

# **SZRB LOAN FOR SMES AND YOUTH EMPLOYMENT - A**

## **Finance Contract**

*between the*

**European Investment Bank**

*and*

**Slovenská záručná a rozvojová banka, a. s.**

Luxembourg, XXXXXX

Bratislava, XXXXXX

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**THIS CONTRACT IS MADE BETWEEN:**

The European Investment Bank, having its seat at 98-100 blvd Konrad Adenauer, Luxembourg L-2950, Luxembourg, represented by Ms Jitka Bures, Head of Division, and Ms Wiebke JarDET, Head of Division,

(the “**Bank**”)

of the first part, and

Slovenská záručná a rozvojová banka, a. s., a joint-stock company incorporated under the laws of the Slovak Republic, having its registered seat at Štefánikova 27, Bratislava, Postal Code 814 99, the Slovak Republic, Business Identification Number: 00 682 420, registered in the Commercial Register maintained by the Regional Court Bratislava I, Section: Sa, Insert No.: 3010/B, represented by Mr Dušan Tomašec, Chairman of the Board of Directors, and Mr Peter Sevčovic, Vice-Chairman of the Board of Directors,

(the “**Borrower**”)

of the second part.

## WHEREAS:

- (1) The Borrower is a joint stock company indirectly, through Ministry of Finance of the Slovak Republic, wholly owned and controlled by the Slovak Republic.
- (2) The Borrower has requested from the Bank a credit of EUR 30,000,000 (thirty million euros) to finance eligible small and medium-sized investments to be carried out by small-and-medium-sized enterprises (the “**SMEs**” or individually “**SME**”) and Mid-Cap companies (the “**Mid-Caps**” or individually “**Mid-Cap**”) mainly in the Slovak Republic (the “**Sub-Projects**” or individually a “**Sub-Project**”). The applicable eligibility criteria as well as the allocation procedures for the Sub-Projects are subject to certain restrictions set out in a side-letter (the “**Side-Letter**”).
- (3) The Borrower shall finance each Sub-Project (including any JfY Sub-Project) by means of sub-financing (the “**Sub-Financing**”) pursuant to sub-financing agreements (each such agreement, a “**Sub-Financing Agreement**”) between the Borrower and eligible person or entity promoting a Sub-Project (each such person or entity, a “**Final Beneficiary**”). A financial advantage as specified in this finance contract (the “**Contract**”) and provided by the Bank to the Borrower pursuant to this Contract, shall be passed on to the Final Beneficiaries.
- (4) The Board of Directors of the Borrower has authorised the borrowing of the sum of EUR 15,000,000 (fifteen million euros) partially represented by this Credit on the terms and conditions set out in this Contract. The resolutions of the Board of Directors of the Borrower is attached as Annex I.
- (5) The Bank, considering that financing of the Sub-Projects 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 15,000,000 (fifteen million euros) under this Contract.
- (6) The Bank has launched a Jobs for Youth Initiative (the “**Jobs for Youth Initiative**”) to support employment of young people by SMEs and Mid-Caps. The Bank has invited the Borrower to participate in the Jobs for Youth Initiative on the terms of this Contract and the Side Letter. The Borrower has confirmed that it wishes to participate in the Job for Youth Initiative and to target certain SMEs and Mid-Caps that promote Sub-Projects that satisfy the eligibility criteria of the Jobs for Youth Initiative (each such Sub-Project is hereinafter referred to as a the “**JfY Sub-Project**”).
- (7) 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.
- (8) 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.
- (9) 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.

**NOW THEREFORE** it is hereby agreed as follows:

## **INTERPRETATION AND DEFINITIONS**

### **(a) Interpretation**

In this Contract:

- (i) 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.
- (ii) References to a provision of law are references to such provision as amended or re-enacted.
- (iii) References to any other agreement or instrument are references to such other agreement or instrument as amended, novated, supplemented, extended or restated.

### **(b) Definitions**

In this Contract:

**"Acceptance Deadline"** for a notice means:

- (a) 16h00 Luxembourg time on the day of delivery, if the notice is delivered by 14h00 Luxembourg time on a Business Day; or
- (b) 11h00 Luxembourg time on the next following day which is a Business Day, if the notice is delivered after 14h00 Luxembourg time on any such day or is delivered on a day which is not a Business Day.

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

**"Allocation Period"** has the meaning given to it in Article 1.08.

**"Allocation Request"** has the meaning given to it in Article 1.08.

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

**"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.

**"Centre of Main Interests"** shall have the meaning as used in Article 3(1) of the Regulation.

**"Change-of-Control Event"** has the meaning given to it in Article 4.03A(2).

**"Change-of-Law Event"** has the meaning given to it in Article 4.03A(5).

**"Contract"** has the meaning given to it in Recital (3).

**"Contracts Register"** means the Central Register of Contracts maintained by the Government of the Slovak Republic as of the date of this Contract on the website [www.crz.gov.sk](http://www.crz.gov.sk).

**"Credit"** has the meaning given to it in Article 1.01.

**"Credit Rating"** means any of the following ratings as assigned by a Rating Agency:

- (a) the rating assigned to its 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 Long Term Issuer Default Rating (or equivalent) defined as such by Fitch Ratings Limited or its successor; or
- (d) the Long Term Issuer Rating (or equivalent) defined as such by Moody's Investor Services, Inc. or its successor;

provided that in each of the cases (b) to (d) 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 and/or financing of terrorism.

**“Deferment Indemnity”** means an indemnity calculated on the amount of disbursement deferred or suspended at the percentage rate (if higher than zero) by which:

- 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
- the Relevant Interbank Rate (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 indemnity 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 Date”** means the date on which actual disbursement of a Tranche is made by the Bank.

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

**“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 Law”** means:

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

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

**“Establishment”** shall have the meaning as used in Article 2(h) of the Regulation.

**“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 A.

**"Event of Default"** means any of the circumstances, events or occurrences specified in Article 10.01.

**"Final Availability Date"** means a date falling 24 (twenty-four) months from the date of this Contract.

**"Final Beneficiary"** has the meaning given to it in Recital (3).

**"Fixed Rate"** means an annual interest rate 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. Fixed Rate shall include the Margin.

**"Fixed Rate Tranche"** means a Tranche on which Fixed Rate is applied.

**"Floating Rate"** means a fixed-spread floating interest rate, that is to say an annual interest rate determined by the Bank for each successive Floating Rate Reference Period equal to the Relevant Interbank Rate plus the Spread.

**"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 Floating Rate is applied.

**"GAAP"** means generally accepted accounting principles in the Slovak Republic, including IFRS.

**"Group"** means the Borrower and its Subsidiaries.

**"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 4.03A(1) and 4.03A(6).

**"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 a next Interest Revision/Conversion Date, if any, for an amount which, at the proposed Interest Revision/Conversion Date, is not less than EUR 10,000,000 (ten million euros) or the equivalent thereof.

**"Interest Revision/Conversion Date"** means the date, which shall be a Payment Date, specified by the Bank pursuant to Article 1.02B in the Disbursement Offer or pursuant to Article 3 and Schedule C.

**"Interest Revision/Conversion Proposal"** means a proposal made by the Bank under Schedule C.

**"Interest Revision/Conversion Request"** means a written notice from the Borrower, delivered at least 75 (seventy-five) calendar 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) Payment Dates chosen in accordance with the provisions of Article 3.01;
- (b) the preferred repayment schedule chosen in accordance with Article 4.01; and
- (c) any further Interest Revision/Conversion Date chosen in accordance with Article 3.01.

**"Jobs for Youth Initiative"** has the meaning given to it in Recital (6).

**"JfY Sub-Project"** has the meaning given to it in Recital (6).

**"JfY Tranche"** means a Tranche the proceeds of which shall be used by the Borrower to fund exclusively Sub-Financings with respect of JfY Sub-Project(s).

**"Letter of Allocation"** has the meaning given to it in Article 1.08.

**"Loan"** means the aggregate amount of Tranches disbursed from time to time by the Bank under this Contract.

**"Loss-of-Rating Event"** has the meaning given to it in and shall be determined in accordance with Article 4.03A(4).

**"Margin"** means the component of the rate of interest quantified in Article 3.01.

**"Market Disruption Event"** means any of the following circumstances:

- (a) there are, in the reasonable 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 its 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;
- (c) in relation to a Tranche in respect of which interest is or would be payable at Floating Rate:
  - (A) 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 the applicable Relevant Interbank Rate; or
  - (B) the Bank determines that adequate and fair means do not exist for ascertaining the applicable Relevant Interbank Rate for the relevant currency of such Tranche or it is not possible to determine the Relevant Interbank Rate in accordance with the definition contained in Schedule A.

**"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; or
- (b) the business, operations or the financial condition of the Borrower; or
- (c) the validity or enforceability of, or the effectiveness or ranking of, or the value of any security granted to the Bank to secure the obligations of the Borrower hereunder; or
- (d) the rights or remedies of the Bank under this Contract.

**"Maturity Date"** means the last or sole repayment date of a Tranche specified pursuant to Article 4.01A(b)(iv) or Article 4.01B.

