



**BY COURIER**  
**Ministry of Finance**  
Letenská 15 118  
10 Praha 1  
Czech Republic

Eeponewcka WHBecmmioHHa 6anKa  
Evropská investiční banka Den  
Europæiske Investeringsbank Europäische  
Investitionsbank Euroopa  
Investeerimispank EupiiTTCÜKn  
TrpàncÇa EnEvóuacujv European  
Investment Bank Banco Europeo de  
Inversiones Banque européenne  
d'investissement An Banc Eorpach  
Infheistiochta Európska investícijska banka  
Banca europea per gli investimenti  
Eiropas Investīciju banka Europos  
investīciju bankas Európai  
Beruházási Bank Bank Ewropew  
tal-Investment Europese  
Investeringsbank Europejski Bank  
Investycyjny Banco Europeu de  
Investimento Banca Europeana de  
Investit» Európska investičná  
banka Evropská investicijska banka  
Euroopan investointipankki  
Europeiska investeringsbanken

*For the attention of: Debt and Financial Assets Management Department*

Copy:

**Ministry of Transport**  
Nábřeží Ludvíka Svobody 1222/12

110 15 Praha 1

Czech Republic

*For the attention of: EU Funds Department*

Luxembourg, 15 July 2019

JU/OPS1/CE/MK/ns/2019-1413  
EIB - Corporate use

**Reference:** CZECH RAILWAY INFRASTRUCTURE REHABILITATION  
(SERAPIS 2017-0434; FI 88119)

Finance contract between the Czech Republic, acting through the Ministry of Finance (the "**Borrower**") and the European Investment Bank (the "**Bank**") dated 28 March 2019, (the "**Finance Contract**")

**Subject:** Amendment Letter N° 1

Dear Mesdames and Sirs,

We refer to the Finance Contract. Unless the context otherwise requires or unless otherwise defined in this amendment letter (the "**Letter**"), terms defined in the Finance Contract and expressions used in the Finance Contract have the same meaning when used in this Letter.

## 1. AMENDMENTS TO THE FINANCE CONTRACT

As from the Effective Date, the Finance Contract shall be amended as set out below.

1.1. Recital (d) of the Finance Contract shall be amended and shall read as follows:

"The Bank considering that the financing of the Project falls within the scope of its functions, and having regard to the statements and facts cited in these Recitals, has decided to give effect to the Borrower's request providing to it a credit in an amount equivalent to CZK 11,500,000,000.00 (eleven billion five hundred million Czech koruna) under this Finance Contract (the "**Contract**"); 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 (b)."

1.2. the definition of "**Final Availability Date**" in the Finance Contract shall read as follows:

"**Final Availability Date**" means 11 April 2024.

1.3. Article 1.1 (*Amount of Credit*) of the Finance Contract shall be amended and shall read as follows:

"By this Contract the Bank establishes in favour of the Borrower, and the Borrower accepts, a credit in an amount equivalent to CZK 11,500,000,000.00 (eleven billion five hundred million Czech koruna) for the financing of the Project (the "**Credit**")."



**1.4.** Article 1.2.A ( *Tranches*) of the Finance Contract shall be amended and shall read as follows:

“The Bank shall disburse the Credit in up to 57 Tranches, provided that no more than one Tranche shall be disbursed per calendar month. The amount of each Tranche shall be in a minimum amount equivalent to CZK 200,000,000.00 (two hundred million Czech koruna) or (if less) the entire undrawn balance of the Credit.”

