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EIB Internal Classification Level – Corporate Use

SVS - NORTH BOHEMIAN WATER INFRASTRUCTURE

CZK [REDACTED] Facility Agreement

between

European Investment Bank

and

Severočeská vodárenská společnost a.s.





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THIS AGREEMENT (the "**Agreement**") is made

BETWEEN:

- (1) **THE EUROPEAN INVESTMENT BANK**, having its seat at 100 Boulevard Konrad Adenauer, Luxembourg, L-2950 Luxembourg (the "**Bank**"); and
- (2) **Severočeská vodárenská společnost a.s.**, a joint stock company incorporated in the Czech Republic, having its registered office in Teplice, at Přítkovská 1689, PSČ 41550, Czech Republic, Identification No. 49099469, registered in the Commercial Register of the Regional Court Ústí nad Labem, Insert No.: B 466 (the "**Borrower**").

THE PARTIES AGREE AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement:

"**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.

"**Accepted Loan**" means a Loan in respect of which a Utilisation Offer has been duly accepted by the Borrower by delivery of a Utilisation Acceptance.

"**Administrative Fee**" means any fee as determined in accordance with Clause 5.3 (*Administrative Fee*).

"**Affiliate**" means in respect of any entity, another entity that directly or indirectly is in control of, is controlled by, or is under common control with that entity.

"**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.

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

"**Amortisation Schedule**" means the amortisation schedule delivered to the Borrower pursuant to Paragraph 1.8 (*Amortisation Schedule*) in Part I (*Utilisation*) of Schedule 2 (*Utilisation procedure*).

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

"**Authorised Signatory**" means a specified person who has been duly authorised to sign and despatch all documents and notices on behalf of the Borrower (including any Utilisation Acceptance) under or in connection with the Finance Documents to which it is a party and who is specified in the most recent List of Signatories.

"**Availability Period**" means the period from and including the Date of Effectiveness to and including the date falling months after the Date of Effectiveness, and if such day is not a Business Day, then the preceding Business Day.

"**Available Facility**" means the Facility minus the aggregate amount of all Accepted Loans (other than Accepted Loans where the Utilisation thereof has been terminated in accordance with the terms of this Agreement).

"**Benchmark Rate**" means:

- (a) EURIBOR for a Loan denominated in EUR; and
- (b) PRIBOR for a Loan denominated in CZK.

"**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 (codified version).



"Break Costs" means, in respect of the principal amount to be prepaid or its Utilisation terminated, an amount equal to the net present value (at the Relevant Date) of the excess, if any, of:

- (a) the interest (net of the Margin) that would have accrued on that principal amount from the Relevant Date until the Interest Revision/Conversion Date, if any, or the Maturity Date, if such principal amount were not prepaid or its Utilisation terminated; over
- (b) the interest that would have accrued on that same amount and over the same period at the Redeployment Rate, less ■■■ per cent.

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

"Break Costs Prepayment Event" means a Mandatory Prepayment Event other than a Non-EIB Financing Prepayment Event, an Illegality Event or a Change of Law Event.

"Business Day" means a day (other than a Saturday or Sunday):

- (a) in relation to any date of payment or purchase of EUR, on which T2 is open for the settlement of payments in EUR;
- (b) in relation to any date of payment or purchase of CZK, on which banks are open for general business in Prague; and
- (c) for all other purposes, on which the Bank and commercial banks are open for general business in Luxembourg.

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

"Change in the Beneficial Ownership" means a change in the ultimate ownership or control of an entity according to the definition of "beneficial owner" set out in article 3(6) of 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.

"Compliance Certificate" means a certificate substantially in the form set out in Schedule 9 (*Form of Compliance Certificate*).

"Core Business" means the activities conducted primarily by the Borrower, SčVK and SčS consisting of the operation, maintenance, and expansion of water and sewer infrastructure in the Ústí nad Labem Region (in Czech: *Ústecký kraj*) and Liberec Region (in Czech: *Liberecký kraj*).

"Date of Effectiveness" has the meaning given to such term in Clause 22.10 (*Date of Effectiveness*).

"Default" means an Event of Default, or any event or circumstance specified in Clause 15 (*Events of Default*) which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Finance Documents or any combination of the foregoing) be an Event of Default.

"Deferment Fee" means a fee calculated on the amount of an Accepted Loan subject to a Deferred Utilisation at the rate of the higher of:

- (a) ■■■ per cent per annum; and
- (b) the percentage rate by which:
 - (i) the interest rate (net of the Margin) that would have been applicable to such Loan had it been utilised by the Borrower on the Scheduled Utilisation Date, exceeds
 - (ii) the Benchmark Rate (one-month rate) less ■■■ per cent, unless such rate is less than zero in which case it shall be set at zero,

and such fee shall accrue from the Scheduled Utilisation Date to the Deferred Utilisation Date or, as the case may be, until the Utilisation of the Accepted Loan is terminated in accordance with this Agreement.