**"Mid-Cap"** and **"Mid-Caps"** have the meaning given to them in Recital (2).

**"Payment Date"** means the annual, semi-annual or quarterly dates specified in the Disbursement Offer until 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 3.01 except for those cases where repayment is made in a single instalment according to Article 4.01B, when the preceding Relevant Business Day shall apply instead to this single instalment and to the final interest payment and only in this case, with adjustment to the interest due under Article 3.01; 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 3.01.

**"Permitted Security"** means:

- (a) any Security listed in the letter from the Borrower to the Bank dated 12 December 2014, as may be substituted or supplemented by the Borrower from time to time, for the principal amount secured by that Security as of the signature of this Contract;
- (b) any Security created or arising in connection with the Borrower's arrangements for a term of maximum 1 (one) year for the refinancing of the Borrower with the European Central Bank or the Slovak National Bank;
- (c) any Security, regardless of its present value, created or arising in connection with the Borrower's arrangements for a term of maximum 4 (four) years for the refinancing of the Borrower with the European Central Bank or the Slovak National Bank provided that the maximum amount secured by such Security shall not at any time exceed EUR 20,000,000 (twenty-million euros) or its equivalent in any other currency, and
- (d) any Security granted with the prior written consent of the Bank.

**"Prepayment Amount"** means the amount of a Tranche to be prepaid by the Borrower in accordance with Article 4.02A.

**"Prepayment Date"** means the date, which shall be a Payment Date, on which the Borrower proposes to effect prepayment of a Prepayment Amount.

**"Prepayment Event"** means any of the events described in Article 4.03A.

**"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 (as of the Prepayment Date) 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 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 4.02C.

**"Prepayment Request"** means a written request from the Borrower to the Bank to prepay all or part of the Loan, in accordance with Article 4.02A.

**"Rating Agency"** means any of (a) Standard & Poor's Financial Services LLC, (b) Fitch Ratings Limited and (c) Moody's Investors Services, Inc. or their respective successors.

**"Redeployment Rate"** means the Fixed Rate excluding the Margin in effect on the day of the indemnity calculation for fixed-rate loans denominated in the same currency and which shall have 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 is proposed or requested to be made. For those cases where the period is shorter than 48 months (or 36 months in the absence of a repayment of principal during that period) the most closely corresponding money market rate equivalent will be used, that is the Relevant Interbank Rate minus 0.125% (12.5 basis points) for periods of up to 12 (twelve) months. For periods falling between 12 and 36/48 months as the case may be, the bid point on the swap rates as published by Reuters for the related currency and observed by the Bank at the time of calculation will apply.

**"Regulation"** means the Council Regulation (EC) No. 1346/2000 of 29 May 2000 on insolvency proceedings.

**"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.

**"Relevant Interbank Rate"** means EURIBOR.

**"Scheduled Disbursement Date"** means the date on which a Tranche is scheduled to be disbursed in accordance with Article 1.02B.

**"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.

**"Side-Letter"** has the meaning given to it in Recital (2).

**"SME"** and **"SMEs"** have the meaning given to them in Recital (2).

**"Spread"** means the fixed spread to the Relevant Interbank Rate (being either plus or minus) determined by the Bank including the Margin and notified to the Borrower in the relevant Disbursement Offer or Interest Revision/Conversion Proposal.

**"Sub-Financing"** has the meaning given to it in Recital (3).

**"Sub-Financing Agreement"** has the meaning given to it in Recital (3).

**"Sub-Project"** has the meaning given to it in Recital (2) and includes JfY Sub-Project(s).

**“Subsidiary”** means, with respect to a person, company or corporation, any company or corporation:

- (a) which is controlled, directly or indirectly, by the first-mentioned person, company or corporation; or
- (b) in which the first-mentioned person owns directly or indirectly more than half of the issued share capital or the ownership or any other equity interests or similar right of ownership; or
- (c) which is a subsidiary of another subsidiary of the first-mentioned person, company or corporation,

provided that for these purposes, a person, company or corporation shall be treated as being controlled by another person, company or corporation if that other person, company or corporation is able to direct its affairs and/or to control the composition of majority of its board of directors or equivalent body.

**“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).

**“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 1.02B.

**ARTICLE 1**  
**Credit and Disbursements**

**1.01      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 15,000,000 (fifteen million euros) for the financing of the Sub-Projects (the “**Credit**”).

**1.02      Disbursement procedure**

**1.02A     Tranches**

The Bank shall disburse the Credit in up to 7 (seven) Tranches.

The amount of each Tranche which is not a JfY Tranche, if not being the undrawn balance of the Credit, shall be in a minimum amount of EUR 5,000,000 (five million euros).

The amount of each JfY Tranche, if not being the undrawn balance of the Credit, shall be in an amount of EUR 1,000,000 (one million euros).

**1.02B     Disbursement Offer**

Upon request by the Borrower, provided that no event mentioned in Article 1.06B has occurred and is continuing, the Bank shall send to the Borrower a Disbursement Offer for the disbursement of a Tranche. The latest time for receipt by the Borrower of a Disbursement Offer is 10 (ten) calendar days before the Final Availability Date. The Disbursement Offer shall specify:

- (a) the currency, being EUR, and amount of the Tranche;
- (b) the Scheduled Disbursement Date, which shall be a Relevant Business Day, falling at least 10 (ten) calendar 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 3.01;
- (d) the interest payment periodicity for the Tranche, in accordance with the provisions of Article 3.01;
- (e) the first Payment Date for the Tranche;
- (f) the terms for repayment of principal for the Tranche, in accordance with the provisions of Article 4.01;
- (g) the first and last repayment dates of principal for the Tranche;
- (h) the Interest Revision/Conversion Date, if requested by the Borrower, for the Tranche;
- (i) 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;
- (j) whether the Tranche is a JfY Tranche or not;
- (k) the Disbursement Acceptance Deadline, and
- (l) the amortisation table referred to in Article 4.01, if appropriate, showing the Scheduled Disbursement Date, currency, the amount to be disbursed, the expected repayment terms and the interest rate of and for that Tranche, always subject to the Disbursement occurring under the terms and conditions of such Disbursement Offer.

#### 1.02C **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 accompanied by:

- (a) the IBAN code (or appropriate format in line with local banking practice) and SWIFT BIC of the bank account to which disbursement of the Tranche should be made in accordance with Article 1.02D; and
- (b) evidence of the authority of the person or persons authorised to sign the Disbursement Acceptance and the specimen signature of such person or persons.

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.

#### 1.02D **Disbursement Account**

Disbursement shall be made to such account of the Borrower as the Borrower shall notify in writing to the Bank not later than 10 (ten) calendar days before the Scheduled Disbursement Date (with IBAN code or with the appropriate format in line with local banking practice).

Only one account may be specified for each Tranche.

#### 1.03 **Currency of disbursement**

The Bank shall disburse each Tranche in EUR.

#### 1.04 **Conditions of disbursement**

##### 1.04A **First Tranche**

The disbursement of the first Tranche under Article 1.02 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, of the following documents or evidence:

- (a) evidence that the execution of this Contract by the Borrower has been duly authorised and that the person or persons signing the Contract on behalf of the Borrower is/are duly authorised to do so together with the specimen signature of each such person or persons;
- (b) resolution(s) of the Board of Directors, the Supervisory Board, the General Assembly and any other competent governing body of the Borrower authorising the borrowing of the sum of EUR 30 000 000 (thirty million euros) partially represented by this credit on the terms and conditions set out in this Contract;
- (c) evidence that the Borrower has obtained all necessary Authorisations required in connection with this Contract, or, if none are required, a declaration by the Borrower, signed by a person or persons duly authorised to act on behalf of the Borrower, that no Authorisations are required in connection with this Contract, such evidence substantially in the form provided for in Schedule B.2 paragraph (h);
- (d) a legal opinion issued by in-house or external legal counsel on, inter alia, the authority and capacity of the Borrower and the due execution of this Contract by the Borrower (including a favourable opinion on the choice of law and courts under this Contract), such opinion substantially in the form annexed hereto as Annex II;
- (e) a duly executed Side-Letter;
- (f) a template communication, which the Borrower shall use for informing each Final Beneficiary of the Bank's participation in the financing of the Sub-Project (including, but not limited to, of the financial advantage to the Final Beneficiary);

- (g) evidence of that the Borrower inserted on its relevant website/ website dedicated to SME medium long term financing products, an information page on the Bank's activity in favour of SMEs, including eligibility criteria and a reference to the advantageous conditions of the Bank, and
- (h) evidence of publication of this Contract duly signed by all the parties hereto in the Contracts Register.

**1.04B Second and Subsequent JfY Tranches**

The disbursement of the second and any subsequent JfY Tranche 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 for the proposed JfY Tranche, of the following evidence that:

- (a) 100% of the previously disbursed JfY Tranches have been committed by the Borrower and allocated to eligible JfY Sub-Projects by the Bank; or
- (b) 100% of the previously disbursed JfY Tranches have been effectively paid out to the Final Beneficiaries towards any expenditure incurred with respect to any JfY Sub-Project to which funds have been allocated.