**1.5.** Article 1.4.C (*All Tranches*) limb (b) of the Finance Contract shall be amended and shall read as follows:

“that on the Scheduled Disbursement Date (and, in the case of deferment under Article 1.5, on the Requested Deferred Disbursement Date or the Agreed Deferred Disbursement Date, respectively) for the proposed Tranche:

- (i) the representations and warranties which are repeated pursuant to Article 6.10 are correct in all respects;
  - (ii) no event or circumstance which constitutes or would with the passage of time or giving of notice under this Contract constitute:
    - (1 ) an Event of Default; or
    - (2) a Prepayment Event;has occurred and is continuing unremedied or unwaived or would result from the disbursement of the proposed Tranche; and
  - (iii) the Bank confirms that only one Tranche will be disbursed in the calendar month to which falls the Scheduled Disbursement Date (and, in the case of deferment under Article 1.5, the Requested Deferred Disbursement Date or the Agreed Deferred Disbursement Date).”
- 1.6.** Annex II (*Form of legal opinion*) to the Finance Contract shall be amended and shall read as set out in Annex I to this Letter.

## **2. REPRESENTATIONS**

The representations and warranties that are repeated under and pursuant to Article 6.10 (*General Representations and Warranties*) of the Finance Contract are deemed repeated (by reference to the facts and circumstances then existing) by the Borrower (i) on the date the Borrower countersigns this Letter and (ii) on the Effective Date.

## **3. MISCELLANEOUS**

**3.1.** Other than in accordance with Article 1 (*Amendments to the Finance Contract*) of this Letter, no provision of this Letter shall restrict, waive, limit, or in any other way amend any rights of the parties under the Finance Contract.

**3.2.** 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.

**3.3.** The terms and conditions in the Finance Contract are hereby confirmed and the terms of this Letter shall be strictly interpreted and construed without prejudice to the Bank's and the Borrower's rights and powers under the Finance Contract, including all of the Bank's rights and remedies in respect of any 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.

**3.4.** The Bank issues this Letter acting in reliance upon the information supplied to the Bank by the Borrower by the date hereof and such information 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.

- 3.5. 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.
- 3.6. Article 11.1, Article 11.2 (b) and (c), Article 11.3 (*Place of performance*), Article 11.7 (*Amendments*), Article 11.8 (*Counterparts*), Article 11.10 (*Limitation Period*), Article 12.1 (*Notices*), Article 12.3 (*Changes to parties*) of the Finance Contract shall apply to this Letter *mutatis mutandis*.
- 3.7. This Letter and all matters, whether contractual or non-contractual, arising out of or in connection with it shall be governed by and construed in accordance with the laws of the Czech Republic. The Court of Justice of the European Union has exclusive jurisdiction to settle any dispute arising out of or in connection with this Letter (including a dispute regarding the existence, validity or termination of this Letter or the consequences of its nullity) or any non-contractual obligation arising out of or in connection with this Letter.

#### 4. EFFECTIVE DATE

This Letter shall take effect on the date (the "**Effective Date**") as notified by the Bank in writing to the Borrower confirming that it has received in a form and substance satisfactory to it:

- (a) 2 (two) originals of this Letter duly signed by the Borrower.
- (b) the evidence that the Borrower has duly published this Letter in the Registry of Contracts (in Czech: *Registr smluv*), as required by the applicable Czech law, within 30 (thirty) calendar days after the Borrower received this Letter signed by all parties hereto.

If the Effective Date does not occur within 3 (three months) from the date of this Letter, this Letter shall not come into force and no further action shall be necessary or required.

From such Effective Date the references in the Finance Contract to "this Contract", and similar references shall be read and construed as references to the Finance Contract as amended by the provisions of this Letter. However, any references in the Finance Contract and in this Letter to the "date of this Contract" and similar references shall refer to the date of execution of the Finance Contract, i.e. 28 March 2019. Upon occurrence of the Effective Date, the Finance Contract shall continue to be in full force and effect, amended in accordance with terms of this Letter.

We kindly ask you to initial each page, date and duly sign each of the 6 (six) originals of this Letter and return to the Bank, to the attention of [REDACTED], Legal Department, 2 (two) duly signed originals by registered mail or courier.

