

AGREED VERSION dated 16 May 2024

BY E-MAIL and BY COURIER

The Slovak Republic

represented by the **Ministry of Finance of the Slovak Republic** (the "**Borrower**")

Štefanovičova 5

817 82 Bratislava

Slovak Republic

E-mail address: podatelna@mfsr.sk

For the attention of: Department of State Enterprises and Specific State Operations

With copy to:

Debt and Liquidity Management Agency

Radlinského 32

813 19 Bratislava

Slovak Republic

E-mail address: ardal@ardal.sk

Luxembourg, [●] 2024

JU/OPS-EU/CE/MO/ir N° 2024-[30 June]

Subject: SLOVAKIA EU FUNDS CO-FINANCING 2014-2020 (SPL) - A

Operation Number (Serapis N°): 2014-0464; Contract Number (FI N°): 84.550

Finance contract between the Borrower and the European Investment Bank (the "**Bank**") dated 30 June 2015, as amended by amendment no. 1 dated 7 August 2019 (the "**Finance Contract**")

Amendment Letter N° 2

Dear Sirs / Madams,

We refer to the Finance Contract.

1. DEFINITIONS AND INTERPRETATION

1.1. In this amendment letter (the "Letter**"):**

"**Effective Date**" means the date on which the Bank confirms (including by electronic mail or other electronic means) to the Borrower that the Bank has received in form and substance satisfactory to it:

- (a) 2 (two) originals of this Letter, duly signed by the Borrower;
- (b) evidence that the execution of this Letter by the Borrower has been duly authorised and that the person or persons signing this Letter on behalf of the Borrower is/are duly authorised to do so, together with the specimen signature. Such evidence must be provided by the Borrower together with this duly signed Letter, unless it has been previously delivered to the Bank, or the Borrower confirms in writing that no change has occurred in relation to the authority of the person or persons authorised to sign this Letter on behalf of the Borrower;
- (c) evidence that the execution of this Letter has been duly approved by the resolution of the Government of the Slovak Republic (in Slovak: *uznesenie vlády Slovenskej republiky*); and

- (d) the evidence that the Borrower has duly published this Letter in the Contracts Register within 15 (fifteen) calendar days after the Borrower received this Letter signed by all parties hereto, in line with Section 5a of Act of the Slovak Republic No. 211/2000 Coll., on Free Access to Public Information and on amendment and supplementation of laws (Freedom of Information Act), as amended, and Section 47a of Act of the Slovak Republic No. 40/1964 Coll., Civil Code, as amended.

For the avoidance of doubt, until the Effective Date neither the Borrower nor the Bank shall have any claims against each other or have any liability whatsoever under or in connection with this Letter. If the Effective Date does not occur within 20 (twenty) calendar days from the date of this Letter, this Letter shall not enter into force and no further action shall be necessary or required.

- 1.2. Unless the context otherwise requires or unless otherwise defined, terms defined in the Finance Contract and expressions used in the Finance Contract have the same meaning when used in this Letter.
- 1.3. The principles of construction set out in the Finance Contract shall have effect as if set out in this Letter.
- 1.4. Any reference to an "Article" or a "Schedule", is, unless the context otherwise requires or it is indicated otherwise, a reference to an article or a schedule of this Letter.
- 1.5. Article or Schedule headings are for ease of reference only.
- 1.6. With the effect from the Effective Date, any reference in the Finance Contract to "this Contract" (or other similar references) shall be read and construed as a reference to the Finance Contract, as amended by this Letter, the terms of which are set out in Schedule A (*Amended and Restated Finance Contract*) hereto.
- 1.7. The Schedule to this Letter forms an integral part of this Letter.

2. WAIVER

The Bank hereby waives its rights to demand the prepayment of a part of the Loan pursuant to Article 4.03A(4) (*Non-allocation or non-disbursement to Final Beneficiaries*) arising from the failure of the Borrower to allocate or disburse such part of the Loan to a Final Beneficiary by 31 December 2023.

3. AMENDMENT AND RESTATEMENT OF THE FINANCE CONTRACT

With effect from the Effective Date, the Finance Contract shall be amended and restated so that it shall be read and construed for all purposes as set out in Schedule A (*Amended and Restated Finance Contract*) to this Letter.

4. REPRESENTATIONS AND WARRANTIES

With reference to the facts and circumstances then existing on:

- (a) the date the Borrower countersigns this Letter; and
- (b) the Effective Date,

the Borrower makes hereunder the representations and warranties that are deemed repeated under and pursuant to Article 6.10 (*General representations and warranties*) of the Finance Contract (as amended by this Letter) as if each reference in those representations and warranties to "this Contract" included a reference to (i) the Finance Contract, as amended by this Letter, and (ii) this Letter.

5. MISCELLANEOUS

- 5.1. Nothing in this Letter shall affect the rights of the Bank in respect of the occurrence of any Event of Default or breach (however described) or non-compliance in connection with the Finance Contract, including without limitation any Event of Default or breach (however described) or non-compliance in connection with the Finance Contract which has not been disclosed by the Borrower in writing prior to the date of this Letter or which arises on or after the date of this Letter.
- 5.2. The provisions of the Finance Contract shall, save as amended by this Letter, continue in full force and effect. This Letter is not (and shall not be deemed to be) a consent, agreement, amendment or waiver in respect of any terms, provisions or conditions of the Finance Contract except as expressly agreed herein. The Bank reserves any other right or remedy it may have now or subsequently.
- 5.3. This Letter does not entail a novation of, or have a novative effect on, the Finance Contract.
- 5.4. The terms of this Letter shall be strictly interpreted and construed without prejudice to the Bank's rights and powers under the Finance Contract, including all of its rights and remedies in respect of any other non-compliance which (i) have not been disclosed prior to the date of this Letter to the Bank, (ii) are continuing and have not been waived by the Bank prior to the date of this Letter, or (iii) which arise on or after the date of this Letter.
- 5.5. The Bank issues this Letter acting in reliance upon the information supplied to the Bank by the Borrower until the date hereof in relation to such matters being true, complete and accurate. It shall be without prejudice to any rights which the Bank may have at any time in relation to any other circumstance or matter other than as specifically referred to in this Letter or in relation to any such information not being true, complete and accurate, which rights shall remain in full force and effect.
- 5.6. The Borrower shall, at the request of the Bank and at its own expense, do all such acts and things necessary or desirable to give effect to the amendments effected or to be effected pursuant to this Letter.
- 5.7. The parties to this Letter acknowledge and agree that any breach of this Letter, including (without limitation) any breach of an undertaking contained in this Letter or any representation in this Letter being or becoming incorrect, incomplete or misleading in any material respect, shall constitute an Event of Default under the Finance Contract.
- 5.8. The provisions of Articles 10.04 (*Non-waiver*), 11.02 (*Jurisdiction*), 11.04 (*Place of performance*), 11.06 (*Invalidity*), 11.07 (*Amendments*), 11.08 (*Counterparts*), and 12.01 (*Notices*) (as amended by this Letter) of the Finance Contract shall be incorporated into this Letter as if set out in full in this Letter and as if references in those clauses to "this Contract" are references to this Letter.

6. GOVERNING LAW

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

In order to confirm your agreement to this Letter, we kindly ask you to date and duly sign each of 3 (three) originals of this Letter.

Yours faithfully,
EUROPEAN INVESTMENT BANK

Manuel Dueñas
Head of Division

Hanna Karczewska
Head of Division

Agreed and accepted for and on behalf of

The Slovak Republic represented by the **Ministry of Finance of the Slovak Republic** as Borrower

Ladislav Kamenický
Minister of Finance of the Slovak Republic

Date: _____

Schedule A

Amended and Restated Finance Contract

FI N° 84.550 (SK)
Serapis N° 2014 0464

Slovakia EU Funds Co-Financing 2014-2020 (SPL) - A

Finance Contract

between the

Slovak Republic

and the

European Investment Bank

**Unified text of the Finance Contract as amended and restated by the Amendment Letter N° 2
executed on or around 30 June 2024**

THIS CONTRACT IS MADE BETWEEN:

Slovak Republic, represented by its
Ministry of Finance, having its office at
Štefanovičova 5, 817 82 Bratislava,
Slovak Republic,

(the "**Borrower**")

of the first part, and

The European Investment Bank, having
its seat at 98-100 blvd Konrad
Adenauer, Luxembourg L-2950,
Luxembourg,

(the "**Bank**")

of the second part.

WHEREAS:

- (1) The Borrower has stated that it is undertaking an operation (the "**Project**") to support, facilitate and increase efficiency of the implementation of schemes (each, a "**Scheme**" and, together, the "**Schemes**") under the Partnership Agreement and Operational Programme of the Slovak Republic in the 2014-2020 programming period, namely under any of the following seven (7) Operational Programmes (each, an "**Operational Programme**" and, together, the "**Operational Programmes**"): OP Research and Innovation, OP Integrated Infrastructure (information society component), OP Human Resources, OP Quality of Environment, Integrated Regional OP, OP Efficient Public Administration and, OP Technical Assistance as more particularly described in the technical description (the "**Technical Description**") set out in Schedule A.
- (2) The Borrower has stated that in implementing the Project it will be acting through its Ministry of Finance ("**MoF**"), which has the responsibility for coordination of financial management of EU funds in the Slovak Republic. MoF will also be responsible for the overall coordination and monitoring of the proposed Loan. The Office of the Government of the Slovak Republic (the central coordination body responsible for coordination of management within European Structural and Investment Funds) (the "**Managing Body**"), and line Slovak Ministries and implementing agencies (intermediate bodies) responsible for the Schemes will be the promoters for the Schemes and the Project (each a "**Promoter**" and, together, the "**Promoters**").
- (3) The final beneficiaries of funds under the Project will be public bodies and private entities benefiting from support from EU grants such as central and local government institutions (Ministries, Regions, municipalities), State and regionally or municipally owned enterprises, private bodies and non-profit organisations (each a "**Final Beneficiary**" and, together, the "**Final Beneficiaries**").
- (4) The total cost of the Project is estimated by the Bank to be EUR 14,341,577,330 (fourteen billion three-hundred forty-one million five-hundred seventy-seven thousand and three-hundred thirty euros). The Borrower expects that a grant contribution for the Project (the "**EU Grant**") will be provided by the European Commission to co-finance the Project. The Borrower has stated that it intends to finance the Project as follows:

Source	Amount (M EUR)
EU Structural/Cohesion Funds	10,694
Credit from the Bank	551
National public funds, private/other sources	2,490
TOTAL	14,342

- (5) In order to fulfil the financing plan set out in Recital (4), the Borrower has requested from the Bank a credit of EUR 551,000,000 (five hundred and fifty-one million euros).
- (6) The Bank considering that the financing of the Project falls within the scope of its functions, and having regard to the statements and facts cited in these Recitals, has decided to partially give effect to the Borrower's request providing to it a credit in an amount of EUR 551,000,000 (five hundred and fifty-one million euros) under this finance contract (the "**Contract**") and declares its willingness to consider a further request for the balance of the financing required in due course; provided that the amount of the Bank loan shall not, in any case, exceed 50% (fifty per cent) of the total cost of the Project set out in Recital (4) and that the amount of the Bank loan together with EU Grants shall not, in any case, exceed 100% (one hundred per cent) of the total cost of the Project as set out in Recital (4).
- (7) The Borrower has authorised the borrowing of the sum of EUR 551,000,000 (five hundred and fifty-one million euros) represented by this credit on the terms and conditions set out in this Contract, as set out in Annex I.

- (8) 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. Accordingly, the terms and conditions of the Bank's loan operations must be consistent with relevant policies of the European Union.
- (9) The Borrower acknowledges the Bank's preferred creditor status as an international financial institution.
- (10) The financing of the Project includes certain state subsidies or grants and the provision of such funds has been duly authorised and will be provided in compliance with all relevant EU Law.
- (11) 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.
- (12) The processing of personal data shall be carried out by the Bank in accordance with applicable EU Law on the protection of individuals with regard to the processing of personal data by the EU institutions and bodies and on the free movement of such data.
- (13) The Bank supports the implementation of international and European Union standards in the field of anti-money laundering and countering the financing of terrorism and promotes tax good governance standards. It has established policies and procedures to avoid the risk of misuse of its funds for purposes which are illegal or abusive in relation to applicable laws. The Bank's group statement on tax fraud, tax evasion, tax avoidance, aggressive tax planning, money laundering and financing of terrorism is available on the Bank's website and offers further guidance to the Bank's contracting counterparties.

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 that 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.
- (iv) Terms defined in the GDPR (as defined below), including the terms "controller", "data subject", "personal data", "processing" and "processor", have the same meanings when used in Recital (12) or Article 6.08 of this Contract.

(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.

