:
 - (i) each year as soon as they become available but in any event within 6 (six) months after the end of each financial year, a copy of a summary of the executed annual budget statement and related documents at the end of and for that financial year of the Borrower, together with the related report from the external auditors and a summary balance sheet, cash flow statement and profit and loss account, at the end of and for that financial year, for the Borrower's budgetary organisations (in Slovak: *rozpočtové organizácie*) and contributory organisations (in Slovak: *príspevkové organizácie*), together with a confirmation, in form and substance satisfactory to the Bank, from the external auditors confirming compliance by the Borrower with the financial covenants pursuant to Article 6.8 (a "**Compliance Certificate**") including evidence of such compliance and related calculations;
 - (ii) at the Bank's request, a copy of the full version of said annual budget statement;
 - (iii) as soon as available but in any event prior to 31 March of each financial year, a copy of the annual budget for such financial year, as approved by the Borrower's City Assembly (in Slovak: *mestské zastupiteľstvo*) or, if not approved, deliver to the Bank, prior to 31 March of the relevant financial year, a copy of a pro-forma annual budget for such financial year and a copy of the approved annual budget prior to 30 June of such financial year;
 - (iv) no later than on 15 December of each financial year, its annual budget projections including capital expenditures and investment plan (if applicable) for each of the following 3 (three) years;
 - (v) from time to time, such further information, evidence or document concerning its general financial situation (including the financial situation of any companies or other legal entities in which the Borrower holds ownership interest) the Bank may reasonably require; and
 - (vii) from time to time, such further information, evidence or document concerning:
 - (1) its general financial situation or such certificates of compliance with the undertakings of Article 6; and
 - (2) customer due diligence matters of, or for, the Borrower to comply with "know your customer" (KYC) or similar identification procedures,
 as the Bank may deem necessary or may reasonably require to be provided within a reasonable time;
- (b) inform the Bank immediately of:
 - (i) any change in the laws or regulatory environment in the Slovak Republic or any change in the Borrower's activities, which may affect its ability to complete the Project or service the Loan;
 - (ii) any fact which obliges it to prepay any financial indebtedness or any European Union funding;
 - (iii) any event or decision that constitutes or may result in a Prepayment Event;
 - (iv) any intention on its part to relinquish ownership of any material component of the Project;
 - (v) any intention on its part to grant any Security over any of its assets in favour of a third party other as permitted under Article 7.1(c);

- (vi) any event or decision that constitutes or may result in the events described in Article 7.3;
- (vii) any fact or event that is reasonably likely to prevent the substantial fulfilment of any obligation of the Borrower under this Contract;
- (viii) any Event of Default having occurred or being threatened or anticipated;
- (ix) unless prohibited by law, any material litigation, arbitration, administrative proceedings or investigation carried out by a court, administration or similar public authority, which, to the best of its knowledge and belief, is current, imminent or pending against the Borrower or members of its management or administrative bodies in connection with a Criminal Offence related to the Credit, the Loan or any Sub-Project under the Project;
- (x) any measure taken by the Borrower pursuant to Article 6.5(f) of this Contract;
- (xi) any EU Grants Event as referred to in Article 4.3.A(5) or any reduction or suspension of any financial assistance for the Project or any Sub-Projects from the applicable EU Grants;
- (xii) any litigation, arbitration or administrative proceedings or investigation which is current, threatened or pending and which might if adversely determined result in a Material Adverse Change; and
- (xiii) any change in the methodology used in the preparation of the financial information provided pursuant to Article 8.2(a)(i) to (a)(iv), together with an explanation of the effect of any such change on the financial ratios set out in Article 6.8.

8.3 Visits by the Bank

The Borrower shall allow, and shall procure that the Final Beneficiaries will allow, persons designated by the Bank, as well as persons designated by other institutions or bodies of the European Union when so required by the relevant mandatory provisions of European Union law:

- (a) to visit the sites, installations and works comprising the Project;
- (b) to interview representatives of the Borrower and/or any Final Beneficiary, and not obstruct contacts with any other person involved in or affected by the Project; and
- (c) to review the Borrower's and/or any Final Beneficiary's books and records in relation to the execution of the Project and to be able to take copies of related documents to the extent permitted by law.

The Borrower shall provide the Bank, or ensure that the Bank is provided, with all necessary assistance for the purposes described in this Article.

The Borrower acknowledges that the Bank may be obliged to communicate information relating to the Borrower, any Final Beneficiary and the Project to any competent institution or body of the European Union in accordance with the relevant mandatory provisions of European Union law.

ARTICLE 9

Charges and expenses

9.1 Taxes, duties and fees

The Borrower shall pay all Taxes, duties, fees and other impositions of whatsoever nature, including stamp duty and registration fees, arising out of the execution or implementation of this Contract or any related document and in the creation, perfection, registration or enforcement of any Security for the Loan to the extent applicable.

The Borrower shall pay all principal, interest, indemnities and other amounts due under this Contract gross without any withholding or deduction of any national or local impositions whatsoever required by law or under an agreement with a governmental authority or otherwise.

If the Borrower is obliged to make any such withholding or deduction, it shall gross up the payment to the Bank so that after withholding or deduction, the net amount received by the Bank is equivalent to the sum due.

9.2 Other charges

The Borrower shall bear all charges and expenses, including professional, banking or exchange charges incurred in connection with the preparation, execution, implementation, enforcement and termination of this Contract and/or the Guarantee (if any) or any related document, any amendment, supplement or waiver in respect of this Contract and/or the Guarantee (if any) or any related document, and in the amendment, creation, management, enforcement and realisation and/or the Guarantee (if any) and/or of any security for the Loan.

9.3 Increased costs, indemnity and set-off

- (a) The Borrower shall pay to the Bank any costs or expenses incurred or suffered by the Bank as a consequence of the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation or compliance with any law or regulation which occurs after the date of signature of this Contract, in accordance with or as a result of which:
 - (i) the Bank is obliged to incur additional costs in order to fund or perform its obligations under this Contract, or
 - (ii) any amount owed to the Bank under this Contract or the financial income resulting from the granting of the Credit or the Loan by the Bank to the Borrower is reduced or eliminated.
- (b) Without prejudice to any other rights of the Bank under this Contract or under any applicable law, the Borrower shall indemnify and hold the Bank harmless from and against any loss incurred as a result of any full or partial discharge that takes place in a manner other than as expressly set out in this Contract.
- (c) The Bank may set off any matured obligation due from the Borrower under this Contract (to the extent beneficially owned by the Bank) against any obligation (whether or not matured) owed by the Bank to the Borrower regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Bank may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off. If either obligation is unliquidated or unascertained, the Bank may set off in an amount estimated by it in good faith to be the amount of that obligation.

ARTICLE 10

Events of Default

10.1 Right to demand repayment

The Borrower shall repay all or part of the Loan Outstanding (as requested by the Bank) forthwith, together with accrued interest and all other accrued or outstanding amounts under this Contract, upon written demand being made by the Bank in accordance with the following provisions.