**1.04C All Tranches**

The disbursement of each Tranche under Article 1.02, 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 for the proposed Tranche, of the following documents or evidence:
  - (i) a certificate from the Borrower in the form of Schedule B.2, signed by an authorised representative or representatives of the Borrower and dated no earlier than the date falling 10 (ten) calendar days before the Scheduled Disbursement Date;
  - (ii) 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, delivery and performance of, and the transactions contemplated by this Contract, or the validity and enforceability of the same;
  - (iii) (a) a duly certified evidence in the English language of the authority of the person or persons authorised to sign the Disbursement Acceptance on behalf of the Borrower and the authenticated specimen signature of such person or persons, or (b) a declaration of the Borrower that no change has occurred in relation to the authority of the person or persons authorised according to the evidence under (a) above, and
  - (iv) evidence of compliance by the Borrower with the financial covenants pursuant to Article 6.06;
- (b) that on the Scheduled Disbursement Date for the proposed Tranche:
  - (i) the representations and warranties which are repeated pursuant to Article 6.09 being 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:
    - (aa) an Event of Default, or
    - (bb) a Prepayment Event,
 having occurred and being continuing unremedied or unwaived or would result from the proposed Tranche.

**1.05      Deferment of disbursement**

**1.05A      Grounds for deferment**

Upon the written request of the Borrower, the Bank shall defer the disbursement of any Accepted Tranche in whole or in part to a date specified by the Borrower being a date falling not later than 6 (six) months from its Scheduled Disbursement Date and not later than 60 (sixty) calendar days prior to the first repayment date of the Tranche indicated in the Disbursement Offer. In such case, the Borrower shall pay the Deferment Indemnity calculated on the amount of disbursement deferred.

Any request for deferment shall have effect in respect of a Tranche only if it is made at least 5 (five) Business Days before its Scheduled Disbursement Date.

If for an Accepted Tranche any of the conditions referred to in Article 1.04 is not fulfilled as at the specified date and at the Scheduled Disbursement Date (or the date expected for disbursement in case of a previous deferment), disbursement will be deferred to a date agreed between the Bank and the Borrower falling not earlier than 5 (five) Business Days following the fulfilment of all conditions of disbursement (without prejudice to the right of the Bank to suspend and/or cancel the undisbursed portion of the Credit in whole or in part pursuant to Article 1.06B). In such case, the Borrower shall pay the Deferment Indemnity calculated on the amount of disbursement deferred.

**1.05B      Cancellation of a disbursement deferred by 6 (six) months**

The Bank may, by notice in writing to the Borrower, cancel a disbursement which has been deferred under Article 1.05A by more than 6 (six) months in aggregate. The cancelled amount shall remain available for disbursement under Article 1.02.

**1.06      Cancellation and suspension**

**1.06A      Borrower's right to cancel**

The Borrower may at any time by notice in writing to the Bank cancel, in whole or in part and with immediate effect, the undisbursed portion of the Credit. However, the notice shall have no effect in respect of an Accepted Tranche which has a Scheduled Disbursement Date falling within 5 (five) Business Days of the date of the notice.

**1.06B      Bank's right to suspend and cancel**

- (a) The Bank may, by notice in writing to the Borrower, suspend and/or cancel the undisbursed portion of the Credit in whole or in part at any time and with immediate effect:
  - (i) upon the occurrence of a Prepayment Event or an Event of Default or 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
  - (ii) if a Material Adverse Change occurs.
- (b) The Bank may also suspend the portion of the Credit in respect of which it has not received a Disbursement Acceptance with immediate effect in the case that a Market Disruption Event occurs.
- (c) Any suspension shall continue until the Bank ends the suspension or cancels the suspended amount.

**1.06C      Indemnity for suspension and cancellation of a Tranche**

**1.06C(1)      SUSPENSION**

If the Bank suspends an Accepted Tranche, whether upon 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.



## 1.06C(2) CANCELLATION

If pursuant to Article 1.06A, the Borrower cancels:

- (a) a Fixed Rate Tranche which is an Accepted Tranche, it shall indemnify the Bank under Article 4.02B;
- (b) a Floating Rate Tranche which is an Accepted Tranche or any part of the Credit other than an Accepted Tranche, no indemnity is payable.

If the Bank cancels:

- (i) a Fixed Rate Tranche which is an Accepted Tranche upon an Indemnifiable Prepayment Event or pursuant to Article 1.05B, the Borrower shall pay to the Bank the Prepayment Indemnity; or
- (ii) an Accepted Tranche upon an Event of Default, the Borrower shall indemnify the Bank under Article 10.03.

Save in these cases, no indemnity is payable upon cancellation of a Tranche by the Bank.

The 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.

## 1.06D **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, the part of the Credit in respect of which no Disbursement Acceptance has been made in accordance with Article 1.02C 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.

## 1.07 **Sums due under Articles 1.05 and 1.06**

Sums due under Articles 1.05 and 1.06 shall be payable in EUR. They shall be payable within 15 (fifteen) calendar days of the Borrower's receipt of the Bank's demand or within any longer period specified in the Bank's demand.

## 1.08 **Allocation**

From the date of this Contract until the date falling 24 (twenty-four) months after such date (the "**Allocation Period**"), the Borrower is obliged to submit to the Bank a request for allocation (the "**Allocation Request**") with respect to such Tranche accompanied by details of the related Sub-Project and Sub-Financing. In order to qualify for the financing hereunder, each Sub-Project must meet the criteria set out in the Side-Letter. Such criteria shall be subject to revision on the basis of the parameters applied by the Bank to the type of Sub-Project concerned.

The Bank shall have full discretion to approve the Allocation Request following such examination of the Sub-Project as it deems necessary and shall, in the event of approval, issue a letter of allocation (a "**Letter of Allocation**"), informing the Borrower of its approval of the Sub-Project submitted and of the amount of the Credit allocated to it.

## 1.09 **Reallocation**

The Borrower may at its discretion, at any time until 24 (twenty-four) months after the date of this Contract reallocate in accordance with Article 1.08 any part of such Tranche already allocated but in respect of which no disbursement has been made by the Borrower to a Final Beneficiary for the purpose of another Sub-Project, provided however that any reallocation of a JfY Sub-Project may only be made in favour of another JfY Sub-Project.

Any part of the Loan that has been allocated at any time to a JfY Sub-Project must only be re-employed by the Borrower for the purpose of financing another JfY Sub-Project(s).

## 1.10 **Reporting**

The Borrower hereby undertakes to comply with any and all reporting requirements as specified in the Side-Letter.

## **ARTICLE 2**

### **The Loan**

#### **2.01 Amount of Loan**

The Loan shall comprise the aggregate amount of Tranches disbursed by the Bank under this Contract, as confirmed by the Bank pursuant to Article 2.03.

#### **2.02 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 EUR.

Any other payment 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.

#### **2.03 Confirmation by the Bank**

Within 10 (ten) calendar days after disbursement of each Tranche, the Bank shall deliver to the Borrower the amortisation table referred to in Article 4.01, 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**

#### **3.01 Rate of interest**

For the purposes of this Contract, “**Margin**” means 9 basis points (0.09%).

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.

##### **3.01A 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 arrears 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) calendar 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 5.01(a).

##### **3.01B Floating Rate Tranches**

The Borrower shall pay interest on the outstanding balance of each Floating Rate Tranche at the Floating Rate quarterly, semi-annually or annually in arrears 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) calendar 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 Floating Rate to the Borrower within 10 (ten) calendar days following the commencement of each Floating Rate Reference Period.

If pursuant to Articles 1.05 and 1.06 disbursement of any Floating Rate Tranche takes place after the Scheduled Disbursement Date the Relevant Interbank Rate 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 5.01(b). If the Floating Rate for any Floating Rate Reference Period is below zero, it will be set at zero.

### **3.01C 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 C) pay interest at a rate determined in accordance with the provisions of Schedule C.

### **3.02 Interest on overdue sums**

Without prejudice to Article 10 and by way of exception to Article 3.01, if the Borrower fails to pay any amount payable by it under the Contract on its due date, interest shall accrue (subject to mandatory provisions of the applicable laws, including Article 1154 of the Luxembourg Civil Code) 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:

- (i) for overdue sums related to Floating Rate Tranches, the applicable Floating Rate plus 2% (200 basis points);
- (ii) for overdue sums related to Fixed Rate Tranches, the higher of (a) the applicable Fixed Rate plus 2% (200 basis points) or (b) the Relevant Interbank Rate plus 2% (200 basis points);
- (iii) for overdue sums other than under (i) or (ii) above, the Relevant Interbank Rate plus 2% (200 basis points)

and shall be payable in accordance with the demand of the Bank. For the purpose of determining the Relevant Interbank Rate in relation to this Article 3.02, the relevant periods within the meaning of Schedule A shall be successive periods of 1 (one) month commencing on the due date.

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.

### **3.03 Market Disruption Event**

If at any time (i) from the date of 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 the Borrower that this clause has come into effect. In such case, the following rules shall apply:

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:

- the Margin and
- 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 prior to 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 Credit shall remain available for disbursement under Article 1.02B. 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.

In each case, the Spread or Fixed Rate previously notified by the Bank in the Disbursement Offer shall be no longer applicable.

## **ARTICLE 4**

### **Repayment**

#### **4.01      Normal repayment**

##### **4.01A      Repayment by instalments**

- (a) The Borrower shall repay each Tranche by instalments on the Payment Dates specified in the relevant Disbursement Offer in accordance with the terms of the amortisation table delivered pursuant to Article 2.03.
- (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 annually, semi-annually or quarterly 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 annual, semi-annual or quarterly instalments of principal;
  - (iii) the first repayment date of each Tranche shall be a Payment Date falling not earlier than 60 (sixty) calendar days from the Scheduled Disbursement Date and not later than the first Payment Date immediately following the 3<sup>rd</sup> (third) 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 12 (twelve) years from the Scheduled Disbursement Date.