"Deferred Utilisation" means a Utilisation of an Accepted Loan which has been deferred pursuant to Paragraph 1.1 (*Deferment of Utilisation: Borrower's request*) or Paragraph 1.2 (*Deferment of Utilisation: failure to satisfy conditions to Utilisation*) in Part II (*Deferment and termination procedure*) of Schedule 2 (*Utilisation procedure*).

"Deferred Utilisation Date" means the date to which Utilisation is deferred under Paragraph 1.1 (*Deferment of Utilisation: Borrower's request*) or Paragraph 1.2 (*Deferment of Utilisation: failure to satisfy conditions to Utilisation*) in Part II (*Deferment and termination procedure*) of Schedule 2 (*Utilisation procedure*).



"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 the Facility (or otherwise in order for the transactions contemplated by the Finance Documents to be carried out) which disruption is not caused by and is beyond the control of any of the Parties; 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 a Party preventing that, or any other Party from:
 - (i) performing its payment obligations under the Finance Documents; or
 - (ii) communicating with the other Party in accordance with the terms of the Finance Documents,

and which (in either such case) is not caused by, and is beyond the control of, the Party whose operations are disrupted.

"Drinking Water Directive" means Directive (EU) 2020/2184 of the European Parliament and of the Council of 16 December 2020 on the quality of water intended for human consumption (recast).

"EIA" means the environmental impact assessment within the meaning of the EIA Directive.

"EIA Directive" means Directive 2014/52/EU of the European Parliament and of the Council of 16 April 2014 amending Directive 2011/92/EU on the assessment of the effects of certain public and private projects on the environment.

"eIDAS Regulation" means Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC.

"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 and Social Law" means:

- (a) EU Law, including principles and standards;
- (b) Czech laws; and
- (c) applicable international treaties,

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

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

"EPC Contract" means a building contract concluded by any member of the Group and the EPC contractor for engineering, procurement and construction under which the builder (the EPC contractor) shall deliver a completed project on a turnkey basis.

"Establishment" shall have the meaning as used in Article 2(10) of the Regulation.

"EU Funds" means any financial assistance made to the Borrower from the resources of the European Union.



"**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, principles, decisions and the case law of the Court of Justice of the European Union.

"**EU Procurement Directives**" means Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement, Directive 2014/25/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors, and Directive 2014/23/EU of the European Parliament and of the Council of 26 February 2014 on the award of concession contracts, and Directive 2009/81/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of procedures for the award of certain works contracts, supply contracts and service contracts by contracting authorities or entities in the fields of defence and security.

"**EURIBOR**" has the meaning given to it in Schedule 5 (*Benchmark Rate*).

"**Event of Default**" means any of the circumstances, events or occurrences specified in Clause 15 (*Events of Default*), other than Clause 15.11 (*Acceleration*).

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

"**Facility**" means the loan facility in an amount equivalent to CZK [REDACTED] made available to the Borrower pursuant to this Agreement.

"**Facility Number**" means the Bank-generated number identifying this Agreement and indicated on the cover page of this Agreement after the letters "FI N°".

"**Finance Document**" means this Agreement, any Utilisation Offer, any Utilisation Acceptance and any other document designated as such by the Bank and the Borrower.

"**Financial Indebtedness**" means any indebtedness for or in respect of:

- (a) moneys borrowed and debit balances at banks or other financial institutions;
- (b) any amount raised by acceptance under any acceptance credit or bill discounting facility (or dematerialised equivalent);
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of Finance Leases;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (f) any Treasury Transaction (and, when calculating the value of that Treasury Transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that Treasury Transaction, that amount) shall be taken into account);
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of (i) an underlying liability of an entity which is not a member of the Group which liability would fall within one of the other paragraphs of this definition, or (ii) any liabilities of any member of the Group relating to any post-retirement benefit scheme;
- (h) any amount raised by the issue of shares which are redeemable (other than at the option of the issuer) before the Maturity Date or are otherwise classified as borrowings under GAAP;
- (i) any amount of any liability under an advance or deferred purchase agreement if (i) the agreement has the economic effect of raising finance or financing the acquisition or construction of the asset or service in question, or (ii) the agreement is in respect of the supply of assets or services and payment is due more than 180 (one hundred and eighty) days after the date of delivery or completion of such assets or services (excluding retentions under EPC Contracts withheld from payments until lapse of the defects liability period);
- (j) any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing or otherwise classified as borrowings under the GAAP; and
- (k) the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above.



"Financial Year" means the annual accounting period of the Borrower.

"Fixed Rate" means the annual interest rate which shall: (i) not be less than zero, (ii) be offered by the Bank and accepted by the Borrower in accordance with this Agreement, and (iii) include the Margin.

"Fixed Rate Loan" means a Loan in respect of which a Fixed Rate is applied.

"Floating Rate" means a fixed-spread floating annual interest rate, which is the aggregate of the applicable:

- (a) Benchmark Rate; and
- (b) the Spread,

provided that if that rate is less than zero, the Floating Rate shall be deemed to be zero.