10.1.A Immediate demand

The Bank may make such demand immediately without prior notice (*mise en demeure préalable*) or any judicial or extra judicial step:

- (a) if the Borrower does not pay on the due date any amount payable pursuant to this Contract at the place and in the currency in which it is expressed to be payable, unless:
 - (i) its failure to pay is caused by an administrative or technical error or a Disruption Event and
 - (ii) payment is made within 3 (three) Business Days of its due date;

- (b) if any information or document given to the Bank by or on behalf of the Borrower or any representation, warranty or statement made or deemed to be made by the Borrower in or pursuant to this Contract is or proves to have been incorrect, incomplete or misleading in any material respect;
- (c) if, following any default of the Borrower in relation to any loan, or any obligation arising out of any financial transaction, other than the Loan:
 - (i) the Borrower is required or is capable of being required or will, following expiry of any applicable contractual grace period, be required or be capable of being required to prepay, discharge, close out or terminate ahead of maturity such other loan or obligation; or
 - (ii) any financial commitment for such other loan or obligation is cancelled or suspended;
- (d) if the Borrower is unable to pay its debts as they fall due, or suspends its debts, or makes or seeks to make a composition with its creditors;
- (e) if any action, legal proceedings or other procedure or step is taken in relation to the suspension of payments, a moratorium of any indebtedness, dissolution, administration or reorganisation (by way of voluntary arrangement or otherwise), including in particular without limitation to bankruptcy (*faillite*), controlled management (*gestion contrôlée*), suspension of payments (*sursis de paiement*) arrangement with creditors (*concordat préventif de la faillite*) and judicial liquidation (*liquidation judiciaire*) proceedings or any analogous procedure or step is taken under any applicable law in any jurisdiction or an order is made or an effective resolution is passed for the winding up of the Borrower, or if the Borrower takes steps towards a substantial reduction in its assets, is declared insolvent or ceases or resolves to cease to carry on the whole or any substantial part of its activities, or any situation similar to any of the above occurs under any applicable law;
- (f) if an encumbrancer takes possession of, or a receiver, liquidator, administrator, administrative receiver or similar officer is appointed, whether by a court of competent jurisdiction or by any competent administrative authority or by any person, of or over, any part of the business or assets of the Borrower or any property forming part of the Project;
- (g) if the Borrower defaults in the performance of any obligation in respect of any other loan granted by the Bank or financial instrument entered into with the Bank;
- (h) if the Borrower defaults in the performance of any obligation in respect of any other loan made to it from the resources of the Bank or the European Union, or in respect of any state subsidies or any EU Grants related to the Project;
- (i) if any expropriation, attachment, arrestment, distress, execution, sequestration or other process is levied or enforced upon the property of the Borrower or any property forming part of the Project and is not discharged or stayed within 14 (fourteen) days;
- (j) if a Material Adverse Change occurs, as compared with the Borrower's condition at the date of this Contract; or
- (k) if it is or becomes unlawful for the Borrower to perform any of its obligations under this Contract or this Contract is not effective in accordance with its terms or is alleged by the Borrower to be ineffective in accordance with its terms.

10.1.B Demand after notice to remedy

The Bank may also make such demand without prior notice (*mise en demeure préalable*) or any judicial or extra judicial step (without prejudice to any notice referred to below):

- (a) if the Borrower fails to comply with any provision of this Contract (other than those referred to in Article 10.1.A), or the Guarantor (if any) fails to comply with any obligations under the Guarantee; or
- (b) if any fact related to the Borrower or the Project stated in the Recitals materially alters and is not materially restored and if the alteration either prejudices the interests of the Bank as lender to the Borrower or adversely affects the implementation or operation of the Project,

unless the non-compliance or circumstance giving rise to the non-compliance is capable of remedy and is remedied within a reasonable period of time specified in a notice served by the Bank on the Borrower or the Guarantor (if any) (as applicable).

10.2 Other rights at law

Article 10.1 shall not restrict any other right of the Bank at law to require prepayment of the Loan Outstanding.

10.3 Indemnity

10.3.A Fixed Rate Tranches

In case of demand under Article 10.1 in respect of any Fixed Rate Tranche, the Borrower shall pay to the Bank the amount demanded together with the indemnity on any amount of principal due to be prepaid. Such indemnity shall (i) accrue from the due date for payment specified in the Bank's notice of demand and be calculated on the basis that prepayment is effected on the date so specified, and (ii) be for the amount communicated by the Bank to the Borrower as the present value (calculated as of the date of the prepayment) of the excess, if any, of:

- (a) the interest net of the Margin that would accrue thereafter on the amount prepaid over the period from the date of prepayment to the Interest Revision/Conversion Date, if any, or the Maturity Date, if it were not prepaid; over
- (b) the interest that would so accrue over that period, if it were calculated at the Redeployment Rate, less 0.15% (fifteen basis points).

The said present value shall be calculated at a discount rate equal to the Redeployment Rate, applied as of each relevant Payment Date of the applicable Tranche

10.3.B Floating Rate Tranches

In case of demand under Article 10.1 in respect of any Floating Rate Tranche, the Borrower shall pay to the Bank the amount demanded together with a sum equal to the present value of 0.15% (fifteen basis points) per annum calculated and accruing on the amount of principal due to be prepaid in the same manner as interest would have been calculated and would have accrued, if that amount had remained outstanding according to the applicable amortisation schedule of the Tranche, until the Interest Revision/Conversion Date, if any, or the Maturity Date.

The value shall be calculated at a discount rate equal to the Redeployment Rate applied as of each relevant Payment Date.

10.3.C General

Amounts due by the Borrower pursuant to this Article 10.3 shall be payable on the date specified in the Bank's demand.

10.4 Non-Waiver

No failure or delay or single or partial exercise by the Bank in exercising any of its rights or remedies under this Contract shall be construed as a waiver of such right or remedy. The rights and remedies provided in this Contract are cumulative and not exclusive of any rights or remedies provided by law.

ARTICLE 11

Law and jurisdiction, miscellaneous

11.1 Governing Law

This Contract and any non-contractual obligations arising out of or in connection with it shall be governed by the laws of Luxembourg.

11.2 Jurisdiction

- (a) The courts of Luxembourg-City have exclusive jurisdiction to settle any dispute (a “**Dispute**”) arising out of or in connection with this Contract (including a dispute regarding the existence, validity or termination of this Contract or the consequences of its nullity) or any non-contractual obligation arising out of or in connection with this Contract.
- (b) The parties agree that the courts of Luxembourg-City are the most appropriate and convenient courts to settle any Disputes between them and, accordingly, that they will not argue to the contrary.
- (c) This Article 11.2 is for the benefit of the Bank only. As a result and notwithstanding Article 11.2(a), it does not prevent the Bank from taking proceedings relating to a dispute (including a dispute relating to the existence, validity or termination hereof or any non-contractual obligation arising out of or in connection with this Deed) in any other courts with jurisdiction. To the extent allowed by law, the Bank may take concurrent proceedings in any number of jurisdictions.

11.3 Place of performance

Unless otherwise specifically agreed by the Bank in writing, the place of performance under this Contract shall be the seat of the Bank.

11.4 Evidence of sums due

In any legal action arising out of this Contract the certificate of the Bank as to any amount or rate due to the Bank under this Contract shall, in the absence of manifest error, be prima facie evidence of such amount or rate.

11.5 Entire Agreement

This Contract constitutes the entire agreement between the Bank and the Borrower in relation to the provision of the Credit hereunder, and supersedes any previous agreement, whether express or implied, on the same matter.

11.6 Invalidity

If at any time any term of this Contract is or becomes illegal, invalid or unenforceable in any respect, or this Contract is or becomes ineffective in any respect, under the laws of any jurisdiction, such illegality, invalidity, unenforceability or ineffectiveness shall not affect:

- (a) the legality, validity or enforceability in that jurisdiction of any other term of this Contract or the effectiveness in any other respect of this Contract in that jurisdiction; or
- (b) the legality, validity or enforceability in other jurisdictions of that or any other term of this Contract or the effectiveness of this Contract under the laws of such other jurisdictions.

11.7 Amendments

Any amendment to this Contract shall be made in writing and shall be signed by the parties hereto.

11.8 Counterparts

This Contract may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument.

11.9 Compliance with Bratislava Administration Act

Pursuant to the Bratislava Administration Act, the Borrower confirms that it has fulfilled all conditions, including without limitation, any publications, if required, and obtained all approvals and/or consents required for the execution, effectiveness and validity of this Contract according to the Bratislava Administration Act and other mandatory provisions of law.

11.10 Effective Date

This Contract is conditional upon and shall become effective only after receipt by the Bank, in a form and substance acceptable to the Bank, of the evidence that the Borrower has duly published this Contract in [the Central Registry of Contracts/on the official website of the Borrower] within 15 (fifteen) calendar days after the Borrower received this Contract signed by all parties hereto, in accordance with Section 5a of the Public Information Access Act and Section 47a of the Civil Code.