##### **4.01B      Single instalment**

Alternatively, the Borrower may repay the Tranche in a single instalment on a Payment Date specified in the Disbursement Offer, being a date falling not less than 3 (three) years or more than 7 (seven) years from the Scheduled Disbursement Date.

#### **4.02      Voluntary prepayment**

##### **4.02A      Prepayment option**

Subject to Articles 4.02B, 4.02C and 4.04, 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 1 (one) month's prior notice specifying (i) the Prepayment Amount, (ii) the Prepayment Date, (iii) if applicable, the choice of application method of the Prepayment amount in line with Article 5.05C(i), and (iv) the contract number ("FI nr") mentioned on the cover page of this Contract.

Subject to Article 4.02C, the Prepayment Request shall be binding and irrevocable.

##### **4.02B      Prepayment indemnity**

###### **4.02B(1)      FIXED RATE TRANCHE**

Subject to Article 4.02B(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.

###### **4.02B(2)      FLOATING RATE TRANCHE**

Subject to Article 4.02B(3) below, the Borrower may prepay a Floating Rate Tranche without indemnity on any relevant Payment Date.

- 4.02B(3) Unless the Borrower has accepted in writing a Fixed Rate in respect of an Interest Revision/Conversion Proposal pursuant to Schedule C, prepayment of a Tranche on its Interest Revision/Conversion Date as accepted under Article 1.02C or in accordance with Schedule B.1 or C, as the case may be, may be effected without indemnity.

#### 4.02C **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) calendar 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 4.02B or, as the case may be, that no indemnity is due, the method of application of the Prepayment Amount and the Acceptance Deadline.

If the Borrower accepts the Prepayment Notice no later than by the Acceptance Deadline, it shall effect the prepayment. In any other case, the Borrower may not effect the prepayment.

The Borrower shall accompany the prepayment by the payment of accrued interest and indemnity, if any, due on the Prepayment Amount, as specified in the Prepayment Notice.

#### 4.03 **Compulsory prepayment**

##### 4.03A **Prepayment Events**

##### 4.03A(1) *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 other than Permitted Indebtedness and:

- such prepayment is not made within a revolving credit facility (save for the cancellation of the revolving credit facility);
- 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;
- such prepayment amounts exceed the lower of (a) 10% (ten per cent.), calculated as an aggregate amount for the period of time during which any amounts are outstanding under this Contract, of the aggregate outstanding Non-EIB Financing calculated as of the date of this Contract, and (b) EUR 10,000,000 (ten million euros);

the Bank may, by notice to the Borrower, cancel the undisbursed portion of the Credit and demand prepayment of the Loan. The proportion of the Loan 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) calendar 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.

For purpose of this Article, “**Permitted Indebtedness**” means:

- (a) loan granted by the European Central Bank to the Borrower in the form of a longer-term refinancing operation, with announcement date of 20 December 2011 and maturity date of 29 January 2015, provided that such prepayment amounts do not exceed EUR 10,165,402.78, and
- (b) loan granted by the European Central Bank to the Borrower in the form of a longer-term refinancing operation, with announcement date of 28 February 2012 and maturity date of 26 February 2015, provided that such prepayment amounts do not exceed EUR 10,146,347.22.

#### 4.03A(2) CHANGE OF CONTROL

The Borrower shall promptly inform the Bank if a Change-of-Control Event has occurred or is likely to occur in respect of itself. At any time after the occurrence of a Change-of-Control Event, the Bank may, by notice to the Borrower, cancel the undisbursed portion of the Credit and demand prepayment of the Loan, together with accrued interest and all other amounts accrued or outstanding under this Contract.

In addition, if the Borrower has informed the Bank that a Change-of-Control Event is about to occur, or if the Bank has reasonable cause to believe that a Change-of-Control Event is about to occur, the Bank may request that the Borrower consult with it. Such consultation shall take place within 30 (thirty) calendar days from the date of the Bank's request. After the earlier of (a) the lapse of 30 (thirty) calendar days from the date of such request for consultation, or (b) at any time thereafter, upon the occurrence of the anticipated Change-of-Control Event the Bank may, by notice to the Borrower, cancel the undisbursed portion of the Credit and demand prepayment of the Loan, 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) calendar days from the date of the demand.

For the purposes of this Article:

- (a) a **"Change-of-Control Event"** occurs if:
  - (i) any person or group of persons acting in concert gains control of the Borrower or of the entity directly or ultimately controlling the Borrower; or
  - (ii) the Ministry of Finance of the Republic of Slovakia ceases to control the Borrower; or
  - (iii) the Slovak Republic ceases to be the beneficial owner, directly or indirectly, of 100% (one hundred per cent) of the issued share capital of the Borrower;
- (b) **"acting in concert"** means acting together pursuant to an agreement or understanding (whether formal or informal); and
- (c) **"control"** means the power to direct the management and policies of an entity, whether through the ownership of voting capital, by contract or otherwise.

#### 4.03A(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) calendar days from the date of the Bank's request. If, after the lapse of 30 (thirty) calendar 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 demand prepayment of the Loan, 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) calendar 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 impair the Borrower's ability to perform its obligations under this Contract or any security provided in respect of this Contract.

#### 4.03A(4) LOSS-OF-RATING EVENT

For the purposes of this Contract, a “**Loss-of-Rating Event**” shall mean:

- (a) any case where any Credit Rating of the Slovak Republic’s most recent unsecured and unsubordinated long term debt:
  - (i) as assigned by Standard Standard and Poor’s Financial Services LLC or its successor is BBB+ or below;
  - (ii) as assigned by Fitch Ratings Limited or its successor is BBB+ or below; or
  - (iii) as assigned by Moody’s Investors Service, Inc. or its successor is Baa1 or below, or
- (b) any case where all of the Credit Ratings assigned under paragraph (a) above cease to be published.

If the Borrower obtains any Credit Rating, for the purposes of this Contract, a “**Loss-of-Rating Event**” shall also mean:

- (x) any case where any Credit Rating of the Borrower’s most recent unsecured and unsubordinated long term debt:
  - (i) as assigned by Standard Standard and Poor’s Financial Services LLC or its successor is BBB+ or below;
  - (ii) as assigned by Fitch Ratings Limited or its successor is BBB+ or below; or
  - (iii) as assigned by Moody’s Investors Service, Inc. or its successor is Baa1 or below, or
- (y) any case where all of the ratings assigned under paragraph (x) above cease to be published.

If a Loss-of-Rating Event occurs, the Borrower shall provide security for the Loan in the form of a guarantee on terms and from a bank acceptable to the Bank, cash collateral or other security acceptable to the Bank.

If within a period of 15 (fifteen) calendar days following the Loss-of-Rating Event the security has not been executed in manner, form and substance satisfactory to the Bank, the Bank may by notice to the Borrower, forthwith cancel the undisbursed portion of the Credit and demand immediate prepayment of the Loan together with accrued interest and all other amounts accrued or outstanding under this Contract.

#### 4.03A(5) OTHER COMPULSORY PREPAYMENT

The Borrower shall prepay immediately to the Bank the part of the Loan that has not been allocated or re-allocated or which has been allocated or re-allocated but which has not been disbursed by the Borrower to a Final Beneficiary within 24 (twenty-four) months after the date of disbursement of a Tranche, together with accrued interest and all other amounts accrued or outstanding under this Contract.

#### 4.03A(6) ILLEGALITY

If it becomes unlawful in any applicable jurisdiction for the Bank to perform any of its obligations as contemplated in this Contract or to 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, together with accrued interest and all other amounts accrued or outstanding under this Contract on the date indicated by the Bank in its notice to the Borrower.

#### 4.03A(7) NON-COMPLIANCE BY FINAL BENEFICIARIES

If at any time, while any part of the Loan is outstanding (i) any Final Beneficiary is not in compliance with the undertakings set out in Article 6.02 or (ii) the Borrower does not or is unable to comply with its obligations under Article 8 then the Bank may demand that the Borrower consult with it. Such consultation shall take place within 30 (thirty) calendar days from the date of the Bank’s request. The aim of such consultation will be to establish whether the Borrower and/or the relevant Final Beneficiary is able to re-employ a

corresponding part of the Loan for the purpose of financing other Sub-Projects which satisfy the criteria set out in the Side-Letter. If at any time the Bank believes that such re-employment of funds will not be possible within reasonable period of time then the Bank may by notice to the Borrower, forthwith cancel a corresponding part of the Credit or demand prepayment of a corresponding part of the Loan.

**4.03B      Prepayment mechanics**

Any sum demanded by the Bank pursuant to Article 4.03A, together with any interest or other amounts accrued or outstanding under this Contract including, without limitation, any indemnity due under Article 4.03C and Article 4.04, shall be paid on the date indicated by the Bank in its notice of demand.

**4.03C      Prepayment indemnity**

In the case of an Indemnifiable Prepayment Event, the indemnity, if any, shall be determined in accordance with Article 4.02B.