"Floating Rate Loan" means a Loan in respect of which a Floating Rate is applied.

"Floating Rate Reference Period" means, in respect of a Floating Rate Loan, each period commencing on an Interest Payment Date (excluding that day) and ending on the next Interest Payment Date (including that date), provided that the initial Floating Rate Reference Period shall commence on the Utilisation Date of that Floating Rate Loan and end on the first Interest Payment Date, except if such period is 15 (fifteen) days or less, in which case the first Floating Rate Reference Period shall end on the next (second) Interest Payment Date following the Utilisation Date of that Floating Rate Loan and the applicable Benchmark Rate for that period shall be determined pursuant to Schedule 5 (*Benchmark Rate*).

"GAAP" means generally accepted accounting principles (including IFRS) in the country of the Borrower's incorporation at the date of this Agreement.

"GDPR" means General Data Protection Regulation (EU) 2016/679.

"Group" means the Borrower and its Subsidiaries for the time being.

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

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

"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.

"Interest Payment Date" means the semi-annual or quarterly dates specified in the Utilisation Offer until and including the Interest Revision/Conversion Date, if any, or the Maturity Date.

"Interest Revision/Conversion" has the meaning given to such term in Schedule 8 (*Interest Rate Revision and Conversion*).

"Interest Revision/Conversion Date" has the meaning given to such term in Schedule 8 (*Interest Rate Revision and Conversion*).

"Interest Revision/Conversion Proposal" has the meaning given to such term in Schedule 8 (*Interest Rate Revision and Conversion*).

"Interest Revision/Conversion Request" has the meaning given to such term in Schedule 8 (*Interest Rate Revision and Conversion*).

"List of Accounts" means a list, in form and substance satisfactory to the Bank, setting out:

- (a) the Utilisation Accounts, together with evidence that such account(s) has been opened in the name of the beneficiary; and
- (b) the Payment Accounts, together with evidence that such account(s) has been opened in the name of the beneficiary.



"List of Signatories" means a list, in form and substance satisfactory to the Bank, setting out:

- (a) each Authorised Signatory, together with evidence that each Authorised Signatory is authorised to sign and despatch all documents and notices (including any Utilisation Acceptance) under or in connection with the Finance Documents to which the Borrower is a party;
- (b) whether such signatory has an individual representation right or a joint representation right; and
- (c) a specimen signature of each Authorised Signatory.

"Live Pricing Loan" has the meaning given to it in Paragraph 1.2 (*Sending of a Utilisation Offer*) in Part I (*Utilisation*) of Schedule 2 (*Utilisation procedure*).

"Loan" means a loan made or to be made under the Facility or the principal amount outstanding for the time being of that loan.

"Mandatory Prepayment Drawstop Event" means an event, occurrence or circumstance which constitutes or reasonably could (with the passage of time, the giving of notice or the making of any determination under this Agreement) constitute a Mandatory Prepayment Event.

"Mandatory Prepayment Event" means any of the events, occurrences or circumstances described in Clause 6 (*Mandatory Prepayment and Cancellation*) which entitle the Bank to cancel any part of the Available Facility or to demand a prepayment of a Loan.

"Margin" means [REDACTED] per cent per annum.

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

- (a) in relation to any Loan, in the opinion of the Bank:
 - (i) there are events or circumstances adversely affecting the Bank's access to its sources of funding; or
 - (ii) funds are not available from the Bank's ordinary sources of funding in order to adequately fund a Loan; or
- (b) in relation to a Floating Rate Loan:
 - (i) the cost to the Bank of obtaining funds from its sources of funding, as determined by the Bank, for a period equal to the Floating Rate Reference Period of such Loan would be in excess of the applicable Benchmark Rate; or
 - (ii) the Bank determines that adequate and fair means do not exist for ascertaining the applicable Benchmark Rate for the relevant currency of such Loan.

"Material Adverse Effect" means a material adverse effect on:

- (a) the ability of the Borrower to perform its obligations under the Finance Documents;
- (b) the business, operations, property or condition (financial or otherwise) of the Borrower or the Group taken as a whole; or
- (c) the validity or enforceability of any Finance Document or the rights or remedies of the Bank under any of the Finance Documents.

"Maturity Date" means the final Repayment Date of a Loan specified pursuant to Clause 4.2 (*Repayment by instalments*).

"Participating Member State" means any member state of the European Union that has the euro as its lawful currency in accordance with the legislation of the European Union relating to Economic and Monetary Union.

"Party" means a party to this Agreement.

"Payment Account" means the bank account(s) from which payments under this Agreement shall be made by the Borrower (specified by IBAN code if the country is included in the IBAN Registry published by SWIFT, or in the appropriate account format in line with the local banking practice), BIC/SWIFT code of the bank and the name of the bank account(s) beneficiary, as set out in the most recent List of Accounts.



"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.