This Contract shall not become effective until the Bank sends to the Borrower a letter confirming fulfilment of each of the above mentioned conditions and providing the date that this Contract becomes effective (the “**Date of Effectiveness**”), and such letter shall be conclusive evidence that this Contract has become effective.

For the avoidance of doubt, until such time as such letter has been issued by the Bank, neither the Borrower nor the Bank shall have any claims against each other or have any liability whatsoever under or in connection with this Contract.

In case the above mentioned conditions are not fulfilled within 15 (fifteen) calendar days after the Borrower received this Contract signed by all parties hereto, this Contract shall not enter into force without any further action being necessary or required.

ARTICLE 12

Final clauses

12.1 Notices

12.1.A Form of Notice

- (a) Any notice or other communication given under this Contract must be in writing and, unless otherwise stated, may be made by letter, electronic mail and facsimile.
- (b) Notices and other communications for which fixed periods are laid down in this Contract or which themselves fix periods binding on the addressee, may be made by hand delivery, registered letter, facsimile or by electronic mail. Such notices and communications shall be deemed to have been received by the other party:
 - (i) on the date of delivery in relation to a hand-delivered or registered letter;
 - (ii) on receipt of transmission in relation to a facsimile;
 - (iii) in the case of any electronic mail sent by the Borrower to the Bank, only when actually received in readable form and only if it is addressed in such a manner as the Bank shall specify for this purpose, or
 - (iv) in the case of any electronic mail sent by the Bank to the Borrower, when the electronic mail is sent.
- (c) Any notice provided by the Borrower to the Bank by electronic mail shall:
 - (i) mention the Contract Number in the subject line; and
 - (ii) be in the form of a non-editable electronic image (PDF, TIF or other common non editable file format agreed between the parties) of the notice signed by an Authorised Signatory with individual representation right or by two or more Authorised Signatories with joint representation right of the Borrower as appropriate, attached to the electronic mail.
- (d) Notices issued by the Borrower pursuant to any provision of this Contract shall, where required by the Bank, be delivered to the Bank together with satisfactory evidence of the authority of the person or persons authorised to sign such notice on behalf of the Borrower and the authenticated specimen signature of such person or persons.
- (e) Without affecting the validity of electronic mail or facsimile notices or communication made in accordance with this Article 12.1, the following notices, communications and documents shall also be sent by registered letter to the relevant party at the latest on the immediately following Business Day:

- (i) Disbursement Acceptance;
 - (ii) any notices and communication in respect of the deferment, cancellation and suspension of a disbursement of any Tranche, interest revision or conversion of any Tranche, Market Disruption Event, Prepayment Request, Prepayment Notice, Event of Default, any demand for prepayment, and
 - (iii) any other notice, communication or document required by the Bank.
- (f) The parties agree that any above communication (including via electronic mail) is an accepted form of communication, shall constitute admissible evidence in court and shall have the same evidential value as an agreement under hand (*sous seing privé*).

12.1.B Addresses

The address, fax number and electronic mail address (and the department or officer, if any, for whose attention the communication is to be made) of each party for any communication to be made or document to be delivered under or in connection with this Contract is:

For the Bank	Attention: Operations – CSEE 100 boulevard Konrad Adenauer L-2950 Luxembourg E-mail address: [contactline-91368@eib.org]
For the Borrower	[Attention: Office of the Mayor Magistrát hlavného mesta Slovenskej republiky Bratislavy Primaciálne námestie 1 814 99 Bratislava Slovak Republic E-mail address: [GROUP/GENERIC E-MAIL ADDRESS ONLY, NO INDIVIDUAL]] ³

12.1.C Notification of communication details

The Bank and the Borrower shall promptly notify the other party in writing of any change in their respective communication details.

12.2 English language

- (a) Any notice or communication given under or in connection with this Contract must be in English.
- (b) All other documents provided under or in connection with this Contract must be:
 - (i) in English; or
 - (ii) if not in English, and if so required by the Bank, accompanied by a certified English translation and, in this case, the English translation will prevail.

12.3 Recitals, Schedules and Annexes

The Recitals and following Schedules form part of this Contract:

Schedule A	Project Specification and Reporting
Schedule B	Definition of EURIBOR
Schedule C	Forms for Borrower
Schedule D	Interest Rate Revision and Conversion
Schedule E	Certificate to be provided by the Borrower
Schedule F	Existing Security

³ Borrower to confirm/add.

The following Annexes are attached hereto:

Annex I Resolution of the City Assembly of Borrower and authorisation of signatory

Annex II Agreed form legal opinion

The parties hereto have caused this Contract to be executed in [3 (three)]⁴ originals in the English language and have respectively caused [●] and [●] to initial each page of this Contract on their behalf.

At [●], this [●] 20[●]

The acceptance of the Credit and the execution of this Contract was approved by the City Assembly (in Slovak: *mestské zastupiteľstvo*) of the Borrower on [●] in its [●]th [extraordinary] meeting, by Resolution No. [●]/[●], in accordance with Section 11(5)g) of the Bratislava Administration Act. The Contract is supplied with affidavit (in Slovak: *doložka*) confirming the Borrower's fulfilment of all legal requirements under Slovak law with regard to the validity of this Contract.

Signed for and on behalf of
HLAVNÉ MESTO SLOVENSKEJ
REPUBLIKY BRATISLAVA

[●]

Signed for and on behalf of
EUROPEAN INVESTMENT BANK

[●]

⁴ To note: 2 originals for Bank and 1 original for Borrower.

Project Specification and Reporting

A.1. TECHNICAL DESCRIPTION

Purpose, Location

The project, structured as a framework loan, concerns financing of different investment schemes in the city of Bratislava within its Transport Master Plan, mainly in the field of public transport. A major scheme already identified concerns a new tramway line linking the city centre with the most densely populated residential area Petržalka (Phase II).

The project also includes other interventions that support the promotion of public and active transport, such as expansion, upgrading and modernisation of the tramway network, public transport priority at intersections, acquisition of new trolley buses, development of new cycling infrastructure and development of strategically located P+R facilities. The project also takes into consideration supporting the public transport operator's (DPB) investment plan for the next 5 years.

Description

The sub-projects will be selected from the investment programme of the City of Bratislava and they are planned for the period 2019-2024 under the following categories:

Category ID	Description
1	New tram line in Petržalka (Phase II) (including tracks, overhead catenary system, power supply, stations)
2	Reconstruction and extension of existing tramlines of DPB (including infrastructure upgrading of tram tracks in Karlova Ves, Raca (Zahumenice), Americké Námestie and on Danube river bank between tunnel and SNP Bridge with new track structures, switches, stops and integrated stations, new catenary and power supply systems and new IT systems)
3	Acquisition of new rolling stock (trolleybuses)
4	New cycling infrastructure in Bratislava (construction of new dedicated cycling infrastructure on the main city arterials, according to the City transport masterplan)
5	New P+R sites with transfer to public transport (includes construction of parking spaces, public transit stops, landscaping, etc.): Cintorin Vrakuna (transfer to trolleybus lines), Janikov Dvor (transfer to the new planned tram line in Petržalka), Raca (transfer to tram)
6	Public transport preference at intersections (modernization of intersections to include preference for public transport and includes new traffic lights and sensors, together with construction works necessary)

Some schemes proposed by the City of Bratislava have an estimated investment cost over EUR 50 m and will be subject to individual appraisal prior to allocation.

Being a framework loan operation, further schemes as well as some degree of change is expected in the already identified list of schemes. Therefore, all allocation requests to be made by the Promoter will be reviewed by the Bank's services in order to ensure that proposed schemes are in line with the main investment areas listed above and within the Bank's eligibility criteria.