**4.04      General**

A repaid or prepaid amount may not be reborrowed. This Article 4 shall not prejudice Article 10.

If the Borrower prepays a Tranche on a date other than a relevant Payment Date, the Borrower shall indemnify the Bank in such amount as the Bank shall certify is required to compensate it for receipt of funds otherwise than on a relevant Payment Date.

**ARTICLE 5  
Payments**

**5.01      Day count convention**

Any amount due by way of interest, indemnity or fee 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;
- (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; and
- (c) in respect of fees, a year of 360 (three hundred and sixty) days and the number of days elapsed.

**5.02      Time and place of payment**

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) calendar days of the Borrower's receipt of the Bank's demand.

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) calendar days before the due date for the first payment by the Borrower and shall notify any change of account not less than 15 (fifteen) calendar 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.

The Borrower shall indicate in each payment made hereunder the contract number ("FI nr"), which is indicated on the cover page of this Contract.

A sum due from the Borrower shall be deemed paid when the Bank receives it.



Any disbursements by and payments to the Bank under this Contract shall be made using account(s) acceptable to the Bank. For the avoidance of doubt, any account in the name of the Borrower held with a duly authorized financial institution in the jurisdiction where the Borrower is incorporated or where the Sub-Projects are undertaken is deemed acceptable to the Bank.

**5.03 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.

**5.04 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 the 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 5.04.

**5.05 Application of sums received**

(a) General

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

(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:

- (i) firstly, in or towards the pro rata payment of any unpaid fees, costs, indemnities and expenses due under this Contract;
- (ii) secondly, in or towards payment of any accrued interest due but unpaid under this Contract;
- (iii) thirdly, in or towards payment of any principal due but unpaid under this Contract; and
- (iv) fourthly, in or towards payment of any other sum due but unpaid under this Contract.

(c) Allocation of sums related to Tranches

(i) In case of:

- 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,
- 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.

- (ii) Sums received by the Bank following a demand under Article 10.01 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.
- (iii) 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.

#### **6.01 Use of Loan**

The Borrower shall use the Loan exclusively for the purposes of financing the Sub-Projects to which allocations have been made under Articles 1.08 to 1.09 or this Article 6.01.

If:

- (a) a Sub-Financing is voluntarily prepaid by a Final Beneficiary;
- (b) a Sub-Financing is prepaid by a Final Beneficiary following a demand for prepayment from the Borrower;
- (c) a Sub-Financing is repaid by a Final Beneficiary;
- (d) the eligible Sub-Project costs as defined in the Side-Letter are substantially reduced, to the extent that the funds provided by the Bank for the relevant Sub-Project exceed the eligible amount provided in the Side-Letter; or
- (e) a Final Beneficiary is not in compliance with the provisions of the relevant Sub-Financing Agreement implementing Article 6.02,

a corresponding part of:

- (i) the Loan shall be promptly re-allocated/re-employed by the Borrower for the purpose of financing other Sub-Project(s), which satisfy the criteria set out in the Side-Letter and on the terms and conditions of the allocation procedures set out in Article 1.08, and
- (ii) any part of the Loan that has been allocated at any time to a JfY Sub-Project must only be re-allocated/re-employed by the relevant Borrower for the purpose of financing another JfY Sub-Project(s),

save to the extent that the Borrower voluntarily prepays any corresponding part of the Loan in question pursuant to Article 4.02.

In the case of any re-employment of the Loan, the allocation deadlines set out in Article 1.08 shall not apply.

The Bank reserves the right to request from the Borrower a list of re-employments of funds; any such list shall be in form and substance satisfactory to the Bank.

The Borrower shall ensure that at the end of the Allocation Period and thereafter a minimum of 70% of the Loan shall be allocated for the financing of Sub-Projects promoted by SMEs.

## **6.02      Other Undertakings**

### **6.02A      The Borrower:**

- (a) shall confirm to the Bank in a form to be agreed upon to the satisfaction of the Bank, at the end of each Allocation Period, that the additional volume of medium and long term financing of SMEs/Mid-Caps (with a term of more than two (2) years in eligible sectors as described in the Side Letter) signed during the Allocation Period and financed with non-EIB resources, has been at least as much as the volume of the Bank's Loan allocated to SMEs/Mid-Caps. Upon request from the Bank the Borrower shall deliver additional information on this additional lending volume, as far as this information is available;
- (b) shall ensure that each Final Beneficiary is informed that the Bank has contributed to the Sub-Financings placed at the Final Beneficiaries disposal under this Contract. Such information shall be conveyed to the Final Beneficiaries through the means of communication as required by Article 1.04A(f) and (h), as the case may be. The text of this communication to the Final Beneficiaries is to be agreed with the Bank before the first disbursement under this Contract;
- (c) shall inform each Final Beneficiary of the Financial Advantage received. The text of this communication is to be agreed with the Bank before first disbursement (as per Article 1.04A(f));
- (d) undertakes to the Bank to transfer a financial advantage of at least (i) 20bps (twenty basis points) in case of the Tranche which is not a JfY Tranche, and (ii) 30bps (thirty basis points) in case of the JfY Tranche, and provided by the Bank to the Borrower under this Contract, to the Final Beneficiaries in an effective and transparent manner and to provide the Bank with all such information and documentation as the Bank may reasonably request in order to verify compliance by the Borrower with this Article 6.02, and
- (e) shall insert on its relevant website/website dedicated to SME medium long term financing products, an information page on the Bank's activity in favour of SMEs, including eligibility criteria and a reference to the advantageous conditions of the Bank.

### **6.02B      The Borrower shall ensure that in each Sub-Financing Agreement the Final Beneficiary undertakes to:**

- (a) use the Sub-Financing solely for the implementation of the Sub-Project concerned;
- (b) complete the Sub-Project within a specified period;
- (c) purchase goods, procure services, and order works for the Sub-Project, (x) so far as they apply to the Sub-Project, in accordance with the relevant EU directives, and (y) in so far as the EU directives do not apply in accordance with procurement procedures which, to the satisfaction of the Bank, respect the criteria of economy and efficiency;
- (d) maintain, repair, overhaul and renew all property forming part of the Sub-Project as required to keep it in good working order;
- (e) permit persons designated by the Bank, including representatives of the European Court of Auditors, to visit the sites, installations and works comprising the Sub-Project and to conduct such checks as they may wish, and provide them, or ensure that they are provided, with all necessary information and assistance for this purpose;
- (f) comply with the relevant Environmental Laws;
- (g) execute and operate the Sub-Project in accordance with the relevant standards of EU law, as well as the relevant laws of the Slovak Republic, save for any derogation made by the Bank for the purposes of this Contract;
- (h) confirm, upon request, that it has obtained all relevant authorisations to comply with EU and national laws on environment and competition;
- (i) prepay the Sub-Financing in case of non-compliance with any of the above terms and conditions, and

- (j) provide the Bank, or ensure that the Bank is provided, with all necessary assistance for the purposes described in this Article.
- (k) request any disbursements from, and make any payments to, the Borrower under a Sub-Financing Agreement to a bank account in the name of such Final Beneficiary held with a duly authorised financial institution in the jurisdiction where such Final Beneficiary is incorporated or has its place of residence or where the Sub-Project is undertaken by such Final Beneficiary;
- (l) take, within a reasonable timeframe, appropriate measures in respect of such Final Beneficiary (and/or any member of its management bodies) who have 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 Final Beneficiary (and/or any member of its management bodies) is excluded from any activity in relation to any funds made available by the Borrower under the relevant Sub-Financing Agreement or in relation to the relevant Sub-Project;
- (m) promptly inform the Borrower of any measure taken by a Final Beneficiary pursuant to Article 6.02B(l) above;
- (n) promptly inform the Borrower of a genuine allegation, complaint or information with regard to Criminal Offences related to the Sub-Project;
- (o) represent to the Borrower that to the best of its knowledge, no funds invested in the Sub-Project by such Final Beneficiary are of illicit origin, including products of money laundering or linked to the financing of terrorism, as well as to promptly inform the Borrower if at any time it becomes aware of the illicit origin of any such funds, and
- (p) 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:
  - (i) to visit the sites, installations and works comprising the Sub-Project;
  - (ii) to interview representatives of the Final Beneficiary, and not obstruct contacts with any other person involved in or affected by the Sub-Project; and
  - (iii) to review the Final Beneficiary's books and records in relation to the execution of the Sub-Project, or in relation to any alleged Criminal Offence and to be able to take copies of related documents to the extent permitted by the law.

The Borrower shall ensure that the Final Beneficiary is informed, in the manner considered most appropriate, of the origin of the funds placed at the latter's disposal under this Contract.

The Borrower shall ensure that in each Sub-Financing Agreement the Final Beneficiary shall acknowledge that the Bank may be obliged to communicate information relating to the Final Beneficiary, the Sub-Financing and/or any Sub-Project to any competent institution or body of the European Union in accordance with the relevant mandatory provisions of European Union law.

#### **6.03 Compliance with laws**

The Borrower shall comply in all respects with all laws to which it is subject.

#### **6.04 Change in business**

The Borrower shall procure that no substantial change is made to the general nature of the business of the Borrower from that carried on at the date of this Contract.

#### **6.05      Merger**

The Borrower shall not enter into any amalgamation, demerger, merger or corporate reconstruction, save for a Permitted Merger.