"Policy and Project Representations" means the representations and warranties set out in Part III (*Project representations*) of Schedule 3 (*Project requirements*) and Part II (*EIB policy representations*) of Schedule 4 (*EIB Policy Requirements*).

"Policy and Project Information Undertakings" means the information undertakings in Part IV (*Project information undertakings*) of Schedule 3 (*Project requirements*) and Part III (*EIB Policy information undertakings*) of Schedule 4 (*EIB Policy Requirements*).

"Policy and Project Undertakings" means the general undertakings in Part V (*Project undertakings*) of Schedule 3 (*Project requirements*) and Part IV (*EIB policy undertakings*) of Schedule 4 (*EIB Policy Requirements*).

"Prepayment Amount" means the amount of a Loan to be prepaid by the Borrower in accordance with Clause 5.1 (*Voluntary prepayment option*), Clause 5.2 (*Voluntary prepayment mechanics*) or Clause 6 (*Mandatory Prepayment and Cancellation*).

"Prepayment Date" means the date on which the Borrower shall effect prepayment of a Prepayment Amount in accordance with the terms of this Agreement.

"Prepayment Notice" means a notice from the Bank to the Borrower specifying:

- (a) the Prepayment Amount;
- (b) the Prepayment Date;
- (c) the accrued interest due;
- (d) the Administrative Fee (if any); and
- (e) in respect of a Fixed Rate Loan only, the Break Costs.

"Prepayment Offer" means a letter from the Bank to the Borrower specifying:

- (a) the Prepayment Amount;
- (b) the Prepayment Date;
- (c) the accrued interest due;
- (d) Break Costs and/or Administrative Fee (if any); and
- (e) the deadline for its acceptance by the Borrower.

"Prepayment Request" means a request from the Borrower to the Bank to prepay all or any part of any outstanding Loans specifying:

- (a) the Prepayment Amount;
- (b) the Prepayment Date;
- (c) if applicable, the choice of application method of the Prepayment Amount in accordance with Clause 19.4 (*Allocation of sums related to Loans*) paragraph (a); and
- (d) the Facility Number.

"Preventive Restructuring Act" means the Act of the Czech Republic No. 284/2023 Coll., on preventing restructuring.

"PRIBOR" has the meaning given to it in Schedule 5 (*Benchmark Rate*).

"Project" has the meaning given to it in Clause 2 (*The Facility and the purpose*) paragraph (b).

"Project Assets" mean any asset used or intended for use or forming part of the Project which are essential for the completion or continued operation of the Project.



"**PSLF**" means a public sector loan facility set up by Regulation (EU) No 2021/1229 of the European Parliament and of the Council of 14 July 2021 on the public sector loan facility under the Just Transition Mechanism and its implementing arrangements.

"**QES**" or "**Qualified Electronic Signature**" means qualified electronic signature in the meaning of the eIDAS Regulation.

"**Regulation**" means Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast).

"**Redeployment Rate**" means the rate which the Bank would apply on the Relevant Date to a loan with the same currency, terms for payment of interest, repayment profile to the Interest Revision/Conversion Date (if any) or the Maturity Date as the Loan for which Break Costs are payable. Such rate shall not be less than zero.

"**Relevant Date**" means, in relation to a Loan or Utilisation, as applicable:

- (a) each Prepayment Date;
- (b) each date of termination of a Terminated Fixed Rate Utilisation; and
- (c) the due date of payment specified in the Bank's notice of demand in accordance with Clause 15.11 (*Acceleration*).

"**Relevant Person**" means, with respect to the Borrower, any member of its management bodies; or any 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 Facility, the Loan or the Project.

"**Repayment Date**" means each Interest Payment Date specified for the repayment of the principal of a Loan in the Utilisation Offer or the Amortisation Schedule, in accordance with Clause 4 (*Repayment*).

"**Repeating Representations**" means each of the representations set out in Clause 12 (*Representations and Warranties*), the Policy and Project Representations, but excluding the representations set out in:

- (a) Clause 12.7 (*No filing or stamp Taxes*);
- (b) Clause 12.9 (*No misleading information*);
- (c) Clause 12.11 (*Material Adverse Effect*);
- (d) Clause 12.13 (*No proceedings*); and
- (e) Clause 12.14 (*Legal and beneficial ownership*).

"**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 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 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 the United Nations Security Council;
- (b) the European Union, including 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, office or authority, including 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 the Office of Financial Sanctions Implementation of His Majesty's Treasury and the Department for International Trade of the United Kingdom.

"**Scheduled Utilisation Date**" means the date on which a Loan is scheduled to be utilised in accordance with Schedule 2 (*Utilisation procedure*).



"**SČS**" means Severočeská servisní a.s., a joint stock company incorporated in the Czech Republic, having its registered office at Přítkovská 1689/14, Trnovany PSČ 41501, Teplice, Czech Republic, Identification No. 05175917, registered in the Commercial Register of the Regional Court Ústí nad Labem, Insert No.: B 2659.