A.1.1. General Provisions

The loan amount does not exceed 50% of the project investment costs and 100% of the eligible investment costs. The following costs are not eligible for the Bank's financing: VAT and other taxes and duties, land acquisition, purchase of buildings, maintenance and other operating

costs, acquisition of second-hand assets, interest during construction, purchase of licences for the use of non-generated public resources (e.g. telecom licences), patents, brands and trademarks. Purely financial transactions are also not eligible.

The Bank does not finance works under “routine maintenance” or repairs. The term “routine maintenance” means: localised repairs or regular maintenance of track infrastructure, in the budget, financing is normally by means of an annual expenditure; these works cannot be financed by the Bank.

All schemes must comply with EU environmental, procurement and state aid legislation as well as comply with the principles and standards of the Bank’s Environmental Policy Statement⁵.

A.1.2. Calendar

The project is expected to be completed by the end of 2024.

A.1.3. Allocation procedure

Allocations should be submitted before construction works have ended. The deadline for final allocation shall be by end-2023 at latest.

a) Eligible schemes with an investment cost below EUR 25 m are selected by the Promoter. The choices are subject to confirmation of eligibility by the Bank’s services after funding of the schemes concerned. The Promoter shall submit an allocation request in a form required by the Bank (as defined in A.3.1.). The Bank retains the right to ask for additional information, if judged necessary.

b) Eligible schemes with a cost between EUR 25 m and EUR 50 m are submitted to the Bank for approval before allocating Bank funds to the schemes, using a template as defined in A.1.4 or a feasibility study. The Bank keeps the right to ask for additional information; partial or in-depth appraisal of the scheme will be undertaken, if judged necessary. Appraisal of such schemes may result in additional conditions and/or undertakings that will be stated in the Allocation Letter. Should the Borrower not accept these conditions/undertakings it should inform the Bank in writing within 10 days from the receipt of the Allocation Letter and the Bank will proceed with reallocation.

c) Eligible schemes with a cost above EUR 50 m are to be treated, in principle, as separate loans and appraised separately by the Bank’s services. Schemes will be subject to approval before allocation of the loan’s funds to the scheme. The Promoter shall provide documentation requested by the Bank, at its discretion, as individually indicated by the Bank to the Promoter. Appraisal of such schemes may result in additional conditions and/or undertakings that will be stated in the Allocation Letter. Should the Borrower not accept these conditions/undertakings it should inform the Bank in writing within 10 days from the receipt of the Allocation Letter and the Bank will proceed with reallocation.

⁵

http://www.eib.org/attachments/strategies/eib_statement_esps_en.pdf

A.1.4 Project Fiche

PROJECT FICHE
(for schemes with total costs between EUR 25m-50m)

BRATISLAVA SUSTAINABLE URBAN MOBILITY (20190529)

This fiche could be replaced by any internal document (e.g. application submitted by the beneficiary) providing the same information.

<u>IT Scheme/operation code</u> <u>Scheme/operation name:</u> <u>Eligibility (Annex A.1.2):</u> <u>Type of scheme (Annex A.1.2):</u> <u>Code of the Intervention field</u> (as per Annex I Commission Implementing Regulation N 215/2014) <u>Scheme/operation Promoter:</u> <u>Implementing Body:</u> <u>Location:</u> <u>Sector:</u> <u>Type:</u> new project/ extension/ rehabilitation	<u>Contact Person:</u> <u>Contact (e-mail, telephone)</u> <u>Date:</u> <u>Signature:</u>
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1. Scheme

1.1 Background

1.2 Reasons for undertaking the Project and key objectives

(Please refer to the strategic plans to which project is integrated)

1.3 Technical description of the project including relevant key dimensions and capacities

1.4 Entity(ies) responsible for project design, construction and supervision

1.5 Investment cost (total) in EUR

Engineering and supervision	-
Land	-
Civil works (Building work)	-
Equipment	-
Miscellaneous	-
Technical contingencies	-
Price contingencies (...% escalation p.a.), if applicable	-
Interest during construction	-
Total	-

1.5.1 Financial plan and requested allocation

Sources of financing	in EUR
EU funds	
National budget	
Other	
Total	
of which requested EIB loan	

1.6 Expected expenditure schedule (in EUR)

year	2018	n	Total
EUR					

1.7 Expected technical/ economical life-span (years)

1.8 Implementation period (dates: month, year)

- a) Start:
- b) Completion (expected and real):

1.9 Authorisation required to implement/operate the project

Please provide the name(s) of the authority(ies) issuing the relevant permit(s) and whether or not the authorisation(s) has (have) been issued. If permits are not issued, please indicate the expected date.

1.10 Jobs affected by the investment

Number of jobs that will be created, secured or lost as a consequence of the project:

a) during construction:	
b) post construction (operation and maintenance) – secured:	

1.11 Physical indicators

Please indicate (quantify) planned physical output/result of the project.

Indicator name and definition	Baseline (year)	Target value (year)
a) ...		
b)		
c)		

1.12 Procurement

Contract name	Tender procedure	Publication date	Publication reference (OJEU or national journal)	Contract Value (EUR)	Company awarded (if available)
Example below					
Construction of road..	Open procedure Public Works	05.03.2011	2011/S 45-073725		

1.13 Environmental impacts

- a) Please explain briefly the effects of the project on the environment.
- b) Does the Project have any particular environmental risks or benefits?
- c) Compliance with EIA Directive 2011/92/EU:
 - For schemes requiring an EIA (Annex II screened in or Annex I of EIA Directive): The Promoter shall provide a copy of the Environmental Decision(s) and Environmental Impact Assessment (EIA) with a summary description of the environmental measures adopted (mitigating, compensation, etc.) In addition, please provide a copy of the corresponding Non-Technical Summary (NTS) or a link to a public version of it on a relevant public entity's official web site.
 - For schemes which fall under Annex II of the EIA Directive and not requiring an EIA: The Promoter shall ensure that a screening procedure taking into account the criteria

listed in Annex III of EU EIA Directive was carried out by the environmental competent authority. The screening decision (or equivalent) can be common for several schemes. A copy of this decision might be requested by the EIB

- d) Compliance with the EU Habitats and Birds Directives (92/43/EEC and 79/409/EEC)
 - o For schemes with potential or likely significant effects on a Site of Community Importance (SCI) (Natura 2000 or otherwise) and subject to a screening under the EU Habitats and Birds Directives: The Promoter shall provide the Form A or its equivalent signed by the competent authority responsible for the monitoring of Natura 2000. This declaration should confirm that the required assessments under the EU Habitats and Birds Directives have been carried out (if necessary), that the scheme will have no significant impact on any protected site and that the appropriate mitigation measures have been identified.
 - o For schemes with a significant impact, potential or likely, on a SCI, requiring an assessment under Article 6(4) of the Habitats Directive: The Promoter shall provide the Form B or its equivalent - signed by the competent authority responsible for monitoring Natura 2000 Sites, together with the justification of overriding public interest as well as the opinion of the European Commission, if applicable.

1.14 Operation and maintenance of the facilities:

- a) Organisation in charge of the operation and maintenance of the Scheme.
- b) Operating and maintenance costs and available budget for operation and maintenance.

1.15 Economic and financial aspects

- a) Population served by the Scheme, or other pertinent demand analysis. In the case of road scheme actual and forecast traffic flows have to be included.

If applicable, a summary of cost-benefit or economic feasibility analysis .

- b) If applicable, cost recovery mechanism (Will users be required to contribute to the cost of the Scheme? Tariff policy?)

2. Overall conclusions and recommendations

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Place:

Date:

Promoter:

Responsible person:

A.1.5 Form A/B according to the EU Habitats and Birds Directives

Form A – No risk of significant effect

DECLARATION BY THE AUTHORITY RESPONSIBLE FOR MONITORING NATURE/CONSERVATION SITES OF IMPORTANCE⁶

Responsible Authority.....