“**Permitted Merger**” means:

- (a) any amalgamation, demerger, merger or corporate reconstruction entered into on a solvent basis and solely between members of the Group (the “**Merger Event**”), and in relation to any Merger Event entered into by or with the involvement of the Borrower, only if (i) the Borrower remains the surviving entity, or (ii) the entity resulting from such Merger Event (the “**Resulting Entity**”) has assets, equity and debt at least equal to the consolidated assets, equity and debt of the Borrower, calculated as of the date of this Contract, and
- (b) any other transaction carried out with the Bank’s prior written consent,

**provided that**

- (i) the rights and obligations under this Contract remain unaffected, with the Borrower or are transferred (by law, agreement or otherwise) to the Resulting Entity;
- (ii) the statutory seat of the Borrower and its Centre of Main Interest would, as a result of such Merger Event, not be transferred outside the Slovak Republic and the statutory seat of the Resulting Entity, if any, and its Centre of Main Interest is in the Slovak Republic;
- (iii) the Merger Event would not result in a Material Adverse Change; and
- (iv) the Merger Event would not result in the Change-of-Control Event.

#### **6.06      Financial Covenants**

The Borrower shall ensure that:

- (a) the Capital Adequacy Ratio of the Borrower shall not fall below 8%;
- (b) the capital and reserves of the Borrower shall not be reduced by more than
  - (i) 6% during one calendar year, or
  - (ii) 20% during the period of the Loan;
- (c) the Borrower’s capital and reserves, as stated in its financial statements and delivered to the Bank pursuant to Article 8, shall not fall below EUR 200,000,000 (two-hundred million euros), and
- (d) the amount of all unsecured loans provided to the Borrower by the Bank and at any point outstanding under this Contract or under the finance contract FI 25.055 made between the Bank and the Borrower, dated 15 July 2009, shall not exceed 20% of the Borrower’s capital and reserves as reported in the most recent audited annual financial statements of the Borrower, as delivered to the Bank under Article 8.01. Amounts in respect of which the Borrower requested the Bank to send the Disbursement Offer shall be included into the amounts outstanding for the purpose of the above calculation.

#### **6.07      Books and Records**

The Borrower shall ensure that it has 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 in accordance with GAAP as in effect from time to time.

#### **6.08      Centre of Main Interests**

The Borrower shall not, without the prior written consent of the Bank, change the place of its Centre of Main Interests.

## 6.09 **General representations and warranties**

The Borrower represents and warrants to the Bank that:

- (a) it is duly incorporated and validly existing as a joint-stock company 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 corporate, shareholder and other action has been taken to authorise the execution, delivery and performance of the same by it;
- (c) this Contract constitutes its legally valid, binding and enforceable obligations, and the signatures of persons authorised to sign this Contract on behalf of the Borrower are genuine;
- (d) the execution and delivery of, the performance of its obligations under and compliance with the provisions of this Contract do not and will not:
  - (i) contravene or conflict with any applicable law, statute, rule or regulation, or any judgement, decree or permit to which it is subject;
  - (ii) contravene or conflict with 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; and
  - (iii) contravene or conflict with any provision of its constitutional documents;
- (e) the latest available consolidated audited accounts of the Borrower have been prepared on a basis consistent with previous years and have been approved by its auditors 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);
- (f) there has been no Material Adverse Change since 27 May 2014;
- (g) no event or circumstance which constitutes an Event of Default has occurred and is continuing unremedied or unwaived;
- (h) 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;
- (i) it has obtained all necessary Authorisations in connection with this Contract and in order to lawfully comply with its obligations hereunder, and the Sub-Projects and all such Authorisations are in full force and effect and admissible in evidence;
- (j) at the date of this Contract, no Security exists over its assets except the Permitted Security;
- (k) 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;
- (l) it is in compliance with all undertakings under this Article 6;
- (m) no financial covenants have been concluded with any other creditor of the Borrower and no loss of rating clause has been concluded with any other creditor of the Borrower that is more restrictive than the one contained in this Contract;
- (n) to the best of its knowledge, no funds invested in any Sub-Project 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 if at any time it becomes aware of the illicit origin of any such funds;
- (o) its Centre of Main Interests is situated in the Slovak Republic; it has no Establishment in jurisdiction other than the Slovak Republic;

- (p) it has the financial means to service the Loan and the Loan does not exceed the needs of the Borrower;
- (q) the entry into this Contract is for the corporate benefit of the Borrower;
- (r) (i) no petition has been presented or filed for the bankruptcy, insolvency, a moratorium or restructuring of the Borrower and the Borrower does not intend to file or initiate filing of any such petition, (ii) the Borrower has not been declared insolvent or bankrupt, no restructuring has been approved and no moratorium declared in respect of the Borrower and no insolvency trustee has been appointed to prepare a restructuring report, (iii) the Borrower has not commenced negotiations on restructuring plan or any other similar plan nor it prepares such plan nor have any such plan prepared or negotiated by third person on its behalf, (iv) the Borrower is not insolvent, within the meaning of the applicable insolvency laws, (v) no insolvency or bankruptcy petition in respect of the Borrower has been rejected on the grounds of insufficient funds, (vi) the obligations of the Borrower are not off higher value than the respective assets of the Borrower, (vii) no decision has been made to wind-up the Borrower with or without liquidation, (viii) no analogous procedure, step or event analogous under the laws of any jurisdiction to any of the procedures, steps or events described in (i) through (vii) above has been taken or has occurred in any jurisdiction, and (ix) there is no threat of any of the above procedures, steps or events being taken or occurring;
- (s) it does not enter into this Contract with the intention to conceal its assets or defraud its creditors;
- (t) it does not enter into this Contract with the intention to provide more preferential treatment to the Bank than it is provided to the other creditors of the Borrower;
- (u) the Bank and the Borrower are not related parties pursuant to any applicable law, and
- (v) the Bank and the Borrower does not operate under the influence of the same natural and legal person, and the Bank is not a beneficiary of any agreement with the Borrower under which the Borrower has undertaken any obligation without sufficient consideration.

The representations and warranties set out above shall survive the execution of this Contract and are deemed repeated on each Disbursement Acceptance, each Scheduled Disbursement Date and each Payment Date.

#### **6.10 Integrity**

The Borrower shall take, within a reasonable timeframe, appropriate measures in respect of any member of its management bodies who has been convicted by a final and irrevocable court ruling of a Criminal Offence perpetrated in the course of exercising his/her professional duties in order to ensure that such member is excluded from any Borrower's activity in relation to the Loan.

### **ARTICLE 7 Security**

The undertakings in this Article 7 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.

#### **7.01 Negative pledge**

The Borrower shall not create or permit to subsist any Security over any of its assets other than the Permitted Security.

For the purposes of this Article 7.01, 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 otherwise dispose 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.

**7.02 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 companies generally.

**7.03 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.

**7.04 Right to demand Security in relation to a breach of a Financial Covenant**

If at any time while any part of the Loan is outstanding the Borrower is in breach of any of the financial covenants under Article 6.06, the Borrower shall, in accordance with Article 8.02, inform the Bank immediately of such an event and the Bank may demand that the Borrower consult with it with regard to the implications of such event.

Such consultation shall take place within 15 (fifteen) calendar days from the date of the Bank's request at a venue determined by the Bank. After the elapse of 30 (thirty) calendar days from the date of such request, the Bank may request the Borrower to provide additional security acceptable to the Bank or request the Borrower to prepay the Loan in whole or in part, together with accrued interest and an indemnity, if any, calculated in accordance with Article 4.02 and any other sums then payable under this Contract on the amount prepaid.

The provisions of this Article 7.04 shall not in any way limit or restrict the right of the Bank to demand prepayment of the Loan pursuant to Article 10.

The non-exercise by the Bank of the right to demand the execution of other securities shall not be deemed to be a waiver of the Bank's right hereunder.

For the purposes of this Article 7.04, "**Capital Adequacy Ratio**" shall mean the ratio of the Borrower's risk weighted assets to its capital in line with the applicable regulatory requirements, and as stated in its financial statements, delivered to the Bank pursuant to Article 8.

## **ARTICLE 8**

### **Information and Visits**

**8.01 Information concerning the Sub-Projects and the Final Beneficiaries**

The Borrower shall:

- (a) if so requested, provide to or procure for the Bank promptly all documents and information necessary to enable the Bank to follow the physical and financial progress of each Sub-Project and the financial condition of each Final Beneficiary;



- (b) if so requested, provide to or procure for the Bank promptly the Sub-Financing Agreements and any addendum or amendment thereto;
- (c) if so requested, provide to or procure for the Bank promptly all documents and information necessary for clarifying or supplementing the information received on the occasion of Allocation Requests;
- (d) as soon as it becomes aware thereof with respect to a Sub-Financing, or as soon as it is informed thereof by the Final Beneficiary under the terms of the Sub-Financing Agreement, promptly inform the Bank of a genuine allegation, complaint or information with regard to Criminal Offences related any funds made available under the Sub-Financing or any Sub-Project;
- (e) as soon as it becomes aware thereof, or as soon as it is informed thereof by the Final Beneficiary under the terms of the Sub-Financing Agreement, promptly inform the Bank if at any time it becomes aware of the illicit origin, including products of money laundering or linked to the financing of terrorism with respect to a Sub-Financing or a Sub-Project;
- (f) as soon as it becomes aware thereof, or as soon as it is informed thereof by the Final Beneficiary under the terms of the Sub-Financing Agreement, promptly inform the Bank of any measure taken by the Final Beneficiary pursuant to Article 6.02C(b);
- (g) if so requested, provide to or procure for the Bank promptly all documents and information necessary to enable the Bank to verify the Borrower's or a Final Beneficiary's compliance with Article 6;
- (h) upon request inform the Bank of the use made by it of the amounts received from Final Beneficiaries by way of voluntary or compulsory early repayment of loans made under Sub-Financing Agreements, pursuant to Article 6.02;
- (i) deliver to the Bank, upon its request, all documents and information that may be requested by the Bank concerning the financing, implementation and operation of each Sub-Project and the activities and financial condition of each Final Beneficiary; and
- (j) deliver to the Bank, upon its request, a duly certified copy and English translation of any Sub-Financing Agreement and of any addendum or amendment thereto.