"**SČVK**" means Severočeské vodovody a kanalizace, a.s., a joint stock company incorporated in the Czech Republic, having its registered office at Přítkovská 1689, PSČ 41550, Teplice, Czech Republic, Identification No. 49099451, registered in the Commercial Register of the Regional Court Ústí nad Labem, Insert No.: B 465.

"**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 (including Margin), as determined by the Bank and notified to the Borrower in the relevant Utilisation Offer or in the Interest Revision/Conversion Proposal.

"**Subsidiary**" means an entity of which the Borrower has direct or indirect control or owns directly or indirectly more than 50% (fifty per cent) of the voting capital or similar right of ownership, and "**control**" for this purpose means the power to direct the management and the policies of the entity, whether through the ownership of voting capital, by contract or otherwise.

"**T2**" means the real time gross settlement system operated by the Euro system, or any successor system.

"**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**" means the technical description set out in Part I (*Technical Description*) of Schedule 3 (*Project requirements*).

"**Terminated Fixed Rate Utilisation**" has the meaning given to it in Clause 10.2 (*Break Costs on a terminated Utilisation*).

"**Treasury Transaction**" means any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price.

"**Urban Waste-Water Treatment Directives**" means Council Directive 91/271/EEC of 21 May 1991 concerning urban waste-water treatment and Directive (EU) 2024/3019 of the European Parliament and of the Council of 27 November 2024 concerning urban wastewater treatment (recast).

"**Utilisation**" means a disbursement of a Loan.

"**Utilisation Acceptance**" means an acceptance from the Borrower to the Bank pursuant to and in accordance with Paragraph 1.4 (*Utilisation Acceptance*) in Part I (*Utilisation*) of Schedule 2 (*Utilisation procedure*) and in the form set out in Schedule 6 (*Form of Utilisation Offer and Acceptance*).

"**Utilisation Acceptance Deadline**" means the date and time of expiry of a Utilisation Offer, as specified therein.

"**Utilisation Account**" means, in respect of each Loan, the bank account(s) to which the Utilisation shall be made under this Agreement (specified by IBAN code if the country is included in the IBAN Registry published by SWIFT, or in the appropriate account format in line with the local banking practice), BIC/SWIFT code of the bank and the name of the bank account(s) beneficiary, as set out in the most recent List of Accounts.



"**Utilisation Certificate**" means a certificate substantially in the form set out in Schedule 7 (*Form of Utilisation Certificate*).

"**Utilisation Date**" means the Scheduled Utilisation Date or, in the case of deferment, the Deferred Utilisation Date.

"**Utilisation Offer**" means a letter substantially in the form set out in Schedule 6 (*Form of Utilisation Offer and Acceptance*).

"**Water Framework Directive**" means the Directive 2000/60/EC of the European Parliament and of the Council of 23 October 2000 establishing a framework for Community action in the field of water policy.

1.2 Construction

- (a) Unless a contrary indication appears, any reference in this Agreement to:
- (i) "**Clauses**", "**Parts**" and "**Schedules**" is, save if explicitly stipulated otherwise, a reference respectively to clauses, parts and schedules to this Agreement;
 - (ii) the "**Bank**", the "**Borrower**" or any "**Party**" shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under the Finance Documents;
 - (iii) "**assets**" includes present and future properties, revenues and rights of every description;
 - (iv) a reference to the Borrower's "**knowledge**" or "**best knowledge**" is deemed to include knowledge, information and belief which the Borrower has or would have if the Borrower had made all reasonable enquiries with professional care and, without limitation, includes the knowledge, information and belief of the (current or former) members of the board of directors of the Borrower;
 - (v) a "**Finance Document**" or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended or restated;
 - (vi) "**indebtedness**" includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
 - (vii) a "**person**" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality);
 - (viii) "**law**" or "**laws**" means:
 - (A) any applicable law, any applicable treaty, constitution, statute, legislation, decree, normative act, rule, regulation, judgment, order, writ, injunction, determination, award or other legislative or administrative measure or judicial or arbitral decision in any jurisdiction which is binding or applicable case law; and
 - (B) EU Law;
 - (ix) "**applicable law**", "**applicable laws**" or "**applicable jurisdiction**" means:
 - (A) a law or jurisdiction applicable to the Borrower, its rights and/or obligations (in each case arising out of or in connection with this Agreement), its capacity and/or assets and/or the Project; and/or, as applicable; and
 - (B) a law or jurisdiction (including in each case the Bank's Statute) applicable to the Bank, its rights, obligations, capacity and/or assets;
 - (x) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;
 - (xi) a provision of, or reference to, a law or regulation is a reference to that provision as amended or re-enacted from time to time;
 - (xii) "**including**" and "**in particular**" shall be deemed to be followed by the expression "**(but not limited to)**";