Having examined⁷ the project application (title)

.....

which is to be located at

we declare that following the screening whether an appropriate assessment is needed or not the project is not likely to have significant effects on a site of nature conservation importance⁸ on the following grounds:

.....

[this should be duly justified and filled in by the competent authority]

Therefore an appropriate assessment required by Article 6 (3) of Directive 92/43/EEC was not deemed necessary.

A map at scale of 1:100.000 (or the nearest possible scale) is attached, indicating the location of the project as well as the site of nature conservation importance concerned, if any.

Name:

Position:

Organisation:

(Authority responsible for monitoring sites of nature conservation importance)

Signed:

Date:

Official Seal:

⁶ This includes sites protected as part of the Natura 2000 network (including Special Areas of Conservation and Special Protection Areas), potential Natura 2000 sites, Ramsar sites, International Bird Areas, sites of the Emerald Network, or others as relevant.

⁷ Taking into account the requirements of Art. 6(3) of Directive 92/43/EEC on the conservation of natural habitats and of wild fauna and flora.

⁸ This section explains fundamental concepts to the Framework Loans and explains how they differ from other EIB instruments. It is not intended to modify the definitions included in the Memorandum of Understanding concerning general working procedures for consulting the Commission on investments under Article 19 of the EIB statute

Form B – Risk of significant effect

**INFORMATION FROM THE AUTHORITY RESPONSIBLE FOR MONITORING
NATURE/CONSERVATION SITES OF IMPORTANCE⁹**

Responsible Authority.....
Having examined¹⁰ the project application
(title).....
which is to be located at

provides the following information

Country:

Competent national authority:

Address:

Contact person:

Tel., fax, e-mail:

Date:

⁹ This includes sites protected as part of the Natura 2000 network (including Special Areas of Conservation and Special Protection Areas), potential Natura 2000 sites, Ramsar sites, International Bird Areas, sites of the Emerald Network, or others as relevant.

¹⁰ Taking into account the requirements of Art. 6(4) of Directive 92/43/EEC on the conservation of natural habitats and of wild fauna and flora.

1. PROJECT

Name of the site affected:

This site is (please tick):

- ☐ a site identified by the national competent authority as qualifying under Art. 4(1) and (2) of the **Birds** directive (79/409/EEC) (Special Protection Area equivalent to Natura 2000)
- ☐ a site identified by the national competent authority as qualifying under Art. 4 (1) of the **Habitats** directive (92/43/EEC) (Special Area of Conservation equivalent to Natura 2000)
- ☐ For European Union Member States only, does the site concern a priority habitat or species?
☐ yes ☐ no
- ☐ a site listed in the latest inventory on **Important Bird Areas** (IBA 2000) or (if available) in an equivalent more detailed scientific inventories endorsed by national authorities
- ☐ a wetland of international importance designated under the **Ramsar** Convention or qualifying for such protection
- ☐ a site to which the Bern convention on the conservation of European Wildlife and Natural Habitats (Art. 4) applies, in particular a site meeting the criteria of the **Emerald network**
- ☐ areas protected under national nature conservation legislation

Summary of the project having an effect on the site :

2. NEGATIVE EFFECTS

Summary of the assessment of the negative effects on the site:

N.B.: this summary should focus on the adverse effect expected on the conservation value of the site (habitats and species), include the appropriate maps and describe the already decided mitigation measures.

3. ALTERNATIVE SOLUTIONS

Summary of alternative solutions studied:

Reasons why the competent national authorities have concluded that there is absence of alternative solutions:

4. IMPERATIVE REASONS

Reason to nevertheless carry out this plan or project:

Imperative reasons of overriding public interest, including those of a social or economic nature (in the absence of priority habitat/species)

- ☐ human health
- ☐ public safety
- ☐ beneficial consequences of primary importance for the environment
- ☐ other imperative reasons of overriding public interest¹¹

Short description of the reason :

5. COMPENSATION MEASURES

Foreseen compensatory measures and timetable:

A.2. PROJECT INFORMATION TO BE SENT TO THE BANK AND METHOD OF TRANSMISSION

1. Dispatch of information: designation of the person responsible

The information below has to be sent to the Bank under the responsibility of:

	Financial Contact	Technical Contact
Company		
Contact person		
Title		
Function / Department financial and technical		
Address		
Phone		
Fax		
Email		

The above-mentioned contact person(s) is (are) the responsible contact(s) for the time being.

The Borrower shall inform the EIB immediately in case of any change.

2. Information on specific subjects

The Borrower shall deliver to the Bank the following information at the latest by the deadline indicated below.

Document / information	Deadline
For each scheme, the Promoter will provide the Bank with a completed Appraisal Fiche, in accordance with the format and instructions in Appendix A.3 and allocation procedures explained in Appendix A.1.	At allocation stage
Information on any infringement procedures initiated by the European Commission related to the implementation of a Scheme under this operation and/or to the relevant laws and regulations.	Promptly without any delay
For each scheme falling under Annex I or Annex II of the EIA Directive 2011/92/EC, the Promoter will provide the Bank with the Non-Technical Summaries of the EIAs. For screened out schemes, copy of document with screening out decision of the Competent Authorities will be required.	Prior to disbursement against the concerned scheme
For each scheme to be included in the project with project cost below EUR 25 m with a potential effect on a conservation site as a result of their proximity to the site, compliance with the EU Habitats Directive 92/43/EEC and EU Birds Directive 79/409/EEC will be required by the Bank.	Prior to disbursement against the concerned scheme
For each scheme to be included in the project with project cost above EUR 25 m, compliance with the EU Habitats Directive 92/43/EEC and EU Birds Directive 79/409/EEC will be required by the Bank.	Prior to disbursement against the concerned scheme
For all the large sub-projects identified, feasibility study and any other documentation which may be deemed necessary by the Bank for their individual appraisal.	Before allocation of the identified main project
The Promoter shall provide to the Bank, after expiry of the current PSC, information concerning the new operation arrangements, including confirmation of compliance of the new PSC with the EU law relating to tendering of contracts for provision of passenger services (1370/2007 EU).	As soon as it available

Any updates of the Transport Master Plan, Uzemny General Dopravy) (UGD), as well as with any updates of other similar plans.	As soon as it is approved
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3. Information on the project's implementation

The Borrower shall deliver to the Bank the following information on project progress during implementation at the latest by the deadline indicated below.

Document / information	Deadline	Frequency of reporting
Project Progress Report <ul style="list-style-type: none"> - <i>A brief update on the Technical Description, explaining the reasons for significant changes vs. initial scope;</i> - <i>Update on the date of completion of each of the main project's components, explaining reasons for any possible delay;</i> - <i>Update on the cost of the project, explaining reasons for any possible cost variations vs. initial budgeted cost;</i> - <i>A description of any major issue with impact on the environment;</i> - <i>Update of the procurement plan;</i> - <i>Update on the project's demand or usage and comments;</i> - <i>Any significant issue that has occurred and any significant risk that may affect the project's operation;</i> - <i>Any legal action concerning the project that may be on-going;</i> - <i>Non-confidential project-related pictures, if available.</i> 	March 31, 2022	Mid-term

4. Information on the end of works and first year of operation

The Borrower shall deliver to the Bank the following information on project completion and initial operation at the latest by the deadline indicated below.

Document / information	Date of delivery to the Bank
Project Completion Report, including: <ul style="list-style-type: none"> - <i>A final Technical Description of the project as completed, explaining the reasons for any significant change compared to the Technical Description in A.1.;</i> - <i>The date of completion of each of the main project's components, explaining reasons for any possible delay;</i> - <i>The final cost of the project, explaining reasons for any possible cost variations vs. initial budgeted cost;</i> - <i>Employment effects of the project: person-days required during implementation as well as permanent new jobs created;</i> - <i>A description of any major issue with impact on the environment or social impacts;</i> - <i>Update on procurement procedures and explanation of deviations from the procurement plan;</i> - <i>Update on the project's demand or usage and comments;</i> - <i>Any significant issue that has occurred and any significant risk that may affect the project's operation;</i> - <i>Any legal action concerning the project that may be on going.</i> - <i>Non-confidential project-related pictures, if available.</i> 	15 months after project completion

A.3. INFORMATION REQUIREMENTS FOR ALLOCATION OF INDIVIDUAL SCHEMES

A.3.1.a Information for allocation of individual schemes (all schemes)

For all schemes, the Promoter is required to complete the following allocation request table and to provide their own (internal) Project Fiche describing the scheme's technical scope.