"Allocation Procedure" means the procedure set up in Article 1.08.

"Allocation Request" is the request submitted to the Bank pursuant to Article 1.08.

"AML Criminal Law Directive" means Directive (EU) 2018/1673 of the European Parliament and of the Council of 23 October 2018 on combating money laundering by criminal law, as amended.

"AML Directives" means the 4th and 5th AML Directives and the AML Criminal Law Directive.

"4th and 5th AML Directives" means Directive 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, as amended by Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018, as amended.

"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.

"Change-of-Law Event" has the meaning given to it in Article 4.03A(6).

"Common Provisions Regulations" means Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006, as amended.

"Contract" has the meaning given to it in Recital (6).

"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 pursuant to the Regulation of the Government of the Slovak Republic No. 498/2011 Coll., as amended.

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

"Debt Instrument" has the meaning given to it in Article 7.01.

"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 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) p.a., 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 Notified Tranche in accordance with this Contract.

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

"Disbursement Notice" means a notice from the Bank to the Borrower pursuant to and in accordance with Article 1.02C.

"Disbursement Request" means a notice substantially in the form set out in Schedule C.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.

"EIA" means Environmental Impact Assessment under the EIA Directive.

"EIA Directive" means Council Directive 85/337/EEC of 27 June 1985 on the assessment of the effects of certain public and private projects on the environment, as amended, restated or codified from time to time, including, without limitations, by Directive 2011/92/EU of the European Parliament and of the Council of 13 December 2011 on the assessment of the effects of certain public and private projects on the environment, as amended.

"Environment" means the following:

- (a) fauna and flora, living organisms including the ecological systems;
- (b) land, soil, water (including marine and coastal waters), air, climate and the landscape (natural or man-made structures, whether above or below ground);
- (c) cultural heritage (natural, tangible and intangible);
- (d) the built environment; and
- (e) human health and wellbeing.

"Environmental and Social Approval" means any Authorisation required by Environmental and Social Law.

"Environmental or Social Claim" means any claim, proceeding, formal notice or investigation by any person in respect of any Environmental and Social Law.

"Environmental and Social Law" means:

- (a) EU Law, including principles and standards;

- (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 and/or the protection or improvement of Social Matters.

"EU Grant" has the meaning given to it in Recital (4).

"EU Grant Event" has the meaning given to it in Article 4.03A(3).

"EU Habitats Directive" means Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora, as amended.

"EU Birds Directive" means Directive 2009/147/EC of the European Parliament and of the Council of 30 November 2009 on the conservation of wild birds, as amended.

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

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

"EURIBOR" has the meaning given to it in Schedule B.

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

"Exclusion Policy" means the European Investment Bank Exclusion Policy as published on the Bank's website.

"Final Availability Date" means 31 March 2023.

"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. Such rate shall not be of negative value.

"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.

"GDPR" means General Data Protection Regulation (EU) 2016/679, as amended, supplemented or restated.

"Illegal Activity" means any of the following illegal activities or activities carried out for illegal purposes according to applicable laws in any of the following areas: (i) fraud, corruption, coercion, collusion or obstruction, (ii) money laundering, financing of terrorism or tax crimes each as defined in the AML Directives, and (iii) other illegal activity against the financial interests of the European Union as defined in the PIF Directive.

"Indemnifiable Prepayment Event" means any Prepayment Event.

"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 1.02C in the Disbursement Notice or pursuant to Article 3 and Schedule D.

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

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

- (a) 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.

"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.

"Managing Body" has the meaning given to it in Recital (2).

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

- (a) there are, in the opinion of the Bank, events or circumstances adversely affecting the Bank's access to its sources of funding;
- (b) in the opinion of the Bank, funds are not available from 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 Floating Rate Tranche:
 - (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 B.

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

- (a) the ability of the Borrower to perform its obligations under this Contract;
- (b) the property, condition (financial or otherwise) or prospects of the Borrower; or
- (c) 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.

"MoF" has the meaning given to it in Recital (2).

"Notified Tranche" means a Tranche in respect of which the Bank has issued a Disbursement Notice.

"Operational Programme" has the meaning given to it in Recital (1).

"Payment Date" means the annual, semi-annual or quarterly dates specified in the Disbursement Notice 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.

"PIF Directive" means Directive (EU) 2017/1371 of the European Parliament and of the Council of 5 July 2017 on the fight against fraud to the Union's financial interests by means of criminal law, as amended.

"PIU" has the meaning given to it in Article 1.04A(c).

"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 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) p.a.

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.

"Project" has the meaning given to it in Recital (1).

"Promoter" has the meaning given to it in Recital (2).

"Redeployment Rate" means the Fixed Rate 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) p.a. 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.

"Relevant Business Day" means a day on which real time gross settlement system operated by the Eurosystem (T2), or any successor system is open for the settlement of payments in EUR.

"Relevant Interbank Rate" means EURIBOR.

"Relevant Person" means with respect to any Final Beneficiary, which is:

- (a) a public authority counterparty, any official or representative, or any other person acting for it, on its behalf or under its control, having the authority to manage and/or supervise the Credit, the Loan or any Scheme;
- (b) a municipality counterparty, its mayor, any other official or representative, or any other person acting for it, on its behalf or under its control, having the authority to manage and/or supervise the Credit, the Loan or any Scheme; and

- (c) a corporate counterparty, any member of its management bodies; or any of its employees or any other person acting for it, on its behalf or under its control, having the power to give directions and/or exercise control with respect to the Credit, the Loan or any Scheme.

"Sanctioned Person" means any individual or entity (for the avoidance of doubt, the term entity includes, but is not limited to, any government, group or terrorist organisation) who is a designated target of, or who is otherwise a subject of, Sanctions (including, without limitation, as a result of being owned or otherwise controlled, directly or indirectly, by any individual or entity, who is a designated target of, or who is otherwise a subject of, Sanctions).

"Sanctions" means the economic or financial sanctions laws, regulations, trade embargoes or other restrictive measures (including, in particular, but not limited to, measures in relation to the financing of terrorism) enacted, administered, implemented or enforced from time to time by any of the following:

- (a) the United Nations including, *inter alia*, the United Nations Security Council;
- (b) the European Union including, *inter alia*, the Council of the European Union and the European Commission, and any other competent bodies/institutions or agencies of the European Union;
- (c) the government of the United States of America, and any department, division, agency, or office thereof, including, *inter alia*, the Office of Foreign Asset Control (OFAC) of the United States Department of the Treasury, the United States Department of State and/or the United States Department of Commerce; and
- (d) the government of the United Kingdom, and any department, division, agency, office or authority including, *inter alia*, the Office of Financial Sanctions Implementation of His Majesty's Treasury and the Department for International Trade of the United Kingdom.

"Scheme" has the meaning given to it in Recital (1).

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

"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.

"Social Matters" means all, or any of, the following:

- (a) labour and working conditions;
- (b) occupational health and safety;
- (c) rights and interests of vulnerable groups;
- (d) rights and interests of indigenous peoples;
- (e) gender equality;
- (f) public health, safety and security;
- (g) avoidance of forced evictions and alleviation of hardship arising from involuntary resettlement; and
- (h) stakeholder engagement.

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

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

"Technical Description" has the meaning given to it in Recital (1).

"Tranche" means each disbursement made or to be made under this Contract. In case no Disbursement Notice has been delivered, Tranche shall mean a Tranche as requested 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 551,000,000 (five hundred and fifty-one million euros) for the financing of the Project (the "**Credit**").

1.02 Disbursement procedure

1.02A **Tranches**

The Bank shall disburse the Credit in up to 5 (five) Tranches. The amount of each Tranche, if not being the undrawn balance of the Credit, shall be in a minimum amount of EUR 100,000,000 (one hundred million euros).

Notwithstanding anything to the contrary in the preceding paragraph, the first Tranche shall not exceed EUR 200,000,000 (two hundred million euros). The Borrower shall use any and all amounts disbursed under the first Tranche to finance Schemes with investment costs below EUR 50,000,000 or for preparation (not for implementation) of any Schemes with investment costs above EUR 50,000,000.

1.02B **Disbursement Request**

- (a) The Borrower may present to the Bank a Disbursement Request for the disbursement of a Tranche, such Disbursement Request to be received at the latest 15 (fifteen) days before the Final Availability Date. The Disbursement Request shall be in the form set out in Schedule C.1 and shall specify:
 - (i) the amount of the Tranche in EUR;
 - (ii) the preferred disbursement date for the Tranche; such preferred disbursement date must be a Relevant Business Day falling at least 15 (fifteen) days after the date of the Disbursement Request and, in any event, on or before the Final Availability Date, it being understood that notwithstanding the Final Availability Date the Bank may disburse the Tranche up to 4 (four) calendar months from the date of the Disbursement Request;
 - (iii) whether the Tranche is a Fixed Rate Tranche or a Floating Rate Tranche, each pursuant to the relevant provisions of Article 3.01;
 - (iv) the preferred interest payment periodicity for the Tranche, chosen in accordance with Article 3.01;
 - (v) the preferred terms for repayment of principal for the Tranche, chosen in accordance with Article 4.01;
 - (vi) the preferred first and last dates for repayment of principal for the Tranche;
 - (vii) the Borrower's choice of Interest Revision/Conversion Date, if any, for the Tranche; and
 - (viii) 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.
- (b) If the Bank, following a request by the Borrower, has provided the Borrower, before the submission of the Disbursement Request, with a non-binding fixed interest rate or spread quotation to be applicable to the Tranche, the Borrower may also at its discretion specify in the Disbursement Request such quotation, that is to say:
 - (i) in the case of a Fixed Rate Tranche, the aforementioned fixed interest rate previously quoted by the Bank; or
 - (ii) in the case of a Floating Rate Tranche, the aforementioned spread previously quoted by the Bank,

applicable to the Tranche until the Maturity Date or until the Interest Revision/Conversion Date, if any.

- (c) Each Disbursement Request shall be accompanied by evidence of the authority of the person or persons authorised to sign it and the specimen signature of such person or persons.
- (d) Subject to Article 1.02C(b), each Disbursement Request is irrevocable.

1.02C **Disbursement Notice**

- (a) Not less than 10 (ten) days before the proposed Scheduled Disbursement Date of a Tranche the Bank shall, if the Disbursement Request conforms to this Article 1.02, deliver to the Borrower a Disbursement Notice which shall specify:
 - (i) the amount of the Tranche in EUR;
 - (ii) the Scheduled Disbursement Date;
 - (iii) the interest rate basis for the Tranche, being: (i) a Fixed Rate Tranche; or (ii) a Floating Rate Tranche all pursuant to the relevant provisions of Article 3.01;
 - (iv) the first interest Payment Date and the periodicity for the payment of interest for the Tranche;
 - (v) the terms for repayment of principal for the Tranche;
 - (vi) the first and last dates for repayment of principal for the Tranche;
 - (vii) the applicable Payment Dates for the Tranche;
 - (viii) the Interest Revision/Conversion Date, if requested by the Borrower, for the Tranche; and
 - (ix) for a Fixed Rate Tranche the Fixed Rate and for a Floating Rate Tranche the Spread applicable to the Tranche until the Interest Revision/Conversion Date, if any or until the Maturity Date.
- (b) If one or more of the elements specified in the Disbursement Notice does not reflect the corresponding element, if any, in the Disbursement Request, the Borrower may following receipt of the Disbursement Notice revoke the Disbursement Request by written notice to the Bank to be received no later than 12h00 Luxembourg time on the next Business Day and thereupon the Disbursement Request and the Disbursement Notice shall be of no effect. If the Borrower has not revoked in writing the Disbursement Request within such period, the Borrower will be deemed to have accepted all elements specified in the Disbursement Notice.
- (c) If the Borrower has presented to the Bank a Disbursement Request in which the Borrower has not specified the fixed interest rate or spread as set out in Article 1.02B(b), the Borrower will be deemed to have agreed in advance to the Fixed Rate or Spread as subsequently specified in the Disbursement Notice.

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 15 (fifteen) 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) a legal opinion in the English language from the Ministry of Justice of the Slovak Republic on, *inter alia*, the due execution of this Contract by the Borrower and stating that this Contract is valid, binding and enforceable in the Slovak Republic in accordance with its terms, such legal opinion in the form set out in Annex II;
- (c) evidence that a project implementation unit (the "**PIU**") relating to, *inter alia*, institutional set-up and procedures, particularly between the MoF, the Promoters and the Managing Body responsible for the individual Schemes, has been put in place with respect to:
 - (i) Scheme identification and verification of compliance with the Bank's eligibility criteria;
 - (ii) conformity with EU environmental and procurement legislation;
 - (iii) allocation procedures, including information provided by the Borrower in a format acceptable to the Bank; and
 - (iv) meeting regular monitoring and reporting requirements of the Bank (including, without limitation, the reporting requirements set out in Article 8 of this Contract);
- (d) evidence of publication of this Contract duly signed by all the parties hereto in the Contracts Register.