- (xiii) a time of day is a reference to Luxembourg time; and
- (xiv) "**month**" means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that, and subject to the definition of Interest Payment Date, Clause 18.1 (*Day count convention*) and Schedule 5 (*Benchmark Rate*) and unless provided otherwise in this Agreement:
 - (A) if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or, if there is not, on the immediately preceding Business Day; and
 - (B) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month.
- (b) Words and expressions in the plural shall include the singular and vice versa.
- (c) Terms defined in the GDPR, including the terms "**controller**", "**data subject**", "**personal data**", "**processing**" and "**processor**", have the same meanings when used in Clause 22.8 (*Data protection*) or Clause 22.9 (*Independent controller*).
- (d) A reference in this Agreement to a page or screen of an information service displaying a rate shall include:
 - (i) any replacement page of that information service which displays that rate; and
 - (ii) the appropriate page of such other information service which displays that rate from time to time in place of that information service,
 and, if such page or service ceases to be available, shall include any other page or service displaying that rate specified by the Bank.
- (e) Part, Clause and Schedule headings are for ease of reference only.
- (f) Unless a contrary indication appears, a term used in any other Finance Document or in any notice given under or in connection with any Finance Document has the same meaning in that Finance Document or notice as in this Agreement.
- (g) A Default (other than an Event of Default) is "continuing" if it has not been remedied or waived and an Event of Default is "continuing" if it has not been waived.
- (h) A Mandatory Prepayment Drawstop Event is "continuing" if it has not been remedied or waived.
- (i) Wherever a determination, a consent or an action is to be made, given or performed by either of the Parties hereto, unless expressly provided herein to the contrary, such determination, consent or action shall be made, given or performed acting reasonably.

1.3 **Currency symbols and definitions**

- (a) "€", "EUR" and "euro" denote the single currency of the Participating Member States.
- (b) "CZK" denotes the lawful currency of Czech Republic.

2. **THE FACILITY AND PURPOSE**

- (a) Subject to the terms of this Agreement, the Bank makes available to the Borrower the Facility.
- (b) The Borrower shall apply all amounts borrowed by it under the Facility for the financing of various investments related to the rehabilitation, modernization and development of the water and wastewater infrastructure in the Ústí nad Labem region, as more particularly described in the Technical Description (the "**Project**").

3. **CONDITIONS OF UTILISATION**

3.1 **Utilisation procedure**

Each Utilisation shall be made in accordance with the procedure set out in Schedule 2 (*Utilisation procedure*).



3.2 **Conditions precedent to Utilisation Offer**

- (a) The Bank shall only be obliged to send the initial Utilisation Offer if it has received all of the documents and other evidence listed in Part I (*Conditions precedent to first Utilisation Offer*) of Schedule 1 (*Conditions precedent*) in form and substance satisfactory to it.
- (b) No Utilisation Offer shall be sent by the Bank if a Default and/or a Mandatory Prepayment Drawstop Event and/or a Market Disruption Event is continuing.

3.3 **Conditions precedent to initial Utilisation**

The initial Utilisation is subject to the Bank receiving all of the documents and other evidence listed in Part II (*Conditions precedent to initial Utilisation*) and Part III (*Conditions precedent to all Utilisations*) of Schedule 1 (*Conditions precedent*) in form and substance satisfactory to it on or before the date falling 6 (six) Business Days before the Utilisation Date.

3.4 **Conditions precedent to subsequent Utilisations**

Each subsequent Utilisation is subject to the Bank receiving all of the documents and other evidence listed in Part III (*Conditions precedent to all Utilisations*) of Schedule 1 (*Conditions precedent*) in form and substance satisfactory to it on or before the date falling 6 (six) Business Days before the Utilisation Date.

3.5 **Further conditions precedent**

The Bank shall only disburse a Loan if on the date of its Utilisation Acceptance and on its Utilisation Date:

- (a) the Repeating Representations to be made by the Borrower are true in all material respects; and
- (b) no Default and/or no Mandatory Prepayment Drawstop Event is continuing or would result from the Accepted Loan.

4. **REPAYMENT**

4.1 **Repayment of Loans**

Each Loan shall be repaid in instalments.

4.2 **Repayment by instalments**

If a Loan is to be repaid by instalments, such instalments must be made in accordance with the terms of the Amortisation Schedule prepared on the basis that:

- (a) the Maturity Date of any Loan to be repaid by instalments shall fall no earlier than [REDACTED] years and no later than [REDACTED] years from the relevant Scheduled Utilisation Date;
- (b) a Fixed Rate Loan without an Interest Revision/Conversion Date shall be repaid by quarterly or semi-annual equal instalments of principal or constant instalments of principal plus interest;
- (c) a Fixed Rate Loan with an Interest Revision/Conversion Date or a Floating Rate Loan shall be repaid by quarterly or semi-annual equal instalments of principal; and
- (d) the first Repayment Date of a Loan shall be not earlier than [REDACTED] days from the relevant Utilisation Date; and not later than the Repayment Date immediately following [REDACTED] of the Utilisation Date of the Loan.

5. **VOLUNTARY PREPAYMENT AND CANCELLATION**

5.1 **Voluntary prepayment option**

The Borrower may prepay the whole or any part of a Loan.