EIB Contract Reference Number:		Allocation Request																					
List of investments																							
Scheme reference no.	Scheme name	Location	Brief technical description	Approval date	Calendar		EU fund provided (Y/N)	Total cost (1000 EUR)	Financing Sources (1000 EUR)			EIB Funds Allocated (1000 EUR)	Implemented up to dd.mm.yyyy (1000 EUR)	Annual expenditure: (1000 EUR)							Procurement details (A)	Environmental details (B)	
					Start of Works	End of Works			EU	City	Other			2018	2019	2020	2021	2022	2023	2024		EIA	Natura 2000

(A): Indicate if it is a procedure "O": Open; "R": Restricted; "C": Competitive dialogue; "Ne": Negotiated or "D": Direct Award. Please also indicate, whether the procurement regime is "E": European Union or "N": National regime. For "E" procedure please provide references to the publication in the OJEU.

(B): Include information regarding the environmental impacts of the scheme and its compliance with EU environmental Directives (EIA and biodiversity Directives).

A.3.1.b Information for reporting of individual schemes (all schemes)

For all schemes, the Promoter is required to complete the following report table.

Project details			Technical description		Cost				
No.	Scheme name	Responsible sector	Description and scope of intervention	Relevant quantitative data (on demand, etc.)	Total investment cost (1000 EUR)	Requested EIB financing (1000 EUR)	Other funds / Financing sources (e.g. EU grant) and amount	Actual cost/ progress of expenditure (1000 EUR)	Reasons for change in cost
1									
2									
3									
4									
5									
6									
7									
8									

Calendar						Procurement						Environmental status			
Original start of works	Original end of works	Progress status (tender award/ underway/ under construction/ completed)	Actual start of works	Actual end of works	Reasons for delays	Type of procurement procedure	Date of publication in OJEU	Date of contract	Type of contract	Contract value (1000 EUR)	Contract details/Name of the Contractor	EIA Directive Applicable? (Y/N)	EIA screened in or out? (IN/OUT)	EIA (Annex I or II) Date+ Name of Competent Authority giving consent (Not required/EIA approved by xxx on xx/yy/zzzz)	NATURA 2000 statement required (yes/no)

Language of reports	English
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Definition of EURIBOR**A EURIBOR**

“EURIBOR” means:

- (a) in respect of a relevant period of less than one month, the Screen Rate (as defined below) for a term of one month;
- (b) in respect of a relevant period of one or more months for which a Screen Rate is available, the applicable Screen Rate for a term for the corresponding number of months; and
- (c) in respect of a relevant period of more than one month for which a Screen Rate is not available, the rate resulting from a linear interpolation by reference to two Screen Rates, one of which is applicable for a period next shorter and the other for a period next longer than the length of the relevant period,

(the period for which the rate is taken or from which the rates are interpolated being the “Representative Period”).

For the purposes of paragraphs (b) and (c) above:

- (i) “**available**” means the rates, for given maturities, that are calculated and published by Global Rate Set Systems Ltd (GRSS), or such other service provider selected by the European Money Markets Institute (EMMI), under the sponsorship of EMMI and EURIBOR ACI, or any successor to that function of EMMI and EURIBOR ACI as determined by the Bank; and
- (ii) “**Screen Rate**” means the rate of interest for deposits in EUR for the relevant period as published at 11h00, Brussels time, or at a later time acceptable to the Bank on the day (the “**Reset Date**”) which falls 2 (two) Relevant Business Days prior to the first day of the relevant period, on Reuters page EURIBOR 01 or its successor page or, failing which, by any other means of publication chosen for this purpose by the Bank.

If such Screen Rate is not so published, the Bank shall request the principal euro-zone offices of four major banks in the euro-zone, selected by the Bank, to quote the rate at which EUR deposits in a comparable amount are offered by each of them as at approximately 11h00, Brussels time, on the Reset Date to prime banks in the euro-zone interbank market for a period equal to the Representative Period. If at least 2 (two) quotations are provided, the rate for that Reset Date will be the arithmetic mean of the quotations.

If fewer than 2 (two) quotations are provided as requested, the rate for that Reset Date will be the arithmetic mean of the rates quoted by major banks in the euro-zone, selected by the Bank, at approximately 11h00, Brussels time, on the day which falls 2 (two) Relevant Business Days after the Reset Date, for loans in EUR in a comparable amount to leading European banks for a period equal to the Representative Period.

If no rate is available as provided above, EURIBOR shall be the rate (expressed as a percentage rate per annum) which is determined by the Bank to be the all-inclusive cost to the Bank for the funding of the relevant Tranche based upon the then applicable internally generated Bank reference rate or an alternative rate determination method reasonably determined by the Bank.

B GENERAL

For the purposes of the foregoing definition:

- (a) All percentages resulting from any calculations referred to in this Schedule will be rounded, if necessary, to the nearest one thousandth of a percentage point, with halves being rounded up
- (b) The Bank shall inform the Borrower without delay of the quotations received by the Bank.

- (c) If any of the foregoing provisions becomes inconsistent with provisions adopted under the aegis of EMMI and EURIBOR ACI (or any successor to that function of EMMI and EURIBOR ACI as determined by the Bank) in respect of EURIBOR, the Bank may by notice to the Borrower amend the provision to bring it into line with such other provisions.

Forms for Borrower

C.1 Form of Disbursement Offer/Acceptance (Articles 1.2.B and 1.2.C.)

To: Hlavné mesto Slovenskej republiky Bratislava
From: European Investment Bank
Date:
Subject: Disbursement Offer/Acceptance for the Finance Contract between European Investment Bank and Hlavné mesto Slovenskej republiky Bratislava dated [●] (the **"Finance Contract"**)
Project name: BRATISLAVA SUSTAINABLE URBAN MOBILITY
Contract Number: 91368 Operation Number: 2019 0529

Dear Sirs,

We refer to the Finance Contract. Terms defined in the Finance Contract have the same meaning when used in this letter.

Following your request for a Disbursement Offer from the Bank, in accordance with Article 1.2.B of the Finance Contract, we hereby offer to make available to you the following Tranche:

- (a) Amount to be disbursed in EUR:
- (b) Scheduled Disbursement Date:
- (c) Interest rate basis:
- (d) Interest payment periodicity:
- (e) Payment Dates:
- (f) Terms for repayment of principal:
- (g) The Repayment Dates and the first and the last Repayment Date for the Tranche:
- (h) The Interest Revision/Conversion Date:
- (i) The Fixed Rate or Spread, applicable until the Interest Revision/Conversion Date if any, or until the Maturity Date.

To make the Tranche available subject to the terms and conditions of the Finance Contract, the Bank must receive a Disbursement Acceptance in the form of a copy of this Disbursement Offer duly signed on your behalf, to the following fax number [] or e-mail [] no later than the Disbursement Acceptance Deadline of [time] Luxembourg time on [date].

The Disbursement Acceptance below must be signed by an Authorised Signatory and must be fully completed as indicated, to include the details of the Disbursement Account.

If not duly accepted by the above stated time, the offer contained in this document shall be deemed to have been refused and shall automatically lapse.

If you do accept the Tranche as described in this Disbursement Offer, all the related terms and conditions of the Finance Contract shall apply, in particular, the provisions of Article 1.4.