1.04B **Second and Subsequent Tranches**

The disbursement of the second and any subsequent Tranches 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 for the proposed Tranche, of the following written evidence from the Borrower:

- (a) evidence that the sum of any amounts disbursed under this Contract and any undisbursed amounts in respect of which a Disbursement Request for the second respectively subsequent tranche is presented does not exceed at any time the sum of all allocations confirmed by the Letter of Allocation by more than EUR 200,000,000 (two hundred million euros); and
- (b) for the disbursement of the second Tranche, the final list of indicators per Operational Programme.

1.04C **All Tranches**

The disbursement of each Tranche under Article 1.02, including the first and the second, 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, the following documents or evidence:
 - (i) a certificate from the Borrower in the form of Schedule C.2, signed by an authorised representative or representatives of the Borrower and dated no earlier than the date falling 10 (ten) 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 and performance of, and the transactions contemplated by, this Contract or the validity and enforceability of the same; and

- (iii) evidence of the authority of the person or persons authorised to sign a Disbursement Request together with the specimen signature of such person or persons;
- (b) that on the Disbursement Date for the proposed Tranche:
 - (i) the representations and warranties which are repeated pursuant to Article 6.10 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 disbursement of the proposed Tranche.

1.05 Deferment of a disbursement

1.05A Grounds for deferment

Upon the written request of the Borrower, the Bank shall defer the disbursement of any Notified 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) days prior to the first repayment date of the Tranche indicated in the Disbursement Notice. 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 a Notified 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 (i) a Notified Tranche which has a Scheduled Disbursement Date falling within 5 (five) Business Days of the date of the notice, or (ii) a Tranche in respect of which a Disbursement Request has been submitted but no Disbursement Notice has been issued.

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 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.

- (b) The Bank may also suspend the portion of the Credit in respect of which it has not issued a Disbursement Notice 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 a Notified 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 a Notified Tranche, it shall indemnify the Bank under Article 4.02B;
- (b) a Floating Rate Tranche which is a Notified Tranche or any part of the Credit other than a Notified Tranche, no indemnity is payable.

If the Bank cancels:

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

1.07 **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 Request has been made in accordance with Article 1.02B shall be automatically cancelled, without any notice being served by the Bank on the Borrower and without liability arising on the part of either party.

1.08 **Allocation Procedure**

The Borrower may and shall not later than by 31 July 2024 submit to the Bank for approval a request for allocation (the "**Allocation Request**").

The Loan may solely be allocated to Schemes identified as eligible for financing in the Technical Description. In order for a Scheme to qualify for financing hereunder, the Borrower must comply with the Allocation Procedure, Continuing Project undertakings in Article 6.05, Allocation Procedures modulated according to the Scheme size in line with applicable framework loan procedures and as indicated in Schedule A and reporting requirements set out in Article 8.01.

The Bank shall have full discretion whether or not to approve the Allocation Request following such examination of the Schemes 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 Schemes submitted and of the amount in EUR allocated to them. In the event the Bank does not approve a submitted Allocation Request, the Bank shall inform the Borrower thereof in writing.

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

The Bank may review and amend the allocation procedures in view of any change required by, *inter alia*, the European Commission or the development of the Project (or any individual Scheme).

1.09 Reallocation

1.09A Reallocation at the request of the Borrower

The Borrower may, by request to the Bank which shall include reasons therefor, and not later than 31 March 2025, propose to reallocate in accordance with Article 1.08 any part of the Loan which has been allocated but not spent by the Borrower on a Scheme or made available in full, directly or indirectly, by the Borrower to the relevant Final Beneficiaries.

The Bank may, at its discretion, accept the Borrower's proposal for reallocation and reallocate any portion of the Loan in accordance with the provisions of Article 1.08.

If the reallocation is not possible or possible only in part, the Borrower shall prepay immediately to the Bank the part of the Loan which has been disbursed by the Bank subject to the original Allocation, together with accrued interest on the prepaid amount and compensation, if any, calculated in accordance with Article 4.02.

1.09B Reallocation at the request of the Bank

The Borrower shall propose to reallocate any part of the Loan, which has been allocated in accordance with the procedures described in Article 1.08 in relation to a Scheme, if such Scheme, in the reasonable opinion of the Bank, is ineligible for financing by the Bank under the Bank's Statute, policies or guidelines, or under Article 309 of the Treaty on the Functioning of the European Union. If, within the timeframe provided for in the Bank's written request, the Borrower fails to replace such Scheme, the Borrower shall repay all or part of the Loan in accordance with Article 10.01A.

1.10 Sums due under Articles 1.05 and 1.06

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

**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 the currency in which the Tranche is disbursed.

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) 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

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 Notice, commencing on the first such Payment Date following the Disbursement Date of the Tranche. If the period from the Disbursement Date to the first Payment Date is 15 (fifteen) days or less then the payment of interest accrued during such period shall be postponed to the following Payment Date.

Interest shall be calculated on the basis of Article 5.01(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 Notice commencing on the first such Payment Date following the Disbursement Date of the Tranche. If the period from the Disbursement Date to the first Payment Date is 15 (fifteen) days or less then the payment of interest accrued during such period shall be postponed to the following Payment Date.

The Bank shall notify the Floating Rate to the Borrower within 10 (ten) 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). For the avoidance of doubt, 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 D) pay interest at a rate determined in accordance with the provisions of Schedule D.

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

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 B shall be successive periods of 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) p.a., calculated in accordance with the market practice for such rate.

3.03 Market Disruption Event

If at any time (i) from the issuance by the Bank of a Disbursement Notice in respect of a Tranche and (ii) until the date falling thirty (30) 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 Notified Tranche until the Maturity Date or the Interest Revision/Conversion Date if any, 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. 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.

The Spread or Fixed Rate previously notified by the Bank in the Disbursement Notice shall no longer be 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 Notice 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) days from the Scheduled Disbursement Date and not later than the first Payment Date immediately following the 7th (seventh) anniversary of the Scheduled Disbursement Date of the Tranche; and
 - (iv) the last repayment date of each Tranche shall be a Payment Date falling not earlier than 4 (four) years and not later than 25 (twenty-five) years from the Scheduled Disbursement Date.

4.01B Single instalment

Alternatively, the Borrower may repay the Tranche in a single instalment on a Payment Date specified in the Disbursement Notice, being a date falling not less than 3 (three) years or more than 16 (sixteen) 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 D, prepayment of a Tranche on its Interest Revision/Conversion Date as notified under Article 1.02C(a)(viii), or in accordance with Schedule C.1 or D, 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) 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) PROJECT COST REDUCTION**

If the total cost of the Project falls below the figure stated in Recital (4) so that the amount of the Credit exceeds 50% (fifty per cent) and/or the amount of the Credit together with EU Grants exceeds 100% (one hundred per cent) of such total cost, the Bank may, by notice to the Borrower, cancel the undisbursed portion of the Credit and/or demand prepayment of the Loan up to the amount by which the Credit exceeds 50% (fifty per cent) of the total cost of the Project and/or the amount by which the Credit together with EU Grants exceeds 100% (one hundred per cent) of the total cost of the Project.

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

4.03A(2) NON-COMPLIANCE

If the Bank becomes aware, or has reasonable grounds to believe, that either (i) the Promoters or a Final Beneficiary has failed to comply with any obligation passed on to it by the Borrower pursuant to the requirements of this Contract with respect to any Scheme, or (ii) that funds intended to be allocated to Scheme(s) have not been so allocated and/or are not being used in compliance with the Technical Description (hereinafter, an "**Affected Scheme**"), it may notify the Borrower. Within a period of 30 (thirty) days following the giving of that notice, the Borrower shall either:

- (a) reallocate the relevant portion of the Loan to another Scheme in accordance with Article 1.08; or
- (b) prepay a proportion of the Loan corresponding to the ratio of the value of the Affected Scheme to the aggregate value of all Schemes, together with interest accrued on the amount to be prepaid.

4.03A(3) EU GRANT EVENT

If the Borrower is informed, or has reasonable grounds to believe, that any EU Grant has been, or is intended to be, cancelled, or if the Borrower has repaid or has been required to repay fully or partially any EU Grant (such cancellation or repayment hereinafter referred to as "**EU Grant Event**"), the Borrower shall promptly inform the Bank. Upon receipt of such information, the Bank may demand that the Borrower consult with it. Such consultation shall take place within 30 (thirty) days from the date of the Bank's request. After the elapse of 30 (thirty) days from the date of such request, the Bank may, by notice to the Borrower, forthwith cancel the Credit and/or demand prepayment of the Loan in such proportion as the cancelled or repaid EU Grant bears to the total financial assistance for the Project from EU Grants.

4.03A(4) NON-ALLOCATION OR NON-DISBURSEMENT TO FINAL BENEFICIARIES

The Borrower shall prepay on 31 March 2025 such part of the Loan that has not been allocated or which has been allocated but has not been disbursed to a Final Beneficiary by such date.

4.03A(5) ILLEGALITY

If it becomes unlawful in any applicable jurisdiction, or if it becomes contrary to any Sanctions, for the Bank to perform any of its obligations as contemplated in this Contract or to fund or maintain the Loan, the Bank shall notify the Borrower. The Bank 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(6) 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 (in the Bank's opinion) has occurred or is about to occur, the Bank may request that the Borrower consult with it. Such consultation shall take place within 30 (thirty) days from the date of the Bank's request. If, after the lapse of 30 (thirty) days from the date of such request for consultation, the Bank is of the opinion that the effects of the Change-of-Law Event cannot be mitigated to its satisfaction, the Bank may, by notice to the Borrower, cancel the undisbursed portion of the Credit and/or demand prepayment of the Loan, together with accrued interest and all other amounts accrued or outstanding under this Contract.

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

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 signature of this Contract and which would materially impair the Borrower's ability to perform its obligations under this Contract.

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 re-borrowed. 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) 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) days before the due date for the first payment by the Borrower and shall notify any change of account not less than 15 (fifteen) days before the date of the first payment to which the change applies. This period of notice does not apply in the case of payment under Article 10.

The Borrower shall indicate in each payment made hereunder the contract number ("FI nr") mentioned 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 Slovak Republic or where the Project is 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 signature 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 and availability of other funds

The Borrower shall use all amounts borrowed by it under this Contract exclusively for the execution of the Project.

The Borrower shall ensure that it has available to it the other funds listed in Recital (4) and that such funds are expended, to the extent required, on the financing of the Project.

6.02 Completion of the Project

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

The Borrower undertakes to ensure that all Schemes to be financed in whole or in part by the Loan satisfy at all times the eligibility criteria specified in the Technical Description.

6.03 Increased cost of the Project

If the total cost of the Project exceeds the estimated figure set out in Recital (4), the Borrower shall obtain the finance to fund the excess cost without recourse to the Bank, so as to enable the Project to be completed in accordance with the Technical Description. The plans for funding the excess cost shall be communicated to the Bank without delay.

6.04 Procurement procedure

- (a) The Borrower undertakes to, and shall procure that the Promoters and Final Beneficiaries will, purchase equipment, secure services and order works for the Project and each individual Scheme (a) in so far as they apply to it or to the Project or to each individual Scheme, in accordance with EU Law in general and in particular with the relevant EU directives, and (b) in so far as EU directives do not apply, by procurement procedures which, to the satisfaction of the Bank, respect the criteria of economy and efficiency and, in case of public contracts, the principles of transparency, equal treatment and non-discrimination on the basis of nationality.
- (b) The Borrower shall, and shall procure that the Promoters and each Final Beneficiary will, request in the tender documents or other reference documents for the procurement procedures referred to in paragraph (a) above (in each case, for documents dated on or after the date of this Contract) that the bidder declares whether or not it is subject to any exclusion decision or temporary suspension pursuant to the Exclusion Policy.
- (c) If a bidder declares to the Borrower, the Promoters and/or any Final Beneficiary prior to the contract award that it is subject to any exclusion decision or temporary suspension covered by the Exclusion Policy:
 - (i) the Borrower shall procure that the Promoters and/or each Final Beneficiary will promptly inform the Borrower thereof, as the case may be; and
 - (ii) the Borrower shall, and shall procure that the Promoters and/or each Final Beneficiary will, engage with the Bank in good faith and make best efforts in order to:
 - (1) achieve an exclusion of such a bidder under applicable law so that the bidder does not participate in the Project and/or any Scheme; or, should such an exclusion not be possible,

- (2) restructure the scope of the Project and/or any Scheme so that no proceeds of the Loan be applied towards any works or services under any contract awarded to that bidder, unless otherwise agreed with the Bank.