## **8.02 Information concerning the Borrower**

The Borrower shall:

- (a) deliver to the Bank:
  - (i) as soon as they become available but in any event within 180 (one hundred eighty) calendar days after the end of each of its financial years its consolidated and unconsolidated annual report, balance sheet, profit and loss account and auditors report for that financial year together with a certificate signed by a person or persons duly authorised to act on behalf of the Borrower confirming compliance by the Borrower with the financial covenants pursuant to Article 7.04;
  - (ii) as soon as they become publicly available but in any event within 120 (one hundred twenty) calendar days after the end of each of the relevant accounting periods its interim unaudited consolidated and unconsolidated semi-annual report, balance sheet and profit and loss account together with a certificate signed by a person or persons duly authorised to act on behalf of the Borrower confirming compliance by the Borrower with the financial covenants pursuant to Article 7.04, and
  - (iii) from time to time, such further information on its general financial situation as the Bank may require or such certificates of compliance with the undertakings of Article 6 as the Bank may deem necessary; and

- (b) inform the Bank immediately of:
- (i) any material alteration to its constitutional documents or shareholding structure and of any change in ownership after the date of this Contract;
  - (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 grant any Security over any of its assets in favour of a third party save for the Permitted Security;
  - (v) any fact or event that is reasonably likely to prevent the substantial fulfilment of any obligation of the Borrower under this Contract;
  - (vi) any event listed in Article 10.01 having occurred or being threatened or anticipated;
  - (vii) any litigation, arbitration, administrative proceedings or investigation which is current, threatened or pending which might, if adversely determined, result in a Material Adverse Change;
  - (viii) any event listed in Article 7.04
  - (ix) any investigation concerning the integrity of the members of the Borrower's management bodies;
  - (x) to the extent permitted 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, any Final Beneficiary or its controlling entities or any member of the Borrower's management bodies in connection with Criminal Offences related to the Loan or any Sub-Project;
  - (xi) any measure taken by the Borrower pursuant to Article 6.10 of this Contract, and
  - (xii) any change in or cessation of the rating awarded to the Borrower or the Slovak Republic by Moody's Investor Services, Inc., Standard & Poor's Ratings Group or Fitch Ratings Limited and any proposal or decision known to it which envisages the introduction of such change in or cessation of such rating.

#### **8.03 Visits by the Bank**

The Borrower shall 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 interview representatives of the Borrower, and not obstruct contacts with any other person involved in or affected by the Loan; and
- (b) to review the Borrower's books and records in relation to the Loan and to be able to take copies of related documents to the extent permitted by the 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 and/or any of the Sub-Projects to any competent institution or body of the European Union in accordance with the relevant mandatory provisions of European Union law.

#### **8.04 Language**

Documents, evidence, notices and communications provided or made by the Borrower pursuant to this Contract shall be provided in the English language or with a certified English translation, except for the unaudited consolidated and unconsolidated semi-annual report, balance sheet and profit and loss account of the Borrower provided pursuant to Article 8.02(a)(ii) of this Contract, which may be delivered in the Slovak language.

## **ARTICLE 9**

### **Charges and expenses**

#### **9.01     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 the creation, perfection, registration, maintenance 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 deduction of any national or local impositions whatsoever; provided that, if the Borrower is obliged to make any such deduction, it will gross up the payment to the Bank so that after deduction, the net amount received by the Bank is equivalent to the sum due.

#### **9.02     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, any related document, any amendment, supplement or waiver in respect of this Contract, or any related document, and in the amendment, creation, management, enforcement and realisation of any security for the Loan.

#### **9.03     Increased costs, indemnity and set-off**

- (a) The Borrower shall pay to the Bank any sums 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 made after the date 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 by the Borrower 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 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 of the Borrower's obligations under this Contract that takes place in a manner other than as expressly provided for 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**

#### **10.01     Right to demand repayment**

The Borrower shall repay all or part of the Loan (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.

##### **10.01A    Immediate demand**

The Bank may make such demand immediately:

- (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) the failure to pay is due to an administrative error of an account bank, other than an error caused by the negligence or wilful misconduct of the Borrower and (ii) full payment is made within 3 (three) Business Days of its due date in accordance with this Contract;
- (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 or in connection with the negotiation or performance of this Contract is or proves to have been incorrect, incomplete or misleading in any respect;
- (c) if, following any default (including, for the avoidance of doubt, any payment default) of the Borrower in relation to any loan, or any obligation arising out of any financial transaction, other than the Loan, 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 any commitment for such other loan or obligation is cancelled or suspended;
- (d) if the Borrower is (i) unable to pay its debts as they fall due, or (ii) by reason of actual or anticipated financial difficulties, suspends its debts, or makes or seeks to make a composition with its creditors;
- (e) if any corporate 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 however being limited 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 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 capital, is declared insolvent or ceases or resolves to cease to carry on the whole or any substantial part of its business or activities;
- (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;
- (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 any distress, execution, sequestration or other process is levied or enforced upon the property of the Borrower and is not discharged or stayed within 14 (fourteen) calendar days;
- (i) if a Material Adverse Change occurs; or

- (j) if (i) it is or becomes unlawful for the Borrower to perform any of its obligations under this Contract, or (ii) this Contract is not effective in accordance with its terms or is alleged by the Borrower to be ineffective in accordance with its terms.

**10.01B Demand after notice to remedy**

The Bank may also make such demand if:

- (a) the Borrower fails to comply with any obligation under this Contract not being an obligation mentioned in Article 10.01A; or
- (b) the Borrower fails to comply with any obligation set forth in the Side-Letter; or
- (c) any fact stated in the Recitals materially alters and is not materially restored and the alteration prejudices the interests of the Bank as lender to the Borrower,

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.

**10.02 Other rights at law**

Article 10.01 shall not restrict any other right of the Bank at law to require prepayment of the Loan.

**10.03 Indemnity**

**10.03A Fixed Rate Tranches**

In case of demand under Article 10.01 in respect of any Fixed Rate Tranche, the Borrower shall pay to the Bank the amount demanded together with the Prepayment Indemnity on any amount of principal due to be prepaid. Such Prepayment Indemnity shall 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.

**10.03B Floating Rate Tranches**

In case of demand under Article 10.01 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 original 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.

**10.03C General**

Amounts due by the Borrower pursuant to this Article 10.03 shall be payable on the date of prepayment specified in the Bank's demand.

**10.04 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**

**11.01    Governing law**

This Contract shall be governed by the laws of Luxembourg.

**11.02    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 Disputes between them and, accordingly, that they will not argue to the contrary.
- (c) This Article 11.02 is for the benefit of the Bank only. As a result and notwithstanding Article 11.02(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 Contract) in any other courts with jurisdiction. To the extent allowed by law, the Bank may take concurrent proceedings in any number of jurisdictions.

**11.03    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.

**11.04    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.

**11.05    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.

**11.06    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.

**11.07    Amendments**

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

**11.08    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.

## **ARTICLE 12**

### **Final clauses**

#### **12.01    Notices to either party**

Notices and other communications given under this Contract addressed to either party to this Contract shall be made to the address or facsimile number as set out below, or to such other address or facsimile number as a party previously notifies to the other in writing:

For the Bank	Attention: Operations – Central Europe Department 98-100 boulevard Konrad Adenauer L-2950 Luxembourg Facsimile no.: +352 4379 67291
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For the Borrower	Attention: Controlling and Credit Lines Department Štefánikova 27 814 99 Bratislava Slovak Republic Facsimile no.: +421 2 57 292 173
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#### **12.02    Form of notice**

Any notice or other communication given under this Contract must be in writing.

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 or facsimile. Such notices and communications shall be deemed to have been received by the other party on the date of delivery in relation to a hand-delivered or registered letter or on receipt of transmission in relation to a facsimile.

Other notices and communications may be made by hand delivery, registered letter or facsimile, or, to the extent agreed by the parties by written agreement, by email or other electronic communication.

Without affecting the validity of any notice delivered by facsimile according to the paragraphs above, a copy of each notice delivered by facsimile shall also be sent by letter to the relevant party on the next following Business Day at the latest.

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.

#### **12.03    Changes to parties**

The Borrower may not assign or transfer any of its rights or obligations under this Contract without the prior written consent of the Bank.