Yours faithfully,

EUROPEAN INVESTMENT BANK

We hereby accept the above Disbursement Offer:

for and on behalf of Hlavné mesto Slovenskej republiky Bratislava

Date:

Account to be credited:

Account N°:

Account Holder/Beneficiary:

(please, provide IBAN format if the country is included in IBAN Registry published by SWIFT, otherwise an appropriate format in line with the local banking practice should be provided)

Bank name and address:

Bank identification code (BIC):

Payment details to be provided:

Please transmit information relevant to:

Name(s) of the Borrower's Authorised Signatory(ies):

.....

Signature(s) of the Borrower's Authorised Signatory(ies):

IMPORTANT NOTICE TO THE BORROWER:

BY COUNTERSIGNING ABOVE YOU CONFIRM THAT THE LIST OF AUTHORISED SIGNATORIES AND ACCOUNTS PROVIDED TO THE BANK WAS DULY UPDATED PRIOR TO THE PRESENTATION OF THE ABOVE DISBURSEMENT OFFER BY THE BANK.

IN THE EVENT THAT ANY SIGNATORIES OR ACCOUNTS APPEARING IN THIS DISBURSEMENT ACCEPTANCE ARE NOT INCLUDED IN THE LATEST LIST OF AUTHORISED SIGNATORIES AND ACCOUNTS RECEIVED BY THE BANK, THE ABOVE DISBURSEMENT OFFER SHALL BE DEEMED AS NOT HAVING BEEN MADE.

Interest Rate Revision and Conversion

If an Interest Revision/Conversion Date has been included in the Disbursement Offer for a Tranche, the following provisions shall apply.

A MECHANICS OF INTEREST REVISION/CONVERSION

Upon receiving an Interest Revision/Conversion Request the Bank shall, during the period commencing 60 (sixty) days and ending 30 (thirty) days before the Interest Revision/Conversion Date, deliver to the Borrower an Interest Revision/Conversion Proposal stating:

- (a) the Fixed Rate and/or Spread that would apply to the Tranche, or of its part indicated in the Interest Revision/Conversion Request pursuant to Article 3.1; and
- (b) that such rate shall apply until the Maturity Date or until a new Interest Revision/Conversion Date, if any, and that interest is payable quarterly, semi-annually or annually in accordance with Article 3.1, in arrear on designated Payment Dates.

The Borrower may accept in writing an Interest Revision/Conversion Proposal by the deadline specified therein.

Any amendment to this Contract requested by the Bank in this connection shall be effected by an agreement to be concluded not later than 15 (fifteen) days prior to the relevant Interest Revision/Conversion Date.

Fixed Rates and Spreads are available for periods of not less than 4 (four) years or, in the absence of a repayment of principal during that period, not less than 3 (three) years.

B EFFECTS OF INTEREST REVISION/CONVERSION

If the Borrower duly accepts in writing a Fixed Rate or a Spread in respect of an Interest Revision/Conversion Proposal, the Borrower shall pay accrued interest on the Interest Revision/Conversion Date and thereafter on the designated Payment Dates.

Prior to the Interest Revision/Conversion Date, the relevant provisions of this Contract and Disbursement Offer and Disbursement Acceptance shall apply to the Tranche in its entirety. From and including the Interest Revision/Conversion Date onwards, the provisions contained in the Interest Revision/Conversion Proposal relating to the new Fixed Rate or Spread shall apply to the Tranche (or any part thereof, as indicated in the Interest Revision/Conversion Request) until the new Interest Revision/Conversion Date, if any, or until the Maturity Date.

C NO OR PARTIAL INTEREST REVISION/CONVERSION

If the Borrower does not submit an Interest Revision/Conversion Request or does not accept in writing the Interest Revision/Conversion Proposal for the Tranche or if the parties fail to effect an amendment requested by the Bank pursuant to paragraph A above, the Borrower shall repay the Tranche (or the part thereof, as indicated in the Interest Revision/Conversion Request) on the Interest Revision/Conversion Date, without indemnity.

In case of a partial Interest Revision/Conversion, the Borrower will repay, without indemnity, on the Interest Revision/Conversion Date any part of the Tranche which was not covered by the Interest Revision/Conversion Request and which is therefore not subject to the Interest Revision/Conversion.

Certificate to be provided by the Borrower

To: European Investment Bank
From: Hlavné mesto Slovenskej republiky Bratislava
Date:
Subject: Certificate for the Finance Contract between European Investment Bank and Hlavné mesto Slovenskej republiky Bratislava dated [●] (the “**Finance Contract**”)

Project Name: BRATISLAVA SUSTAINABLE URBAN MOBILITY

Contract Number: 91368

Operation Number: 2019 0529

Dear Sirs,

Terms defined in the Finance Contract have the same meaning when used in this letter.

For the purposes of Article 1.4 of the Finance Contract we hereby certify to you as follows:

- (a) no Prepayment Event has occurred and is continuing unremedied or unwaived;
- (b) we are in compliance with the financial covenants pursuant to Article 6.8 and attached is evidence of such compliance and related calculations;
- (c) no Security of the type prohibited under Article 7.1 has been created or is in existence;
- (d) there has been no material change to any aspect of the Project or in respect of which we are obliged to report under Article 8.1, save as previously communicated by us;
- (e) no event or circumstance which constitutes or would with the passage of time or giving of notice under the Finance Contract constitute an Event of Default has occurred and is continuing unremedied or unwaived;
- (f) no litigation, arbitration administrative proceedings or investigation is current or to our knowledge is threatened or pending before any court, arbitral body or agency which has resulted or if adversely determined is reasonably likely to result in a Material Adverse Change, nor is there subsisting against us or any of our subsidiaries any unsatisfied judgement or award;
- (g) the representations and warranties to be made or repeated by us under Article 6.10 are true in all respects; and
- (h) no Material Adverse Change has occurred, as compared with the situation at the date of the Finance Contract.

Yours faithfully,

For and on behalf of Hlavné mesto Slovenskej republiky Bratislava

Date:

Existing Security¹²

¹² Borrower please specify.

Resolution of the City Assembly of Borrower and authorisation of signatory

Agreed form legal opinion

Form of Legal Opinion
 European Investment Bank
 98-100 Bd. Konrad Adenauer
 L-2950 Luxembourg
 Grand Duchy of Luxembourg
 To the attention of Legal Department - Operations

[●],[●]

Re: **Finance Contract for BRATISLAVA SUSTAINABLE URBAN MOBILITY**

Dear Sirs,

I am acting as in-house legal counsel to Hlavné mesto Slovenskej republiky Bratislava (the "**Borrower**") in connection with the finance contract (the "**Finance Contract**") for BRATISLAVA SUSTAINABLE URBAN MOBILITY in an amount of EUR 50,000,000 (fifty million euros), made on [●] between the European Investment Bank (the "**Bank**") and the Borrower. I am giving this opinion pursuant to Article 1.4 of the Finance Contract. All terms used herein and not otherwise defined shall have the same meaning as in the Finance Contract.

I have examined an original of the Finance Contract and such laws, documents and other matters as I have deemed necessary or appropriate for the purpose of giving this opinion.

This opinion is confined to matters of Slovak law and no opinion is expressed as to the laws of any other jurisdiction.