6.05 Continuing Project undertakings

6.05A The Borrower shall, and shall procure that the Promoters and Final Beneficiaries (as applicable) will:

- (a) **Maintenance:** maintain, repair, overhaul and renew all property forming part of the Project as required to keep it in good working order;
- (b) **Project assets:** unless the Bank shall have given its prior consent in writing, retain title to and possession of all or substantially all the assets comprising the Project or, as appropriate, replace and renew such assets and maintain the Project in substantially continuous operation in accordance with its original purpose; provided that the Bank may withhold its consent only where the proposed action would prejudice the Bank's interests as lender to the Borrower or would render the Project ineligible for financing by the Bank under its Statute or under Article 309 of the Treaty on the Functioning of the European Union;
- (c) **Insurance:** insure all works and property forming part of the Project with first class insurance companies in accordance with the most comprehensive relevant industry practice, except for projects supported by the ESF which do not have an investment character;
- (d) **Rights and Permits:** maintain in force all rights of way or use and all Authorisations necessary for the execution and operation of the Project and each individual Scheme;
- (e) **Environment and Social Matters:**
 - (i) implement and operate the Project and each individual Scheme materially in compliance with Environmental and Social Law;
 - (ii) obtain and maintain requisite Environmental and Social Approvals for the Project and each individual Scheme; and
 - (iii) comply with any such Environmental and Social Approvals;
- (f) **EU Law:** execute and operate the Project and each individual Scheme in accordance with the relevant rules and standards of EU Law directly applicable to the Borrower, the Promoters or the Final Beneficiary (as the case may be) and the Project or each individual Scheme (as the case may be), in particular in the fields of Environment (including climate change) and Social Matters, safety, public procurement and state aid;
- (g) **Project Implementation Unit:** ensure that the PIU is in place and fully functional, dealing with allocation procedures, including information provided by the Borrower in a format acceptable to the Bank, and regular reporting and monitoring for the entire duration of the Project;
- (h) **SFC2014:** grant the Bank access to the SFC2014, the System for Fund Management in the European Union, database prior to submitting any Allocation Request in respect of any Scheme with investment costs above EUR 50,000,000;
- (i) **Other undertakings:**
 - (i) invite the Bank (or procure that the Bank is invited) as an observer to the meetings of the relevant Monitoring Committees of the Operational Programmes; and
 - (ii) ensure that no Scheme is double-financed with another operation funded by the Bank.

6.05B The Borrower shall procure that the Promoters and the Final Beneficiaries will:

- (a) **Authorised accounts:** receive any payment from the Borrower or a Promoter, as applicable, to a bank account, acceptable to the Bank, in the name of a Promoter

or a Final Beneficiary, as applicable, held with a duly authorised financial institution in the jurisdiction where such Promoter or such Final Beneficiary is incorporated or has its place of residence or where the Project is undertaken by such Final Beneficiary, and

(b) **Integrity:**

- (i) take, within a reasonable timeframe, appropriate measures in respect of such Promoter or such Final Beneficiary (and/or any member of management bodies of such Promoter or such Final Beneficiary) who have been convicted by a final and irrevocable court ruling of an Illegal Activity perpetrated in the course of the exercise of his/her professional duties, in order to ensure that such Promoter or such Final Beneficiary (and/or any member of management bodies of such Promoter or such Final Beneficiary) is excluded from any activity in relation to any funds made available by the Borrower in relation to any Scheme under the Project;
- (ii) promptly inform the Borrower of any measure taken by such Promoter or such Final Beneficiary pursuant to this Article 6.05(B)(b)(i) above; and
- (iii) to the extent permitted by law, inform the Borrower of 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 such Promoter or such Final Beneficiary or its controlling entities or members of its management bodies in connection with Illegal Activities related to any Scheme under the Project;

(c) **Integrity Audit Rights:** ensure that all contracts under the Project to be procured after the date of signature of this Contract in accordance with European Union Directives on procurement provide for:

- (i) the requirement that the relevant contractor promptly informs the Borrower of a genuine allegation, complaint or information with regard to an Illegal Activity related to the Project;
- (ii) the requirement that the relevant contractor keeps books and records of all financial transactions and expenditures in connection with the Project; and
- (iii) the Bank's right, in relation to an alleged Illegal Activity, to review the books and records of the relevant contractor in relation to the Project and to take copies of documents to the extent permitted by law.

6.06 **Compliance with laws**

The Borrower shall, and shall procure that the Promoters and Final Beneficiaries will, comply in all respects with all laws and regulations to which it or the Project or each individual Scheme is subject.

6.07 **Publication**

The Borrower shall ensure that this Contract is published in the Contracts 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, and shall deliver to the Bank in form and substance satisfactory to it the evidence of such publication of this Contract in the Contracts Register, within 15 (fifteen) calendar days after the Borrower received this Contract signed by all parties hereto.

6.08 **Data Protection**

- (a) When disclosing information (other than mere contact information relating to the Borrower's, the Promoters' and/or any Final Beneficiary's personnel involved in the management of this Contract ("**Contact Data**")) to the Bank in connection with this Contract, the Borrower shall, and shall procure that the Promoters and each Final Beneficiary will, redact or otherwise amend that information (as necessary) so that it does not contain any personal data, except where this Contract specifically requires, or the Bank specifically requests in writing, to disclose such information in the form of personal data.

- (b) Before disclosing any personal data (other than Contact Data) to the Bank in connection with this Contract, the Borrower shall, and shall procure that the Promoters and each final Beneficiary will, ensure that each data subject of such personal data:
 - (i) has been informed of the disclosure to the Bank (including the categories of personal data to be disclosed); and
 - (ii) has been advised on the information contained in (or has been provided with an appropriate link to) the Bank's privacy statement in relation to its lending and investment activities as set out from time to time at <https://www.eib.org/en/privacy/lending> (or such other address as the Bank may notify to the Borrower in writing from time to time).

6.09 Sanctions

The Borrower shall procure through the Promoters that no Final Beneficiary will, directly or indirectly:

- (a) enter into a business relationship with, and/or make any funds and/or economic resources available to, or for the benefit of, any Sanctioned Person in connection with any Scheme; or
- (b) use all or part of the proceeds of the Loan or lend, contribute or otherwise make available such proceeds to any person in any manner that would result in a breach by itself and/or by the Bank of any Sanctions; or
- (c) fund all or part of any payment under this Contract out of proceeds derived from activities or businesses with a Sanctioned Person, a person in breach of the Sanctions or in any manner that would result in a breach by itself and/or by the Bank of any Sanctions.

It is acknowledged and agreed that the undertakings set out in this Article 6.09 are only sought by and given to the Bank to the extent that to do so would be permissible pursuant to any applicable anti-boycott rule of the EU such as Regulation (EC) 2271/96.

6.10 General representations and warranties

The Borrower represents and warrants to the Bank that:

- (a) it has the power to execute, deliver and perform its obligations under this Contract and all necessary action has been taken to authorise the execution, delivery and performance of the same by it;
- (b) this Contract constitutes its legally valid, binding and enforceable obligations;
- (c) 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 (whether internal or external), or any judgement, decree or permit to which it is subject; and
 - (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;
- (d) there has been no Material Adverse Change since 17 February 2015;
- (e) no event or circumstance which constitutes an Event of Default has occurred and is continuing unremedied or unwaived;
- (f) it has obtained all necessary Authorisations in connection with this Contract, and in order to lawfully comply with its obligations hereunder, and the Project and all such Authorisations are in full force and effect and admissible in evidence;
- (g) its payment obligations under this Contract rank not less than *pari passu* in right of payment with all other present and future unsecured and unsubordinated obligations under any of its Debt Instruments except for obligations mandatorily preferred by law;

- (h) it is in compliance in all respects with all applicable EU and Slovak competition (including state aid and audit) laws and regulations;
- (i) it is in compliance with Article 6.05(A)(e) and to the best of its knowledge and belief (having made due and careful enquiry) no material Environmental or Social Claim has been commenced or is threatened against it, the Promoters or any Final Beneficiary;
- (j) it is in compliance with all undertakings under Article 6 of this Contract;
- (k) to the best of its knowledge, no funds invested in the Project by the Borrower or a 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; and
- (l) none of Final Beneficiaries and/or any Relevant Person:
 - (i) is a Sanctioned Person; or
 - (ii) is in breach of any Sanctions,
 it is acknowledged and agreed that the representations set out in this paragraph (l) are only sought by and given to the Bank to the extent that to do so would be permissible pursuant to any applicable anti-boycott rule of the EU such as Regulation (EC) 2271/96.

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

ARTICLE 7 Security

The undertakings in this Article 7 remain in force from the date of signature of this Contract for so long as any amount is outstanding under this Contract or the Credit is in force.

7.01 **Pari Passu ranking**

The Borrower shall ensure that its payment obligations under this Contract rank, and will continue to 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.

In particular, if the Bank makes a demand under Article 10.01 or if an event or potential event of default under any unsecured and unsubordinated Debt Instrument of the Borrower or of any of its agencies or instrumentalities has occurred and is continuing, the Borrower shall not make (or authorize) any payment in respect of any other such Debt Instrument (whether regularly scheduled or otherwise) without simultaneously paying, or setting aside in a designated account for payment on the next Payment Date, a sum equal to the same proportion of the debt outstanding under this Contract as the proportion that the payment under such Debt Instrument bears to the total debt outstanding under that Debt Instrument. For this purpose, any payment of a Debt Instrument that is made out of the proceeds of the issue of another instrument, to which substantially the same persons as hold claims under the Debt Instrument have subscribed, shall be disregarded.

In this Contract, "**Debt Instrument**" means (a) an instrument, including any receipt or statement of account, evidencing or constituting an obligation to repay a loan, deposit, advance or similar extension of credit (including without limitation any extension of credit under a refinancing or rescheduling agreement), (b) an obligation evidenced by a bond, debenture or similar written evidence of indebtedness, and (c) a guarantee granted by the Borrower for an obligation of a third party.

7.02 Additional Security

Should the Borrower grant to a third party any Security for the performance of any Debt Instrument or any preference or priority in respect thereof, the Borrower shall, if so required by the Bank, provide to the Bank equivalent Security for the performance of its obligations under this Contract or grant to the Bank equivalent preference or priority.

7.03 Clauses by inclusion

If the Borrower concludes with any other financial creditor a financing agreement that includes (i) a loss-of-rating clause or a covenant or other provision regarding its financial ratios, and/or (ii) a cross default clause and/or a *pari passu* clause, which is stricter than any equivalent provision of this Contract, the Borrower shall inform the Bank and shall, at the request of the Bank, execute an agreement to amend this Contract so as to provide for an equivalent provision in favour of the Bank.

ARTICLE 8

Information and visits

8.01 Information concerning the Project

8.01A The Borrower shall:

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

provided always that if such information or document is not delivered to the Bank on time, and the Borrower does not rectify the omission within a reasonable time set by the Bank in writing, the Bank may remedy the deficiency, to the extent feasible, by employing its own staff or a consultant or any other third party, at the Borrower's expense and the Borrower shall provide such persons with all assistance necessary for the purpose;
- (b) submit for the approval of the Bank without delay any material change to the overall Project (including any material change to individual Schemes with investment costs above EUR 25,000,000, if applicable), including, *inter alia*, in respect of the cost, design, plans, timetable, the expenditure programme or financing plan for the Project, in relation to the disclosures made to the Bank prior to the signing of this Contract;
- (c) promptly inform the Bank of:
 - (i) any material non-compliance by it, the Promoters or any Final Beneficiary with any applicable Environmental and Social Law;
 - (ii) any suspension, revocation or material modification of any Environmental and Social Approval;
 - (iii) any action or protest initiated or any objection raised by any third party or any genuine complaint received by the Borrower, the Promoters or any Final Beneficiary, which is material, or any material Environmental or Social Claim that is commenced, pending or threatened against it, the Promoters or any Final Beneficiary with regard to environmental or other matters affecting the Project or each Scheme individually;
 - (iv) any fact or event known to the Borrower, which may substantially prejudice or affect the conditions of execution or operation of the Project; and
 - (v) the composition of the PIU and any changes thereto,

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

- (d) as soon as it becomes aware thereof, or as soon as it is informed thereof by a Promoter or a Final Beneficiary, promptly inform the Bank of:
 - (i) a genuine allegation, complaint or information with regard to Illegal Activities or any Sanctions related to any Scheme under the Project;
 - (ii) any self-declared exclusion by a bidder that occurs prior to the contract award and is covered by the Exclusion Policy;
 - (iii) the illicit origin, including products of money laundering or linked to the financing of terrorism with respect to any Scheme under the Project;
 - (iv) any measure taken by a Promoter or a Final Beneficiary pursuant to Article 6.05(B)(b)(i) of this Contract; and
 - (v) any incident or accident relating to any Scheme under the Project which has or is likely to have a significant adverse effect on the Environment or on Social Matters.