Yours faithfully,  
EUROPEAN INVESTMENT BANK

[REDACTED]

[REDACTED]

Agreed and accepted for and on behalf of the Borrower:

[REDACTED]

## Annex I

### Form of legal opinion

European Investment Bank

98-100 Blvd. Konrad Adenauer

L-2950 Luxembourg

Grand Duchy of Luxembourg

To the attention of the Legal Department - Operations 1

</>, </>

Re: **Finance Contract for CZECH RAILWAY INFRASTRUCTURE REHABILITATION**

Dear Sirs,

I, the undersigned [\*], [Minister of Justice/Head of Legal Department of the Ministry of Finance] of the Czech Republic (the “**Borrower**”) in connection with the finance contract (the “**Finance Contract**”) dated [</>] as amended by Amendment Letter No. 1 dated [</>] (the “**Amendment**”) for CZECH RAILWAY INFRASTRUCTURE REHABILITATION in an amount of CZK </>, between the European Investment Bank (the “**Bank**”) and the Borrower. I am giving this opinion pursuant to Article 1.4.B of the Finance Contract. All terms used herein and not otherwise defined shall have the same meaning as in the Finance Contract.

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

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

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

1. Pursuant to Article 35a of the Act of the Czech Republic No. 218/2000, on the budgetary rules and amending other related laws, as amended, the Government of the Czech Republic is the competent organ to authorize the Borrower to enter into the Finance Contract and the Amendment and such organ has authorized the execution of the Finance Contract the Amendment.
2. The Finance Contract and the Amendment have been duly executed and delivered on behalf of the Borrower by </>, </> by virtue of the powers given to [them/him/her] by the Czech law.
3. No provision exists in the Czech Republic, which would make it necessary to ratify the execution, delivery, and implementation of the Finance Contract or the Amendment.
4. The entry into the Finance Contract and the Amendment and the compliance with their terms:
  - (i) will not result in violation of any applicable law, statute, rule or regulation to which the Borrower is subject;
  - (ii) will not conflict with or result in the breach of any provision of any agreement or other instrument binding upon the Borrower which might reasonably be expected to have a material adverse effect on its ability to perform its obligations under the Finance Contract and the Amendment; and
  - (iii) will not constitute a default or an event that, with the giving of notice or the passing of time or both, would constitute a default under any such agreement or instrument.
5. The Finance Contract and the Amendment were duly registered in the registry of contracts (in Czech: *registr smluv*) in accordance with the Czech Act No. 340/2015 Coll. on special conditions for effectiveness of certain contracts, publication of such contracts and on registry of contracts (act on registry of contracts). No other provision exists in the Czech Republic

which would make it necessary that the Finance Contract or the Amendment be filed, recorded or enrolled with any court or authority in order to ensure its legality, validity or enforceability.

6. The Finance Contract and the Amendment constitute a direct, unconditional obligation of the Borrower which ranks in priority of payment at least *pari passu* with all other present and future indebtedness of the Borrower other than indebtedness mandatorily preferred by law.
7. The choice of Czech law as the law governing the Finance Contract and the Amendment is valid and enforceable.
8. Pursuant to Article 11.2 of the Finance Contract and Article 3.7 of the Amendment, the Court of Justice of the European Union shall have jurisdiction in connection with any claim or dispute between the Borrower and the Bank, and any judgment of such courts pertaining to the Finance Contract and the Amendment can be enforced in the Czech Republic.
9. The waiver of immunity under Article 11.2 of the Finance Contract and Article 3.6 of the Amendment is a legally valid and binding obligation of the Borrower.
10. No taxes, duties, fees or other charges, including, without limitation, any registration or transfer tax, stamp duty or similar levy, imposed by the Czech Republic or any political subdivision or taxing authority thereof or therein are payable in connection with the execution and delivery of the Finance Contract or the Amendment, nor in connection with any payment to be made by the Borrower to the Bank pursuant to the same Finance Contract or the Amendment.
11. All exchange control consents which may be necessary pursuant to the laws of the Czech Republic to receive disbursements, to repay the same and to pay interest and all other amounts due under the Finance Contract or the Amendment are in full force and effect.

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

Yours faithfully,