Subject to the foregoing, I am of the opinion that:

1. The Borrower is a municipality (in Slovak: *mesto*) validly existing under the laws of the Slovak Republic, possessing full legal capacity to sue or be sued in its own name, and has full powers to own all assets which it owns and to carry out the activities which it carries out.
2. The Borrower has the requisite power and capacity to enter into and perform the Finance Contract and the transactions contemplated thereby.
3. Pursuant to Section 11(5g) of the Act of the Slovak Republic No. 377/1990 Coll., on the capital city of the Slovak republic Bratislava, as amended (the "**Bratislava Administration Act**"), the City Assembly (in Slovak: *mestské zastupiteľstvo*) of the Borrower is the sole competent body to authorise the Borrower to enter into the Finance Contract. The City Assembly (in Slovak: *mestské zastupiteľstvo*) of the Borrower has authorised the execution of the Finance Contract by the resolution No. [●]/[●] adopted in its [●]th [extraordinary] meeting on [●] (the "**Resolution**"). No other requirement to authorize the Borrower to enter into the Finance Contract exists.
4. The Finance Contract has been duly executed and delivered on behalf of the Borrower by [●], [●], by virtue of the powers given to [him/her] by Slovak law (including, but not limited to the Municipal Administration Act), the City Assembly (in Slovak: *mestské zastupiteľstvo*) and the Resolution.
5. The entry into the Finance Contract and the compliance with its terms does not and will not:
 - (a) result in violation of any provision contained in any law applicable to the Borrower;
 - (b) conflict with or result in the breach of any provision of, or require any consent under, or result in the imposition of any Security (as defined in the Finance Contract) under, any agreement or instrument to which the Borrower is a party or by which the Borrower or any of its assets is bound; and
 - (c) constitute a default or an event that, with the giving of notice or the passing of time or both, would constitute a default under any such agreement or instrument.
6. No provision exists in laws of the Slovak Republic which would make it necessary that the Finance Contract be filed, recorded or enrolled with any court or authority in order to ensure its legality, validity or enforceability, except for mandatory publication of the Finance Contract in [the Central Registry of Contracts/on the official website of the Borrower] in accordance with

Section 5a of the Slovak Act No. 211/2000 Coll., on Free Access to Public Information, and Section 47a of the Slovak Act No. 40/1964 Coll., the Civil Code.

7. The Finance Contract constitutes a direct, unconditional obligation of the Borrower which ranks in priority of payment at least *pari passu* with all other present and future indebtedness of the Borrower other than indebtedness mandatorily preferred by law.
8. To the best of my knowledge after due inquiry:
 - (a) the Borrower is not in violation of any present statute, regulation, judgement or order applicable to it in the Slovak Republic;
 - (b) no statute or regulation has been proposed and no judgement or order is expected which may have any materially adverse effect on the Borrower's prospects or financial condition;
 - (c) the Borrower is not engaged in, or threatened by, any litigation, arbitration or administrative proceeding the outcome of which may materially and adversely affect its prospects or financial condition;
 - (d) the Borrower is not in default under any agreement, obligation or duty to which it is a party or by which it or any of its properties or assets is bound; and
 - (e) there exists no Event of Default (as defined in the Finance Contract) and no event which, with the giving of notice, the passage of time or the making of any determination, or any combination thereof, could become such an Event of Default.
9. The choice of Luxembourg law as the law governing the Finance Contract is valid and enforceable.
10. Pursuant to Article 11.2 of the Finance Contract, the courts of the District of Luxembourg City shall have jurisdiction in connection with any claim or dispute between the Borrower and the Bank, and any judgement of such courts pertaining to the Finance Contract can be enforced in the Slovak Republic in accordance with Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgements in civil and commercial matters.
11. The unilateral jurisdiction clause pursuant to Article 11.2(c) of the Finance Contract is valid and enforceable.
12. No taxes, duties, fees or other charges, including, without limitation, any registration or transfer tax, stamp duty or similar levy, imposed by the Slovak Republic or any political subdivision or taxing authority thereof or therein are payable in connection with the execution and delivery of the Finance Contract, nor in connection with any payment to be made by the Borrower to the Bank pursuant to the Finance Contract.
13. All exchange control consents which may be necessary pursuant to the laws of the Slovak Republic to receive disbursements, to repay the same and to pay interest and all other amounts due under the Finance Contract are in full force and effect.
14. The entry into the Finance Contract will not give a rise to any liability for the Bank.
15. As of the date of the Finance Contract and as of the date hereof, the Borrower is not insolvent and no steps have been taken pursuant to any insolvency, bankruptcy, liquidation or equivalent or analogous proceedings to appoint an administrator, bankruptcy receiver, insolvency officer or liquidator over the Borrower or its assets, and no voluntary or judicial winding-up or liquidation of the Borrower has occurred nor has any action to this effect been taken by the Borrower. The Borrower will not become insolvent under applicable law as a result of carrying out any of the transactions contemplated by the Finance Contract.

Based on the foregoing, I am of the opinion that all requirements currently applicable to the Borrower and governing the Finance Contract in relation to the laws of the Slovak Republic have been complied with and that the Finance Contract constitutes legally valid and binding obligations of the Borrower enforceable in the Slovak Republic in accordance with their terms.

This opinion is addressed to the Bank exclusively in connection with the entry by the Borrower into the Finance Contract and may not be relied upon by the Bank for any other purpose. The Bank shall be entitled to disclose this opinion on a non-reliance basis (i) to its potential successors and permitted assignees (ii) to its professional advisers and auditors; (iii) if required by any law, regulation, treaty, or pursuant to the rules of any relevant stock exchange; (iv) where required by any competent judicial,

government, supervisory or regulatory body, (v) to European Union authorities and institutions; (vi) in any legal, arbitration, or regulatory proceeding or investigation relating to the matters set out in this opinion; (vii) in accordance with the Bank's internal policies and procedures; and (vii) with the consent of the Borrower.

Yours faithfully,

Výpis
zo zasadnutia komisie finančnej stratégie a pre správu a podnikanie s majetkom mesta MsZ
konaného dňa 25.11.2019

k bodu 4

Návrh na uzatvorenie rámcovej úverovej zmluvy s Európskou investičnou bankou na roky 2020 – 2024

Návrh uznesenia

odporúča

Mestskému zastupiteľstvu hlavného mesta SR Bratislavy

A. schváliť

navrhované uzatvorenie rámcovej úverovej zmluvy s Európskou investičnou bankou (EIB) na roky 2020 - 2024 v celkovej výške úverového rámca 50 mil. eur na realizáciu projektov.

B. splnomocniť

primátora hlavného mesta SR Bratislavy

1. na podpísanie rámcovej úverovej zmluvy s EIB a zabezpečenie čerpania tranží z rámcovej úverovej zmluvy v súlade s plánovanými príjmovými finančnými operáciami v schválenom rozpočte na aktuálne rozpočtové obdobie,
2. na predkladanie písomných žiadostí EIB o čerpanie jednotlivých tranží,
3. na akceptovanie úveru poskytnutého EIB a podmienok úveru vyplývajúceho z rámcovej úverovej zmluvy s EIB,
4. na akceptovanie EIB navrhovaných úrokových sadzieb.

Hlasovanie:

prítomní: 10, za: 9, proti: 0, zdržal sa: 1

Uznesenie bolo prijaté.

Za správnosť opisu : Mgr. Michaela Kodýdková, v.r.

V Bratislave, 25.11.2019

Návrh na uzatvorenie rámcovej verovej zmluvy s Európskou investičnou bankou na roky 2020 – 2024

Kód uzn.: 6.1
6.1.1

Uznesenie 84/2019 zo dňa 28.11.2019

Mestská rada po prerokovaní materiálu

odporúča

Mestskému zastupiteľstvu hlavného mesta SR Bratislavy

1. schváliť

navrhované uzatvorenie rámcovej úverovej zmluvy s Európskou investičnou bankou (EIB) na roky 2020 - 2024 v celkovej výške úverového rámca 50 mil. eur na realizáciu projektov podľa materiálu.

2. splnomocňuje

primátora hlavného mesta SR Bratislavy

- 2.1. na podpísanie rámcovej úverovej zmluvy s EIB a zabezpečenie čerpania tranží z rámcovej úverovej zmluvy v súlade s plánovanými príjmovými finančnými operáciami v schválenom rozpočte na aktuálne rozpočtové obdobie,
- 2.2. na predkladanie písomných žiadostí EIB o čerpanie jednotlivých tranží,
- 2.3. na akceptovanie úveru poskytnutého EIB a podmienok úveru vyplývajúceho z rámcovej úverovej zmluvy s EIB,
- 2.4. na akceptovanie EIB navrhovaných úrokových sadzieb.