8.01B The Borrower shall, and shall ensure that Promoters will, promptly inform the Bank about:

- (a) the fulfilment of ex-ante conditionalities for Schemes under their respective fields;
- (b) any suspension or cancelation of any Scheme in respect of which the Allocation was approved by the Bank;
- (c) any suspension of any payments or infringement procedures initiated by the European Commission related to the implementation of any Scheme and/or the relevant laws and regulations;
- (d) the outcome of any designation procedure under Article 123 et seq. of the Common Provisions Regulation;
- (e) any audit carried out by any designated audit authority (within the meaning of the Common Provisions Regulation), the European Commission and the European Court of Auditors; and
- (f) once these become available, results and findings of any final audit reports prepared or produced by any designated audit authority (within the meaning of the Common Provisions Regulation), the European Commission and the European Court of Auditors.

8.02 **Information concerning the Borrower**

The Borrower shall:

- (a) deliver to the Bank, from time to time, such information on its general financial situation as the Bank may reasonably require;
- (b) ensure that its budgetary records fully reflect the operations relating to the financing, execution and operation of the Project;
- (c) inform the Bank immediately of:
 - (i) any fact which obliges it to prepay or repay any financial indebtedness or any European Union funding;
 - (ii) any intention on its part to grant any Security or preference or priority for the performance of any Debt Instrument in favour of a third party;
 - (iii) any intention on its part, or that of any Final Beneficiary, to relinquish ownership of any material component of the Project;
 - (iv) any fact or event that is reasonably likely to prevent the substantial fulfilment of any obligation of the Borrower under this Contract;
 - (v) any event listed in Article 10.01 having occurred or being threatened or anticipated;
 - (vi) any event or decision that constitutes or may result in a Prepayment Event; and

- (vii) any claim, action, proceeding, formal notice or investigation relating to any Sanctions concerning any Final Beneficiary or any Relevant Person; and
- (d) as soon as it becomes aware thereof, or as soon as it is informed thereof by a Promoter or a Final Beneficiary, promptly inform the Bank to the extent permitted by law, of 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 (or to the best knowledge and belief of such Promoter or such Final Beneficiary that informs the Borrower to that effect), is current, imminent or pending against such Promoter or such Final Beneficiary or its controlling entities or members of its management bodies in connection with an Illegal Activity related to any Scheme under the Project.

8.03 Visits by the Bank

The Borrower shall allow, and shall procure that the Promoters and Final Beneficiaries (where applicable) 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 EU Law:

- (a) to visit the sites, installations and works comprising the Project and to conduct such checks as they may wish;
- (b) to interview representatives of a Promoter or Final Beneficiary and not obstruct contacts with any other person involved in or affected by the Project;
- (c) to review the books and records of any Promoter or Final Beneficiary in relation to the execution of the Project and to be able to take copies of related documents to the extent permitted by the law; and
- (d) 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, the Promoters, the Final Beneficiaries and the Project to any competent institution or body of the European Union in accordance with the relevant mandatory provisions of EU Law.

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 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 or 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 costs or expenses incurred or suffered by the Bank as a consequence of the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation or compliance with any law or regulation after the date of signature of this Contract, in accordance with or as a result of which (i) the Bank is obliged to incur additional costs in order to fund or perform its obligations under this Contract, or (ii) any amount owed 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) its failure to pay is caused by an administrative or technical error or a Disruption Event, and (ii) payment is made within 3 (three) Business Days of its due date;
- (b) if any information or document given to the Bank by or on behalf of the Borrower or any representation, warranty or statement made or deemed to be made by the Borrower in or pursuant to this Contract or in connection with the negotiation or performance of this Contract is or proves to have been incorrect, incomplete or misleading in any material respect;
- (c) if, following any default of the Borrower in relation to any loan, or any obligation arising out of any financial transaction, other than the Loan:
 - (i) the Borrower is required or is capable of being required or will, following expiry of any applicable contractual grace period, be required or be capable of being required to prepay, discharge, close out or terminate ahead of maturity such other loan or obligation, or
 - (ii) any financial commitment for such other loan or obligation is cancelled or suspended;
- (d) if the Borrower is unable to pay its debts as they fall due, or suspends its debts, or makes or seeks to make a composition with its creditors;

- (e) if the Borrower defaults in the performance of any obligation in respect of any other loan granted by the Bank or other loan made to it from the resources of EU or financial instrument entered into with the Bank or in respect of any state subsidies or EU Grants related to the Project;
- (f) if any distress, execution, sequestration or other process is levied or enforced upon any property forming part of the Project and is not discharged or stayed within 14 (fourteen) days, or, 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 property forming part of the Project;
- (g) if a Material Adverse Change occurs; or
- (h) if it is or becomes unlawful for the Borrower to perform any of its obligations under this Contract or this Contract is not effective in accordance with its terms or is alleged by the Borrower to be ineffective in accordance with its terms.

10.01B 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) any fact stated in the Recitals materially alters and is not materially restored and if the alteration either prejudices the interests of the Bank as lender to the Borrower or adversely affects the implementation or operation of the Project,

unless the non-compliance or circumstance giving rise to the non-compliance is capable of remedy and is remedied to the satisfaction of the Bank 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) p.a. 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, and any non-contractual obligations arising out of or in connection with it, shall be governed by the laws of Luxembourg.

11.02 Jurisdiction

- (a) The Court of Justice of the European Union has 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 Court of Justice of the European Union is the most appropriate and convenient court to settle Disputes between them and, accordingly, that they will not argue to the contrary. The Borrower hereby waives any immunity it may enjoy from the execution of such decision.

11.03 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.

11.04 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.

11.05 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

12.01A **Form of Notice**

- (a) Any notice or other communication given under this Contract must be in writing and, unless otherwise stated, may be made by letter or electronic mail.
- (b) Notices and other communications for which fixed periods are laid down in this Contract or which themselves fix periods binding on the addressee, may be made by hand delivery, registered letter or by electronic mail. Such notices and communications shall be deemed to have been received by the other party:
 - (i) on the date of delivery in relation to a hand-delivered or registered letter;
 - (ii) in the case of any electronic mail only when such electronic mail is actually received in readable form and only if it is addressed in such a manner as the other party shall specify for this purpose.
- (c) Any notice provided by the Borrower to the Bank by electronic mail shall:
 - (i) mention the contract number ("FI nr") mentioned on the cover page of this Contract in the subject line; and
 - (ii) be in the form of a non-editable electronic image (pdf, tif or other common non editable file format agreed between the parties) of the notice signed by an authorised signatory with individual representation right or by two or more authorised signatories with joint representation right of the Borrower as appropriate, attached to the electronic mail.
- (d) Notices issued by the Borrower pursuant to any provision of this Contract shall, where required by the Bank, be delivered to the Bank together with satisfactory evidence of the authority of the person or persons authorised to sign such notice on behalf of the Borrower and the authenticated specimen signature of such person or persons.
- (e) Without affecting the validity of electronic mail notices or communication made in accordance with this Article 12.01, the following notices, communications and documents shall also be sent by registered letter to the relevant party at the latest on the immediately following Business Day:
 - (i) Disbursement Request;
 - (ii) revocation of a Disbursement Request according to Article 1.02C(b);
 - (iii) any notices and communication in respect of the deferment, cancellation and suspension of a disbursement of any Tranche, interest revision or conversion of any Tranche, Market Disruption Event, Prepayment Request, Prepayment Notice, Event of Default, any demand for prepayment; and
 - (iv) any other notice, communication or document required by the Bank.
- (f) The parties agree that any above communication (including via electronic mail) is an accepted form of communication, shall constitute admissible evidence in court and shall have the same evidential value as an agreement under hand (*sous seing privé*).

12.01B **Addresses**

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

For the Borrower

Ministry of Finance

Attention: Department of State Enterprises and Specific State Operations

Štefanovičova 5

817 82 Bratislava

Slovak Republic

E-mail address: podatelna@mfsr.sk

With copy to: **Debt and Liquidity Management Agency**

Radlinského 32
813 19 Bratislava
Slovak Republic

E-mail address: ardal@ardal.sk

For the Bank

Attention: OPS – CSEE Department

100 boulevard Konrad Adenauer
L-2950 Luxembourg

E-mail address: contactline-84550@eib.org

12.01C **Notification of communication details**

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

12.02 **English language**

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

12.03 **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 Contracts 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	Technical Description and Reporting
Schedule B	Definition of EURIBOR
Schedule C	Forms for the Borrower
Schedule D	Interest Rate Revision and Conversion

The following Annexes are attached hereto:

Annex I	Authorisation of Signatory of the Borrower
Annex II	Form of legal opinion

Signed for and on behalf of
SLOVAK REPUBLIC

Signed for and on behalf of
EUROPEAN INVESTMENT BANK

Schedule A

Technical Description and Reporting**A.1 Technical Description****A.1.1 Purpose, Location**

The Project, configured as a Structural Programme Loan, will support selected thematic objectives of the Slovak Partnership Agreement adopted by the EU Commission for the 2014-2020 programming period and investments from any of the seven national Operational Programmes (OPs): (i) OP Research and Innovation, (ii) OP Integrated Infrastructure (area of information society), (iii) OP Human Resources, (iv) OP Quality of Environment, (v) Integrated Regional OP, (vi) OP Efficient Public Administration and, (vii) OP Technical Assistance. All investments will be located in Slovakia.

A.1.2 Description

Operational Programmes	Priority Axes in
OP Research and Innovation	1 Strengthening research, technological development and innovation
	2 Supporting research, development and innovation in the Bratislava Region
	3 Enhancing the competitiveness and growth of SMEs
	4 Developing competitive SMEs in the Bratislava Region
	5 Technical assistance
OP Integrated Infrastructure	7 Information society
	8 Technical assistance
OP Human Resources	1 Education
	2 Youth employment support initiative
	3 Employment
	4 Social inclusion
	5 Integration of marginalized Roma communities
	6 Technical facilities in municipalities with presence of marginalized Roma communities
	7 Technical assistance
OP Quality of Environment	1 Sustainable use of natural resources through environmental infrastructure development
	2 Adaptation to the adverse effects of climate change with the focus on flood protection
	3 Promoting risk management, emergency management and resilience to emergencies affected by climate change
	4 Energy-efficient low-carbon economy in all sectors
	5 Technical assistance
Integrated Regional OP	1 Safe and environmentally friendly transport in regions
	2 Easier access to effective and quality public services
	3 Mobilizing creative potential in the regions
	4 Improving the quality of life in regions with an emphasis on the environment
	5 Community-Led Local Development
	6 Technical Assistance
OP Effective Public Administration	1 Strengthening of institutional capacities and efficiency of public administration
	2 Efficient judicial system and increased law enforceability
	3 Technical assistance

OP Technical Assistance	1 Management, control and audit of the ESI Funds
	2 Systemic and technical support

It is envisaged that mainly small and medium size investments will be supported. However, some large schemes (investment cost above EUR 50 m) might also be considered within the area of information society.

A.1.3 Calendar

The projects under the seven OPs are expected to be implemented in the 2014-2020 period and completed by 2023.

A.1.4 General Provisions

- The Bank will generally allocate its funds only to eligible schemes which are economically, technically and financially justified and environmentally sound. All schemes must comply with EU environmental, procurement and state aid legislation as well as comply with the principles and standards of the Bank's Environmental Policy Statement.
- The loan amount across the set of schemes financed shall not exceed 50% of the project investment costs and 100% of the eligible investment costs.
- The project investment cost includes (non-exhaustive list) land, studies and engineering, civil works, equipment and installation, non-recoverable VAT, technical and price contingencies.
- The following costs are not eligible for the Bank: VAT and other taxes and duties, land acquisition, purchase of buildings, maintenance, repairs and other operating costs, acquisition of second-hand assets, interest during construction, purchase of licences for the use of non-generated public resources (e.g. telecom licences), patents, brands and trademarks. Purely financial transactions are also not eligible.
- The eligibility for EIB financing will be checked by the Bank at the allocation stage against the list above and the Bank's standard eligibility criteria.
- The Bank reserves the right to review allocations procedures in view of any change required by *inter alia* the European Commission or the development of the Project (or any individual Scheme).