The Bank may assign all or part of its rights and benefits or transfer (by way of novation, sub-participation or otherwise) all or part of its rights, benefits and obligations under this Contract.

#### **12.04    Effective Date**

This Contract shall take effect upon receipt by the Bank in form and substance satisfactory to it of the evidence of the publication of this Contract by the Borrower in the Central Register, in line 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, within 15 (fifteen) calendar days after the Borrower received this Contract signed by all parties hereto.

**12.05    Recitals, Schedules and Annexes**

The Recitals and following Schedules form part of this Contract:

Schedule A	Definition of EURIBOR
Schedule B	Forms for the Borrower
Schedule C	Interest Rate Revision and Conversion

The following Annexes are attached hereto:

Annex I	Resolution of the Board of Directors and authorisation of signatory of the Borrower
Annex II	Form of legal opinion

**IN WITNESS WHEREOF** the parties hereto have caused this Contract to be executed in 4 (four) originals in the English language and have respectively caused Mr Július Kišš, Legal Counsel, on behalf of the Bank, and Mr Daniel Káčer, Head of Legal Services Dept., on behalf of the Borrower, to initial each page of this Contract on their behalf.

Luxembourg,  
Bratislava,

Signed for and on behalf of  
EUROPEAN INVESTMENT BANK

Signed for and on behalf of  
Slovenská záručná a rozvojová banka, a. s.

Jitka Bures

Wiebke Jarde

Dušan Tomašec

Peter Sevčovic



## 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, “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.

“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 the rate resulting from the above is below zero, EURIBOR will be deemed to be zero.

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 definitions:

- (a) All percentages resulting from any calculations referred to in this Schedule will be rounded, if necessary, to the nearest one hundred-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 the of EMMI and EURIBOR ACI as determined by the Bank), the Bank may by notice to the Borrower amend the provision to bring it into line with such other provisions.

**Forms for the Borrower****B.1 Form of Disbursement Offer/Acceptance (Articles 1.02B and 1.02C)**

To: Slovenská záručná a rozvojová banka, a. s.  
 From: European Investment Bank  
 Date: <>  
 Subject: Disbursement Offer/Acceptance for the finance contract between European Investment Bank and Slovenská záručná a rozvojová banka, a. s. dated <> (the "Finance Contract")  
 FI number 83.447 Serapis number: 2014 0096

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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 1.02B of the Finance Contract, we hereby offer to make available to you the following Tranche:

- (a) Amount to be disbursed:
- (b) Scheduled Disbursement Date:
- (c) Interest rate basis:
- (d) Interest payment periodicity:
- (e) Payment Dates:
- (f) Terms for repayment of principal:
- (g) The first and last principal repayment dates:
- (h) The Interest Revision/Conversion Date, if any:
- (i) The Fixed Rate or Spread, applicable until the Interest Revision/Conversion Date, if any, or until the Maturity Date.
- (j) The minimum financial advantage to be passed on to the Final Beneficiaries:
- (k) The Tranche is a JfY Tranche: [yes/no] [*Please choose either yes or no.*]

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 [ ] no later than the Disbursement Acceptance Deadline of [time] Luxembourg time on [date].

In respect of a Tranche which is not a JfY Tranche, the Borrower shall transfer to the Final Beneficiaries a minimum financial advantage of 20bps (twenty basis points). In respect of a Tranche which is a JfY Tranche, the Borrower shall transfer to the Final Beneficiaries a minimum financial advantage of 30bps (thirty basis points).

The Disbursement Acceptance must be accompanied (if it has not been previously supplied) by:

- (i) the indication of the bank account (with IBAN code) where disbursement of the Tranche should be made; and
- (ii) evidence of the authority of the person or persons authorised to sign it on behalf of the Borrower and the specimen signature of such person or persons.

If not 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 1.04.

Yours faithfully,

EUROPEAN INVESTMENT BANK

We hereby accept the above Disbursement Offer and commit to transfer the above mentioned financial advantage to the Final Beneficiaries in accordance with the Finance Contract:

---

For and on behalf of Slovenská záručná a rozvojová banka, a. s.

Date:

## **B.2 Form of Certificate from the Borrower (Article 1.04C)**

*[On the Borrower's letterhead]*

To: European Investment Bank  
From: Slovenská záručná a rozvojová banka, a. s.  
Date: <>  
Subject: Finance contract between European Investment Bank and Slovenská záručná a rozvojová banka, a. s. dated <> (the "Finance Contract")  
FI number 83.447 Serapis number: 2014 0096

---

Dear Sirs,

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

For the purposes of Article 1.04 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 6.06 and attached is evidence of such compliance;
- (c) no Security of the type prohibited under Article 7.01 has been created or is in existence;
- (d) 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;
- (e) 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 any unsatisfied judgement or award;
- (f) the representations and warranties to be made or repeated by us under Article 6.09 are true in all respects;
- (g) no Material Adverse Change has occurred;
- (h) we have obtained all necessary Authorisations required in connection with the Finance Contract, and
- (i) there has been no material change to any aspect of the Sub-Projects or in respect of which we are obliged to report under Article 8.01, save as previously communicated by us to you.

Yours faithfully,

For and on behalf of Slovenská záručná a rozvojová banka, a. s.

Date:

### **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) calendar days and ending 30 (thirty) calendar 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 the part thereof indicated in the Interest Revision/Conversion Request pursuant to Article 3.01; 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 arrears on designated Payment Dates.

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

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

#### **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 the Contract and Disbursement Offer and Disbursement Acceptance shall apply to the entire Tranche. From and including the Interest Revision/Conversion Date onwards, the provisions contained in the Interest Revision/Conversion Proposal relating to the new interest rate or Spread shall apply to the Tranche (or part thereof) until the new Interest Revision/Conversion Date, if any, or until the Maturity Date.

#### **C. Non-fulfillment of 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 part thereof) on the Interest Revision/Conversion Date, without indemnity. The Borrower will repay on the Interest Revision/Conversion Date any part of a Tranche which is unaffected by the Interest Revision/Conversion.

**Resolution of the Board of Directors of the Borrower and authorisation of signatory of the  
Borrower**

Form of legal opinion

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

&lt;/&gt;, &lt;/&gt;

**Re: SZRB LOAN FOR SMES AND YOUTH EMPLOYMENT - A**

Dear Sirs,

I am acting as [in-house] counsel[, admitted to the Slovak Bar Association,] to Slovenská záručná a rozvojová banka, a. s. (the “**Borrower**”) in connection with the finance contract (the “**Finance Contract**”) for SZRB LOAN FOR SMES AND YOUTH EMPLOYMENT - A in an amount of EUR 15,000,000, made on [insert date] between the European Investment Bank (the “**Bank**”) and the Borrower. I am giving this opinion pursuant to Article 1.04A 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 joint-stock company duly organised and validly existing under the laws of the Slovak Republic, possessing corporate existence and the capacity to sue and to be sued in its own name, and has full powers to own all assets which it owns and to carry out the business which it carries out.
2. The Borrower has the corporate power and capacity to enter into and perform the Finance Contract and the transactions contemplated thereby.
3. Pursuant to the [●] of the Borrower, the Board of Directors is the sole competent organ to authorize the Borrower to enter into the Finance Contract and such organ has authorized the execution of the Finance Contract by its respective resolution dated [insert date of the resolution] (the “**Resolution**”). No requirement to authorize the Borrower to enter into the Finance Contract by any organ other than the Board of Directors of the Borrower exists.
4. The Finance Contract has been duly executed and delivered on behalf of the Borrower by [insert names and functions], by virtue of the powers given to them by law, [insert Borrower's constitutional document] of the Borrower and the Resolution.
5. The entry into the Finance Contract and the compliance with its terms:
  - (i) will not result in violation of the Borrower's constitutional documents or any provision contained in any law applicable to the Borrower;
  - (ii) will not 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
  - (iii) will not 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 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 its publication in the Contracts Register.

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:
  - (i) the Borrower is not in violation of any present statute, regulation, judgment or order applicable to it in the Slovak Republic;
  - (ii) no statute or regulation has been proposed and no judgment or order is expected which may have any materially adverse effect on the Borrower's business prospects or financial condition;
  - (iii) 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 business prospects or financial condition;
  - (iv) the Borrower is not in default under any material agreement, obligation or duty to which it is a party or by which it or any of its properties or assets is bound;
  - (v) there exists no event of default (as set out in Article 10.01 of 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, and
  - (vi) the entry into the Finance Contract and the compliance with its terms does not and will not 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; the entry into the Finance Contract and the compliance with its terms does not and will not 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.
9. The choice of laws of Luxembourg as the law governing the Finance Contract is valid and enforceable.
10. Pursuant to Article 11.02 of the Finance Contract, the courts of Luxembourg-City shall have jurisdiction in connection with any claim or dispute between the Borrower and the Bank, and any judgement of such court pertaining to the Finance Contract can be enforced in the Slovak Republic in accordance with Council Regulation No. 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgements in civil and commercial matters
11. 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 same Finance Contract.
12. 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.
13. The entry into the Finance Contract will not give a rise to any liability of the Bank.
14. 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 corporate 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.
15. The Centre of Main Interest of the Borrower is located in the Slovak Republic; the Borrower has no Establishment in any country other than in the Slovak Republic.

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.

Yours faithfully,