5.2 Voluntary prepayment mechanics

- (a) If the Borrower intends to make a voluntary prepayment, it shall deliver to the Bank, not earlier than 60 (sixty) days and not later than 30 (thirty) days prior to the proposed Prepayment Date, a Prepayment Request.
- (b) Following receipt of a Prepayment Request in respect of a Fixed Rate Loan, the Bank shall send to the Borrower, not later than 15 (fifteen) days prior to the relevant Prepayment Date, a Prepayment Offer. If the Borrower duly accepts the Prepayment Offer by the deadline specified therein, the Bank shall send to the Borrower, no later than 10 (ten) days prior to the relevant Prepayment Date, a Prepayment Notice. If the Borrower does not duly accept the Prepayment Offer, no prepayment can occur in respect of such Fixed Rate Loan.
- (c) Following receipt of a Prepayment Request in respect of a Floating Rate Loan, the Bank shall send to the Borrower, not later than 10 (ten) days prior to the relevant Prepayment Date, a Prepayment Notice.
- (d) The Borrower shall pay the amount specified in the Prepayment Notice on the relevant Prepayment Date.

5.3 Administrative Fee

If the Bank accepts, in its sole discretion, a Prepayment Request with prior notice of less than 30 (thirty) days, the Borrower shall pay to the Bank a fee of [REDACTED] per each Loan requested to be prepaid, partly or in full, in consideration of the administrative costs incurred by the Bank in connection with such voluntary prepayment. In such case, the Bank will not be obliged to observe the deadlines to send a Prepayment Offer and/or the Prepayment Notice, as applicable, prescribed in this Agreement.

5.4 Voluntary cancellation

The Borrower may, by notice to the Bank, cancel with immediate effect the whole or any part of the Available Facility.

6. MANDATORY PREPAYMENT AND CANCELLATION

6.1 Project cost reduction

- (a) The Borrower shall promptly inform the Bank if a Project Cost Reduction Event has occurred or is likely to occur. At any time after the occurrence of a Project Cost Reduction Event, the Bank may, by notice to the Borrower, cancel the Available Facility and/or demand prepayment of any outstanding Loans up to the amount(s) required to ensure the Project Cost Reduction Event ceases to continue.
- (b) For the purpose of this Clause 6.1, "**Project Cost Reduction Event**" means the amount of the Facility is more than:
 - (i) [REDACTED]; and/or
 - (ii) [REDACTED] when aggregated with the amount of any EU Funds made available for the Project,
 of the total cost of the Project upon its completion.

6.2 Non-EIB financing prepayment

- (a) The Borrower shall promptly inform the Bank if a Non-EIB Financing Prepayment Event has occurred or is likely to occur. At any time after the occurrence of a Non-EIB Financing Prepayment Event, the Bank may, by notice to the Borrower, cancel the Available Facility and/or demand prepayment of any outstanding Loans.
- (b) The proportion of the Available Facility that the Bank may cancel and the proportion of any outstanding Loans that the Bank may require to be prepaid shall not exceed the proportion that the prepaid or cancelled or repurchased amount of the Non-EIB Financing bears to the aggregate outstanding amount of all Non-EIB Financing.
- (c) For the purpose of this Clause 6.2:

"Non-EIB Financing" means any Financial Indebtedness provided to the Borrower and/or any other member of the Group by a creditor other than the Bank for a term of more than 3 (three) years.



"Non-EIB Financing Prepayment Event" means any event where the Borrower and/or any other member of the Group voluntarily prepays a part or the whole of any Non-EIB Financing or repurchases or cancels any creditor's commitment under any Non-EIB Financing, but excluding any voluntary prepayment, repurchase or cancellation:

- (i) made with a prior written consent of the Bank;
- (ii) made within a revolving credit facility (including an overdraft facility); or
- (iii) made from the proceeds of any indebtedness having a term not shorter than the unexpired term of such Non-EIB Financing prepaid.

6.3 Change of control

- (a) The Borrower shall promptly inform the Bank:
 - (i) if a Change of Control Event has occurred; or
 - (ii) if it has reasonable grounds to believe, and to the extent not prohibited by law nor by binding confidentiality obligations, that a Change of Control Event shall occur. In such case, or if the Bank has reasonable grounds to believe a Change of Control Event has occurred or is likely to occur, the Bank may request that the Borrower consult with it.
- (b) After the earlier of:
 - (i) 30 (thirty) days from the date of such request for consultation, provided the Bank has reasonable grounds to believe a Change of Control Event shall occur; or
 - (ii) the occurrence of the Change of Control Event,

the Bank may, by notice to the Borrower, cancel the Available Facility and/or demand prepayment of any outstanding Loans.