A.1.5 Allocation Procedures

The Bank funds will be allocated to the schemes co-financed with the EU Funds under the relevant Operational Programmes with procedures modulated according to the scheme size and in line with applicable framework loan procedures:

- Eligible schemes with an investment cost below EUR 25m are selected by the Promoter. The choices are subject to ex-post confirmation of eligibility by the Bank's services. The Promoter is to submit an allocation request in a form required by the Bank (as defined in A.1.7).
- Eligible schemes with an investment cost between EUR 25m and EUR 50m are submitted ex-ante to the Bank for approval before funding, using a template as defined in A.1.8 or a feasibility study. The Bank keeps the right to ask for additional information; partial or in depth appraisal of the scheme will be undertaken, if judged necessary.
- Eligible schemes with an investment cost above EUR 50m are to be treated, in principle, like separate loans and appraised separately by the Bank's services. Schemes will be subject to approval before disbursement of the Bank's funds to the Promoter. The Promoter shall provide documentation requested by the Bank, at its discretion, as individually indicated by the Bank to the Promoter.
- Together with an allocation request, the Promoter should provide the following documentation supporting environmental compliance of the schemes concerned:

Compliance with EIA Directive 2011/92/EU

- For schemes requiring an EIA (Annex II screened in or Annex I of EIA Directive): Copy of the Environmental Decision(s) (or equivalent) and Environmental Impact Assessment (EIA) with a summary description of the environmental measures adopted (mitigating,

compensation, etc.) In addition, please provide a copy of the corresponding Non-Technical Summary (NTS) or a link to a public version of it on a relevant public entity's official web site.

Compliance with the EU Habitats and Birds Directives (92/43/EEC and 79/409/EEC)

- For schemes with potential or likely significant effects on a Site of Community Importance (SCI) (NATURA 2000 or otherwise) and subject to a screening under the EU Habitats and Birds Directives: Form A or its equivalent (as defined in A.1.9) signed by the competent authority responsible for the monitoring of NATURA 2000. This declaration should confirm that the required assessments under the EU Habitats and Birds Directives have been carried out (if necessary), that the scheme will have no significant impact on any protected site and that the appropriate mitigation measures have been identified.
 - For schemes with a significant impact, potential or likely, on a SCI, requiring an assessment under Article 6(4) of the Habitats Directive: Form B or its equivalent (as defined in A.1.9) - signed by the competent authority responsible for monitoring NATURA 2000 Sites, together with the justification of overriding public interest as well as the opinion of the European Commission, if applicable.
- e) For schemes which fall under Annex II of the EIA Directive and not requiring an EIA: The promoter shall ensure that a screening procedure taking into account the criteria listed in Annex III of EU EIA Directive was carried out by the environmental competent authority. The screening decision (or equivalent) can be common for several schemes. A copy of this decision might be requested by the EIB.
- f) The Promoter shall store and keep the relevant documents updated, including documents supporting the compliance with the environmental legislation. In case the EIB requires such documentation for any of the schemes included in this operation, the Promoter shall promptly provide all documents requested.

A.1.6 Eligibilities

Excluded Sectors:

- Manufacture and distribution of weapons and ammunition, arms and military equipment
- Manufacture and distribution of tobacco or alcohol products
- Waste incineration (including RDF) and processing of toxic waste
- Gambling and betting activities
- Detention Facilities e.g. prisons, police stations, schools with custodial functions.
- Sectors and activities with a strong ethical dimension considered to carry significant reputation risk

Urban development

All schemes related to a specific urban area will have to abide to the integrated planning logic, have reasonable costs and be self-contained (not just a component of a major one), but complementary to the global urban action.

Renewable Energy

Criteria for the 2014-2020 period. To be potentially updated after this date.

All renewable energy investments should be based on resource modelling (e.g. wind, solar radiation, geothermal etc.) and appropriate technical feasibility studies, implementation and operation conducted by qualified specialists with proven experience. Where relevant, adequate electricity transmission capacity shall be demonstrated.

All renewable energy investments require, as a minimum, a study by a qualified expert identifying and screening the environmental and social impacts of the project. The study should identify potential impacts on local biodiversity, on nature conservation sites, and on local inhabitants, including impacts on vulnerable people. The study should review potential cumulative impacts of the project with other investments in the area. This is particularly relevant to the development of multiple projects in the same region (e.g. multiple hydropower projects on the same river basin, multiple solar plants

or wind farms in zones designated by public authorities). The study should recommend mitigation measures (as required), determine whether a further environmental and social impact assessment is needed, and whether public consultation is advisable.

SUB-SECTOR	CRITERIA APPLIED (*)	ECONOMIC CRITERIA
Solar Energy (PV and thermal)	For PV schemes > 0.5 MWp: a site specific solar irradiation yield assessment. Proven solutions. For solar water heaters, certified technology/suppliers in line with acceptable standards.	The Levelised Cost of Heat of solar-generated heat ≤ 83 EUR/MWhth considering: 5% real discount rate and 20 years economic lifespan. Opex is estimated to be around 2% of CAPEX/yr. No cost targets for new and innovative technologies, e.g. solar electricity / photovoltaics.
Hydropower	Refurbishment/retrofitting of existing hydropower plants and irrigation dams. Small and mini- run-of-river hydropower. Large dams are considered for allocation on a case-by-case basis. Large dams (as defined by the International Commission on Large Dams, having a height of 15 metres or more from the foundation or, if the height is between 5 and 15 metres, having a reservoir capacity of more than 3 million cubic metres) require an independent safety review.	The LCOE of hydropower-generated electricity (including externalities such as GHG emissions) ≤ 115 EUR/MWh considering: 5% real discount rate and 20 years economic lifespan.
Biomass	<u>Eligible biomass types:</u> Non-contaminated, <u>solid</u> biomass proven to originate from a sustainable chain of supply. Any other biomass needs to be explicitly accepted ex-ante allocation by Bank services. Any scheme greater than 1 MWth installed fuel input capacity must comply with the following conditions: • Biomass sourcing is subject to a transparent and credible chain of custody; preferably through, by EC recognized, certification scheme. • Provision of expert studies that proof sustainability, significant reduction of GHG when used (compared to the best alternative fossil fuel) and availability of the required biomass; preferably through, by EC recognized, certification scheme. • Compliance with the criteria below. <u>Eligible conversion technologies:</u> • Combustion of solid biomass. • Biomass schemes above 50 MWth thermal input capacity shall comply with the Best-Available Technique standards for large combustion plants (LCBREF) as referred to in the Industrial Emissions Directive 2010/75/EU, even if located outside the EU. For anaerobic digestion see below under biogas.	Based on 5% real discount rate and 15 years economic lifespan. • Cost of Electricity Generation ≤ 115 EUR/MWh • Biomass to produce heat should demonstrate economic competitiveness with fossil fuel alternatives LCOH ≤ 83 EUR/MWhth

SUB-SECTOR	CRITERIA APPLIED (*)	ECONOMIC CRITERIA
	For the avoidance of doubt, the following biomass types and conversion technologies are not eligible: • Co-firing of biomass with fossil fuels and/or peat; • Production of liquid biofuels; • Use of liquid biofuels in stationary applications; • Waste incineration (including RDF), processing of toxic waste and use of any hazardous waste including wood waste that was treated, impregnated, or coated with wood preservation agents; • Use of food crops or of fat and/or protein-based co-products that are regularly used as animal feed; • Use of oil palm products; • Use of raw material coming from moist tropical forests.	
Biogas	<u>Eligible:</u> a. Biogas plants processing based primarily on: a) agricultural by-products, b) mixed waste in Bio-Mechanical Treatment plants, or c) sludge generated from waste water treatment facilities. b. Other biogas plants <u>Supply raw materials:</u> Biogas installations with an investment cost of less than 5 MEUR should have a minimum of 25% of the raw material supplied by one or more shareholders of the project. For other biogas installations acceptable, legally binding long term (more than 5 years) supply contracts are required.	Group a: No need for economic justification Group b: Based on 5% real discount rate and 15 years economic lifespan: Cost of Electricity Generation ≤ 115 EUR/MWh Biomethane injection into the natural gas grid has a lower economic cost of production than the price of substituted natural gas.
Geothermal	Geothermal resource to be proven by test drilling programme. No drilling risk can be accepted. Heat pumps for heating and/or cooling purposes should achieve net <u>savings in primary energy consumption</u>.	• The LCOE of geothermal-generated electricity ≤ 115 EUR/MWh considering: 5% real discount rate and 20 years economic lifespan. Opex is estimated to be around 3% of CAPEX/yr. • Geothermal for heat should demonstrate competitiveness with fossil fuel alternatives LCOH ≤ 83

SUB-SECTOR	CRITERIA APPLIED (*)	ECONOMIC CRITERIA
		EUR/MWhth
Onshore Wind	Only IEC-Type certified onshore wind turbines The wind measurement campaign must typically meet the following minimum requirements: - Measured data covering at least one full year from at least a one meteorological mast at the wind farm site. - Met masts shall be located no further than 3km from the furthest turbines. - An anemometer installed higher than 2/3 of the expected hub height of the proposed turbine. Other on-site complementary measurement methods can be considered, subject to further analysis. - The design and implementation of the meteorological mast(s) and mounting of the measuring equipment must follow standards (i.e. IEC, IEA or Measnet). - Long term data must be available for at least a ten-year-period, with acceptable correlation.	The LCOE of on shore wind-generated electricity ≤ 104 EUR/MWh considering: 5% real discount rate and 15 years economic lifespan. Opex is estimated to be around 2% of CAPEX/yr. Expected production should be associated to a P75 exceedance probability scenario.

Energy Efficiency

Criteria for the 2014-2020 period. To be potentially updated after this date.

Eligible energy efficiency projects should be justified on the basis of an economic cost-benefit-analysis, for which in general the net present value of the energy saved including externalities, is greater than the net present cost of the project over its life considering 5% real discount rate.

Where it is difficult to separate out the investments directly related to energy savings, it is necessary to demonstrate that energy efficiency is a significant element of the project. In these cases the energy savings, including environmental externalities, should at least cover 50% of the project cost in an economic analysis.

For the following categories of investments additional specific criteria apply:

SUB-SECTOR	CRITERIA APPLIED
Energy Savings / Energy Efficiency in Buildings	<u>Building renovations</u> are eligible and economically justified if with each of three conditions listed in the following: - Renovation measures are in line with the list of eligible measures (list attached) or are indicated by an energy audit (in line with EN 16247 Energy) or by a building energy performance certificate (according to EPBD); - Levelised costs of saved energy are below the specific threshold below LCOH ≤ 83 EUR/MWhth; - National energy performance standards for buildings do comply with the EU Directive 2010/31/EU (energy performance of buildings EPBD) e.g. in line with cost optimum level. Reporting and monitoring: - Building energy performance certificate (in line with EPBD) after works for each investment project; - Works implementation by recognised/labelled companies, if available in Member State. <u>New Buildings</u>: For the application of the criteria to new buildings, the Slovakia NZEB Strategy would need to be reviewed and bench cost benchmark would need to be defined. Following criteria has to be adapted to result of this analysis. - New buildings are only eligible if classified as near-zero-energy buildings (NZEB);

	b. Only buildings that are in line with the national plans established by Member States (Article 9(1) of Directive 2010/31/EU) can be supported; c. Support to new buildings is limited: - For public buildings until end 2018; - For private buildings until end 2020; - To a maximum of 50% of a maximum threshold of total construction cost per sqm as will be defined by the Bank. Reporting and monitoring: Building energy performance certificate confirming building is in line with Member States specific definition of NZEB.
District Heating / District Cooling	New systems and the rehabilitation or extension of existing systems are eligible, provided the investment plan for the system ensures that the long-term supply of district heating/cooling will be the least cost solution compared to individual heating/cooling systems in buildings, including environmental externalities. In principal, this can only be achieved if the heating/cooling is produced mainly from high-efficient cogeneration, residual waste heat or renewable energy.
Public lighting projects	Investments to improve the energy performance of public lighting are eligible. Extension or construction of new public lighting systems is excluded. Only measures identified by an energy audit carried out in line with EN 16247 (or another equivalent standard. Levelised costs of saved energy are below the specific thresholds(*) (values to be defined by EIB).
Energy Efficiency in industrial facilities and SME's	Projects in energy efficiency investments are eligible if: - Improving existing facilities; - All investments have been identified by an energy audit according to the minimum requirements established by EN 16247 (or equivalent). In certain cases, to be decided by the Bank, white certificate schemes or a list of eligible measures defined by the Bank can be sufficient; - The discounted value of energy savings over the project lifetime covers at least 50% of the investment cost; - The rehabilitation of the facility will not increase the capacity of the facility significantly (by not more than 30%). Reporting and monitoring: - Energy audits or certified compliant with white certificate scheme or list of eligible measures; - For energy efficiency investments in enterprises which are not SME's, dedicated monitoring of the energy savings achieved has to be implemented. This can be replaced through the implementation of an energy management system certified according to ISO 50001.
High efficiency Co-Generation of Heat and Power	The cogeneration plant has to meet the following three criteria. Calculations shall be pursued using the methodology for high-efficient cogeneration as provided by EU Directive 2012/27/EU and its related Decisions 2011/877/EU and 2008/952/EC: - At least 50% of generated electricity comes from high-efficiency cogeneration, i.e. at least 50% of generated electricity is cogenerated and Primary Energy Savings (PES) for this cogenerated electricity and useful heat reaches at least 10% (principal condition); - At least 5% net PES are achieved on an annual basis for the entire generated electricity and useful heat (additional safeguarding criterion); - Cogeneration from fossil fuels is eligible only if CO₂ emissions are below the threshold for the Bank's emissions performance standard of 550 gCO₂/kWhel. Small scale and micro cogeneration (< 1 MWe) leading to primary energy savings, as defined in the Directive (comparing cogenerated heat and electricity to a reference plant generating heat and another reference plant generating electricity), are also eligible. Cogeneration investments using biomass that do not meet the above criteria are eligible as "renewable energy Investments" by the percentage of the energy content provided by biomass, provided that it complies with the applicable eligibility criteria for biomass schemes.

	Recovery of industrial waste gas is considered energy efficiency and not subject to the minimum efficiency requirements of the directive.
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(*) Methodology to calculate the costs of the energy saved

For the purposes of determining whether Investments meet the criteria set forth in the foregoing table, the Cost of Energy Savings shall be calculated as follows:

"Cost of Energy Savings" in EUR/MWh shall be defined as $(B-C) / A$ where:

A = the net present value of the expected annual energy savings as a result of the Investment in MWh calculated over the Amortisation Period using the appropriate discount rate (5% in real terms in the EU);

B = the net present value of the real Relevant Capital Expenditure in Euro calculated using the appropriate discount rate (5% in real terms in the EU); and

C = the net present value of the real annual Operating Cost Savings in Euro of the Investment calculated over the Amortisation period using the appropriate discount rate (5% in real terms in the EU). In certain cases (e.g. FL with different investments or when O&M costs savings are difficult to quantify) a simplification can be applied: discarding the O&M cost savings.

"Relevant Capital Expenditure" shall mean all development costs (including land acquisition, permitting and consenting costs), all costs in relation to studies and engineering, civil works, equipment and installation, grid connection, balance of plant, technical and price contingencies, development fees, interest during construction, insurance costs during construction and non-financial due diligence costs, including advisers' fees.

"Operating Cost Savings" shall mean the costs savings involved in running the Investment on a day to day basis excluding any reserves for potential additional capital expenditure and energy purchases, as compared to the situation without implementation of the energy savings investment.

"Amortisation Period" means: economic lifetime of the specific asset. **A.1.7**

Template for

Allocation Request

Allocation number
Date

X
dd/mm/yyyy (1)

Name of EIB operation
Number of EIB operation
Currency: EUR

SLOVAKIA EU FUNDS CO-FINANCING 2014-2020 (SPL)
2014-0464

SUMMARY OF ALLOCATION TABLE (FOR ALL SCHEMES INCLUDED IN EIB OPERATION)

EIB allocation request date: dd/mm/yyyy (1)	EIB disbursed amount (EUR)	EIB allocated amount (EUR)	Allocated / Disbursed (in %)	EIB's funds paid to final beneficiaries (in %)
<i>Example:</i>				
Disbursement no. 1 (date)	xxxx		xxxx	xxxx
Allocation no. 1 (date, allocation request no. ...)		xxxx	xxxx	xxxx
Allocation no. 2 (date, allocation request no. ...)		xxxx	xxxx	xxxx
Disbursement no. 2 (date)	xxxx		xxxx	xxxx
Total	xxxx	xxxx		

Operational Programmes and priorities	Total Investment costs (EUR)	Total eligible costs (EUR)	EU contribution (EUR)	Central government (EUR)	other resources (EUR)	Number of schemes	Range of schemes	
							lowest (EUR)	highest (EUR)
1. OP Research and Innovation								
1 Strengthening research, technological development and innovation								
2 Supporting research, development and innovation in the Bratislava Region								
3 Enhancing the competitiveness and growth of SMEs								
4 Developing competitive SMEs in the Bratislava Region								
5 Technical assistance								
Operational Programme TOTAL								
2. OP Integrated Infrastructure								
7 Information society								
8 Technical assistance								
Operational Programme TOTAL								
3. OP Human Resources								
1 Education								
2 Youth employment support initiative								
3 Employment								
4 Social inclusion								
5 Integration of marginalized Roma communities								
6 Technical facilities in municipalities with presence of marginalized Roma communities								
7 Technical assistance								
Operational Programme TOTAL								
4. OP Quality of Environment								
1 Sustainable use of natural resources through environmental infrastructure development								
2 Adaptation to the adverse effects of climate change with the focus on flood protection								
3 Promoting risk management, emergency management and resilience to emergencies affected by climate change								
4 Energy-efficient low-carbon economy in all sectors								
5 Technical assistance								
Operational Programme TOTAL								
5. Integrated Regional OP								
1 Safe and environmentally friendly transport in regions								
2 Easier access to effective and quality public services								
3 Mobilizing creative potential in the regions								
4 Improving the quality of life in regions with an emphasis on the environment								
5 Community-Led Local Development								
6 Technical Assistance								
Operational Programme TOTAL								
6. Effective Public Administration OP								
1 Strengthening of institutional capacities and efficiency of public administration								
2 Efficient judicial system and increased law enforceability								
3 Technical Assistance								
Operational Programme TOTAL								
7. Technical Assistance OP								
1 Management, control and audit of the ESI Funds								
2 Systemic and technical support								
Operational Programme TOTAL								
EIB project total								
or which EIB's funds are allocated								
Total funds disbursed to final beneficiary								

Person in charge

<name and surname>
<Function>
<Department>
Ministry of Finance

Signature
Date
Place

ALLOCATION NO.

X

DATE:

DD/MM/YYYY

Name of EIB Operation:

SLOVAKIA EU FUNDS CO-FINANCING 2014-2020 (SPL)

Number of EIB Operation:

2014-0464

Finance Contract no.:

FI

Currency: EUR

ALLOCATION and MONITORING TABLE (FOR ALL SCHEMES INCLUDED IN EIB OPERATION) - individual schemes

No. (order)	Identification code (IT system)	Operational Programme	Priority Axis	Code and name of the Specific Objective	Code of the Intervention field	Scheme name (brief)	Scheme description (main features, objectives, quantification of outputs)	Location (municipality, district) as per contract counterpart	Final Beneficiary (name and type)	Implementing body	Implementation phase	Implementation dates		Total Investment Cost (EUR)	Total Eligible Cost (EUR)	Financing Sources (EUR)			EIB Funds Allocated (EUR)	Environmental compliance		Procurement	Indicators	
												start mm/yyyy	end mm/yyyy			EU funds (CF, ERDF, etc.)	State/ national contribution	Other Contributions (municipal, other)		EIA	Nature conservation (Natura 2000)	Type of tender (thresholds)	Output	Outcome
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)
Total																								

Explanatory notes:

(1)	Sequence number (from 1 to x) - will be used as a reference of the individual project/scheme
(2)	Number/code used by the Promoter (IT system)
(3)-(4)	Identification of the Operational Programme and Priority Axis
(5)	Code and name of the Specific Objective
(6)	Code of the Intervention field (as per Annex I Commission Implementing Regulation 215/2014)
(7)	Project name
(8)	Brief project description of the project (description, justification, quantified outputs)
(9)	Location of the project
(10)	Name and type of final beneficiary: state, municipality, private, NGO, etc.
(11)	Promoter of the project
(12)	Please indicate the implementation phase of the project at the date of submission (FS, preliminary design, implementation, completed, etc.)
(13),(14)	Please indicate the latest estimated dates for start and completion of the project
(15)	Estimated total investment cost paid by the final beneficiary (prior deduction of EU ineligible cost)
(16)	Estimated initial total eligible cost of the project as per EU definition (without VAT, fixed at time of allocation request, this amount should remain unchanged until end of the programme)
(17)-(18)	Similar as (15)
(19)	Estimated other contribution to the total investment cost
(20)	EIB Funds Allocated
(21)	Please indicate: (A) Subject to EIA: Annex I of the EIA Directive. Please, provide copy of NTS or a link to a public version of it on a relevant public entity's official web site at allocation or as soon as available. (B) Subject to EIA: Annex II "screened in" of the EIA Directive: Please, provide copy of NTS or a link to a public version of it on a relevant public entity's official web site at allocation or as soon as available. (C) Screened out project: no EIA required. The promoter shall ensure that a screening procedure taking into account the criteria listed in Annex III of EU EIA Directive was carried out by the environmental competent authority. The screening decision can be common for several schemes. A copy of this decision might be requested by the EIB. (D) Other
(22)	It refers to Natura 2000 or other habitats areas of international or national importance. Please indicate: (A) No significant impact, potential or likely, on a conservation site (Natura 2000 or otherwise). In that case a declaration signed by the Competent Authority Form A - or its equivalent - has to be provided. (B) A significant impact, potential or likely, on a conservation site. In that case Form B - or its equivalent - has to be signed by the Competent Authority and submitted to the Bank together with the justification of overriding public interest as well as the opinion of the European Commission, if applicable by the Article 6 (4) of the Habitats Directive. (C) Not applicable
(23)	Indicate type of tender (provide EIB with a legend of the type of tenders according to the thresholds applied by Slovakia, i.e.: Tender procedure - "I" International Open Tender, "N" National Open Tender, "Ne" Negotiation procedure, "D" Direct Attribution, "Em" Emergency Procedure and, "C" Consultation (when only few companies are invited for offer)).
(24)-(25)	Project/scheme indicators Output indicators in the meaning of Article 96, paragraph 2, letter b (iv) of the Common Provision Regulation, Outcome indicators in the meaning of Article 96, paragraph 2, letter b (ii) of the Common Provision Regulation.

A.1.8 Project Fiche
PROJECT FICHE
 (for schemes with total costs between EUR 25m-50m)

SLOVAKIA EU FUNDS CO-FINANCING 2014-2020 (SPL)
2014-0464

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

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

1. Scheme**1.1 Background****1.2 Reasons for undertaking the Project and key objectives**

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

1.3 Technical description of the project including relevant key dimensions and capacities**1.4 Entity(ies) responsible for project design, construction and supervision****1.5 Investment cost (total) in EUR**

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

Total	-
--------------	---

1.6 Financial plan and requested allocation

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

1.7 Expected expenditure schedule (in EUR)

year	2014	...	...	n	Total
EUR					

1.8 Expected technical/ economical life-span (years)**1.9 Implementation period (dates: month, year)**

a) Start:

b) Completion (expected and real):

1.10 Authorisation required to implement/operate the Project

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

1.11 Jobs affected by the investment

Number of jobs that will be created, secured or lost as a consequence of the Project.

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

1.12 Physical indicators

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

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

1.13 Procurement

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

1.14 Environmental impacts

a) Please explain briefly the effects of the project on the environment.

- b) Does the Project have any particular environmental risks or benefits?
- c) Compliance with EIA Directive 2011/92/EU:
 - o For schemes requiring an EIA (Annex II screened in or Annex I of EIA Directive): The promoter shall provide a copy of the Environmental Decision(s) and Environmental Impact Assessment (EIA) with a summary description of the environmental measures adopted (mitigating, compensation, etc.) In addition, please provide a copy of the corresponding Non-Technical Summary (NTS) or a link to a public version of it on a relevant public entity's official web site.
 - o For schemes which fall under Annex II of the EIA Directive and not requiring an EIA: The promoter shall ensure that a screening procedure taking into account the criteria listed in Annex III of EU EIA Directive was carried out by the environmental competent authority. The screening decision (or equivalent) can be common for several schemes. A copy of this decision might be requested by the EIB.
- d) Compliance with the EU Habitats and Birds Directives (92/43/EEC and 79/409/EEC)
 - o For schemes with potential or likely significant effects on a Site of Community Importance (SCI) (Natura 2000 or otherwise) and subject to a screening under the EU Habitats and Birds Directives: The promoter shall provide the Form A or its equivalent signed by the competent authority responsible for the monitoring of Natura 2000. This declaration should confirm that the required assessments under the EU Habitats and Birds Directives have been carried out (if necessary), that the scheme will have no significant impact on any protected site and that the appropriate mitigation measures have been identified.
 - o For schemes with a significant impact, potential or likely, on a SCI, requiring an assessment under Article 6(4) of the Habitats Directive: The promoter shall provide the Form B or its equivalent - signed by the competent authority responsible for monitoring Natura 2000 Sites, together with the justification of overriding public interest as well as the opinion of the European Commission, if applicable.

1.15 Operation and maintenance of the facilities

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

1.16 Economic and financial aspects

- a) Population served by the Scheme, or other pertinent demand analysis. In the case of road scheme actual and forecast traffic flows have to be included.
If applicable, a summary of cost-benefit or economic feasibility analysis.
- b) If applicable, cost recovery mechanism (Will users be required to contribute to the cost of the Scheme? Tariff policy?)

2. Overall conclusions and recommendations

--

Place:

Date:

Promoter:

Responsible person:

**A.1.9 Form A/B according to the EU Habitats and Birds Directives
(possible also in Slovak language)**

Form A – No risk of significant effect

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

Responsible Authority.....

Having examined the project application (title)

.....

which is to be located at

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

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

.....

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

A map at scale of 1:100 000 (or the nearest possible scale) is attached, indicating the location of
the project as well as the site of nature conservation importance concerned, if any.

Name:

Position:

Organisation:

(Authority responsible for monitoring sites of nature conservation importance)

Signed:

Date:

Official Seal:

Form B – Risk of significant effect

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

Responsible Authority.....

Having examined the project application

(title).....

which is to be located at

provides the following information

Country:

Competent national authority:

Address:

Contact person:

Tel., fax, e-mail:

Date:

1. PROJECT

Name of the site affected:

This site is (please tick):

- ☐ a site identified by the national competent authority as qualifying under Art. 4(1) and (2) of the **Birds** directive (79/409/EEC) (Special Protection Area equivalent to Natura 2000)
- ☐ a site identified by the national competent authority as qualifying under Art. 4 (1) of the **Habitats** directive (92/43/EEC) (Special Area of Conservation equivalent to Natura 2000)
- ☐ For European Union Member States only, does the site concern a priority habitat or species?

☐ yes ☐ no
- ☐ a site listed in the latest inventory on **Important Bird Areas** (IBA 2000) or (if available) in an equivalent more detailed scientific inventories endorsed by national authorities
- ☐ a wetland of international importance designated under the **Ramsar** Convention or qualifying for such protection
- ☐ a site to which the Bern convention on the conservation of European Wildlife and Natural Habitats (Art. 4) applies, in particular a site meeting the criteria of the **Emerald network**
- ☐ areas protected under national nature conservation legislation

Summary of the project having an effect on the site:

2. NEGATIVE EFFECTS

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

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

3. ALTERNATIVE SOLUTIONS

Summary of alternative solutions studied:

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

4. IMPERATIVE REASONS

Reason to nevertheless carry out this plan or project:

- ☐ Imperative reasons of overriding public interest, including those of a social or economic nature (in the absence of priority habitat/species)
- ☐ human health
- ☐ public safety
- ☐ beneficial consequences of primary importance for the environment
- ☐ other imperative reasons of overriding public interest

Short description of the reason:

5. COMPENSATION MEASURES

Foreseen compensatory measures and timetable:

A.2. PROJECT INFORMATION TO BE SENT TO THE BANK AND METHOD OF TRANSMISSION1. Dispatch of information: designation of the person responsible

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

Company	Ministry of Finance of the Slovak Republic
Contact person	Mr. Martin Polónyi
Title	Director General
Function / Department	International Relations Section
Address	Štefanovičova 5 817 82 Bratislava Slovak Republic
Phone	+421 2 5958 3410
Email	martin.polonyi@mfsr.sk marek.rockar@mfsr.sk martin.spiritza@mfsr.sk

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

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

2. Information on specific subjects

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

Document / information	Deadline
Updated list of indicators per Operational Programme	Before the second disbursement
Final allocation-monitoring table template with fields as defined in point 3 below and Section A.1.7 of Schedule A.1.	By 30 April 2016
Final Project Completion Report (PCR) with fields as defined in point 4 below.	By 31 March 2025
Information on any infringement procedures initiated by the European Commission related to the implementation of a sub-project under this operation and/or to the relevant laws and regulations	Promptly without any delay
Information on the initiation by the Commission of any suspension of payments	Promptly without any delay

3. Information on the project's implementation

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

Document / information	Deadline	Frequency of reporting
- Annual implementation report(s) on the implementation of the operational programme (as defined in the Common Provisions Regulation art 50 and 111). - Updated allocation-monitoring table (list of allocated sub-projects) in electronic format with information collected in IT systems: - o Indicators per OP; - o description of any major issue with impact on	by 30 June each year from 2016 to 2024	Annually

- the environment; - any significant issue that has occurred and any significant risk that may affect the project's operation; - any legal action concerning the project that may be ongoing; - executive summary that contains information on the physical and financial progress of the Operational Programme.		
- Annual control report and opinion (as defined in Article 127 of CPR) with the following fields: - IT Scheme/operation code; - Scheme/operation name; - OP; - Priority axis; - Code of the Intervention field (as per Annex I Commission Implementing Regulation N 215/2014); - Operation/scheme start date; - Operation/scheme end date (expected/real); - Total cost/expenditure (indicate if it is eligible or total); - EU co-financing rate; - Central financing; - Other financing; - Final beneficiary name/code; - Operation/scheme localisation.	by 30 June each year from 2016 to 2024 together with annual implementation report	Annually
- Copies of other relevant documents, including ad hoc reports, provided to the EU Commission in connection with the Operational Programmes included within this operation.	as to the European Commission	When available
- All documents and information necessary to enable the Bank to monitor the physical and financial progress of the Project and the schemes financed thereunder. Indicators.	upon request	

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

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

Document / information	Date of delivery to the Bank
- Final report(s) on the implementation of the project and allocation monitoring table - additionally including: - description of any major issue with impact on the environment; - any significant issue that has occurred and any significant risk that may affect the project's operation; - any legal action concerning the project that may be ongoing; - indicators.	by 31 March 2025
- Closure declaration (as defined in Article 141 CPR) together with the final control report and Commission's approval/comments.	As to the European Commission

Format of the reports

- Data and tables: Excel
- Reports: Word or PDF

Language of reports	English / Slovak
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Schedule B

Definition of 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 (a) to (c) above:

- (i) "**available**" means the rates, for given maturities, that are calculated and published by Global Rate Set Systems Ltd (GRSS), or such other service provider selected by the European Money Markets Institute (EMMI), or any successor to that function of EMMI, as determined by the Bank; and
- (ii) "**Screen Rate**" means the rate of interest for deposits in EUR for the relevant period as published at 11:00 a.m., 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 offices of 4 (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 11:00 a.m., 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 no sufficient 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 11:00 a.m., 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.

All percentages resulting from any calculations referred to in this Schedule will be rounded, if necessary, to the nearest one thousandth of a percentage point, with halves being rounded up.

The Bank shall inform the Borrower without delay of the quotations received by the Bank.

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

If the Screen Rate becomes permanently unavailable, the EURIBOR replacement rate will be the rate (inclusive of any spreads or adjustments) formally recommended by (i) the working group on euro risk-free rates established by the European Central Bank (ECB), the Financial Services and Markets Authority (FSMA), the European Securities and Markets Authority (ESMA) and the European Commission, or (ii) the European Money Market Institute, as the administrator of EURIBOR, or (iii) the competent authority responsible under Regulation (EU) 2016/1011 for supervising the European Money Market

Institute, as the administrator of the EURIBOR, or (iv) the national competent authorities designated under Regulation (EU) 2016/1011, or (v) the European Central Bank.

If the Screen Rate becomes permanently unavailable and no EURIBOR replacement rate is formally recommended 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.

Schedule C

Forms for the Borrower**C.1 Form of Disbursement Request (Article 1.02B)**

Disbursement Request
SLOVAKIA EU FUNDS CO-FINANCING 2014-2020 (SPL)

Date:

Please proceed with the following disbursement:

Loan Name (*):

Slovakia EU Funds Co-Financing 2014-2020 (SPL)

Signature Date (*):

Contract FI number:

Currency & amount requested	
Currency	Amount

Proposed disbursement date:

INTEREST	Int. rate basis (Art. 3.01)	
	Rate (% or Spread) OR (please indicate only ONE) Maximum Rate (% or Maximum Spread)	
	Frequency (Art. 3.01)	Annual ☐ Semi-annual ☐ Quarterly ☐
	Payment Dates (Art. 5)	
	Interest Revision/Conversion date (if any)	

CAPITAL	Repayment frequency	Annual ☐ Semi-annual ☐ Quarterly ☐
	Repayment methodology (Art. 4.01)	Equal instalments ☐ Constant annuities ☐ Single instalment ☐
	First repayment date	
	Maturity Date:	

Reserved for the Bank (contract currency)	
Total Credit Amount:	
Disbursed to date:	
Balance <u>for</u> disbursement:	
Current disbursement:	
Balance <u>after</u> disbursement:	
Disbursement deadline:	
Max. number of disbursements:	
Minimum Tranche size:	
Total allocations to date:	
Conditions precedent:	Yes / No

Borrower's account to be credited:

Acc. N°:

(please provide IBAN format in case of disbursements in EUR)

Bank name, address:

Please transmit information relevant to:

Borrower's authorised name(s) and signature(s):

C.2 Form of certificate from the Borrower (Article 1.04B)

To: European Investment Bank
From: Slovak Republic
Date: <>
Subject: Finance contract between the Slovak Republic and European Investment Bank dated <> (the "**Finance Contract**")
FI number 84.550 Serapis number 2014-0464

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 Security or priority or preference of the type referred to under Article 7.02 has been created or is in existence;
- (b) there has been no material change to any aspect of the Project or in respect of which we are obliged to report under Article 8.01, save as previously communicated by us;
- (c) 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;
- (d) the representations and warranties to be made or repeated by us under Article 6.10 are true in all respects; and
- (e) no Prepayment Event has occurred and is continuing unremedied or unwaived.

Yours faithfully,

For and on behalf of SLOVAK REPUBLIC

Date:

Schedule D

Interest Rate Revision and Conversion

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

A. Mechanics of Interest Revision/Conversion

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

- (a) the Fixed Rate and/or Spread that would apply to the Tranche, or 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) 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 Notice 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.

Authorisation of signatory of the Borrower

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Form of legal opinion

European Investment Bank
 98-100 blvd Konrad Adenauer
 L-2950 Luxembourg
To the attention of Legal Department - Operations

Re: Finance Contract for Slovakia EU Funds Co-Financing 2014-2020 (SPL)

Dear Sirs,

1. I, the undersigned </>, Minister of Justice of the Slovak Republic ("**Slovakia**"), give this opinion pursuant to Article 1.04A of the finance contract (the "**Finance Contract**") made between Slovakia and the European Investment Bank ("**EIB**") for an amount of </>on </>. Terms defined in the Finance Contract have the same meaning in this opinion.
2. I have inspected the signed copy of the Finance Contract and have examined such laws, statutes, documents and other matters, and have made such other enquiries, as I have considered necessary or appropriate for the purpose of giving this opinion. Based upon the foregoing, I am of the opinion and state, respectively, that:
 - (a) the Finance Contract has been duly executed and delivered on behalf of Slovakia by </> as lawful representative of Slovakia;
 - (b) the execution of the Finance Contract by </> as lawful representative of Slovakia has been made upon the provisions of </>; and
 - (c) no provision exists in Slovakia, which would make it necessary to ratify the execution, delivery, and implementation of the Finance Contract.
3. There are no deductions or withholdings, whether on account of any taxes or charges otherwise imposed, levied or assessed by or on behalf of Slovakia to be made from any payment to be made to the EIB by Slovakia pursuant to the Finance Contract.
4. No exchange control consents are necessary to receive disbursements, to repay the same and to pay interest and all other amounts due under the Finance Contract.
5. The choice of the law of Luxembourg as the law governing the Finance Contract is valid and enforceable.
6. By virtue of the provisions of the Finance Contract, the Court of Justice of the European Union shall have jurisdiction in relation to any claim or dispute between Slovakia and the EIB, and any judgement of such court against Slovakia in relation to the Finance Contract may be enforced in Slovakia.

Based on the foregoing, I have come to the conclusion that all requirements specified in the laws, regulations and legally binding decisions currently applicable to Slovakia and/or governing the Finance Contract were complied with in order that the Finance Contract be legally valid and binding upon Slovakia as the borrower, and I am of the opinion that the Finance Contract constitutes legally valid and binding obligations of Slovakia as borrower, and commits Slovakia irrevocably to the fulfilment of its obligations under the Finance Contract according to its terms.

This opinion relates only to Slovak law as currently applied by Slovak courts at the date of this legal opinion and I have made no investigation of the laws and regulations of any country or jurisdiction other than Slovakia and I do not express or imply any opinion on such laws and regulations. I have assumed that there is nothing in the laws and regulations of any jurisdiction outside Slovakia, which affects this legal opinion. My opinion is to be construed in accordance with and is governed by the laws and regulations of the Slovak Republic.

Bratislava, </>

Sincerely yours,
 </>
 Minister of Justice