- (c) For the purposes of this Clause 6.3:
 - (i) a **"Change of Control Event"** occurs if:
 - (A) [REDACTED]
 - (B) the Borrower ceases to control [REDACTED] or be the beneficial owner (directly) of 100% (one hundred per cent) of the issued share capital of [REDACTED];
 - (ii) **"acting in concert"** means acting together pursuant to an agreement or understanding (whether formal or informal); and
 - (iii) **"control"** means the power to direct the management and policies of an entity, whether through the ownership of voting capital, by contract or through other means.

6.4 Change of law

- (a) 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 grounds to believe that a Change of Law Event has occurred or is likely to occur, the Bank may request that the Borrower consult with it. Such consultation shall take place within 30 (thirty) days of the date of the Bank's request. If, after 30 (thirty) days from the date of such request for consultation, the Bank is of the opinion that the effects of such Change of Law Event cannot be mitigated to its satisfaction, the Bank may, by notice to the Borrower, cancel the Available Facility and/or demand prepayment of any outstanding Loans.
- (b) For the purposes of this Clause 6.4, **"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) which occurs after the date of this Agreement and which could materially impair the Borrower's ability to perform its obligations



under any Finance Document and/or materially limit the ownership right of the Borrower over its key water and wastewater infrastructure assets.

6.5 **Illegality**

- (a) Upon becoming aware of an Illegality Event:
 - (i) the Bank shall promptly notify the Borrower; and
 - (ii) the Bank may, by notice to the Borrower, cancel the Available Facility and/or demand prepayment of any outstanding Loans.
- (b) For the purposes of this Clause 6.5, "**Illegality Event**" means that it becomes unlawful in any applicable jurisdiction, or if it becomes contrary to any Sanctions, for the Bank to:
 - (i) perform any of its obligations as contemplated under any Finance Document; or
 - (ii) fund or maintain the Loan.

6.6 **EU Funds**

- (a) The Borrower shall promptly inform the Bank if it is informed, or has reasonable grounds to believe, that an EU Funds Event has occurred or is likely to occur.
- (b) In such case, or if the Bank has reasonable cause to believe that an EU Funds Event has occurred or is about to occur, the Bank may request that the Borrower consult with it. Such consultation shall take place within 30 (thirty) days from the date of the Bank's request. If, after the lapse of 30 (thirty) days from the date of such request for consultation, the Bank is of the opinion (acting reasonably) that:
 - (i) such EU Funds Event would materially impair the Borrower's ability to perform its obligations under this Agreement; and
 - (ii) the effects of such EU Funds Event cannot be mitigated to its satisfaction (acting reasonably),the Bank may by notice to the Borrower, cancel the Available Facility and/or demand prepayment of any outstanding Loans.
- (c) For the purposes of this Clause 6.6, "**EU Funds Event**" means that:
 - (i) any financial assistance for the Project from any EU Funds has been, or is intended to be suspended, cancelled or cease to be available; or
 - (ii) the Borrower has repaid or has been required to repay fully or partially any applicable EU Funds for the Project.

6.7 **Modification/Loss-of-Licence Event**

- (a) The Borrower shall promptly inform the Bank if a Modification/Loss-of-Licence Event has occurred or is likely to occur. In such case, or if the Bank has reasonable cause to believe that a Modification/Loss-of-Licence Event has occurred or is about to occur, the Bank may request that the Borrower consult with it. Such consultation shall take place within 30 (thirty) days from the date of the Bank's request.
- (b) If, after the lapse of 30 (thirty) days from the date of such request for consultation, the Bank is of the opinion (acting reasonably) that the effects of the Modification/Loss-of-Licence Event cannot be mitigated to its satisfaction (acting reasonably), the Bank may, by notice to the Borrower, cancel the Available Facility and/or demand prepayment of any outstanding Loans, together with accrued interest and all other amounts accrued or outstanding under this Agreement.
- (c) 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.
- (d) For the purposes of this Clause 6.7, "**Modification/Loss-of-Licence Event**" means that (i) any of the Borrower, SčVK and/or SčS is not legally entitled to perform Core Business activity carried on the date of this Agreement by any of the Borrower, SčVK and /or SčS anymore, or (ii) any licence held by any of the Borrower, SčVK and /or SčS to perform such Core Business activity is:



- (i) terminated, suspended or revoked or does not remain in full force and effect or otherwise expires;
- (ii) repudiated by the relevant authority;
- (iii) declared to be unlawful or contrary to any law or regulation; or
- (iv) amended and such amendment adversely affects the Borrower or any member of the Group or the Project.

7. RESTRICTIONS

- (a) Sums due under Clause 6 (*Mandatory Prepayment and Cancellation*), other than under Clause 6.5 (*Illegality*), shall be payable by the Borrower within 30 (thirty) days of demand by the Bank or within any longer period specified in the Bank's demand. Sums due under Clause 6.5 (*Illegality*), shall be payable by the Borrower within the period specified in the Bank's demand.
- (b) Without prejudice to the Borrower's right to reject a Prepayment Offer in accordance with Clause 5.2 (*Voluntary prepayment mechanics*) paragraph (b), any notice of cancellation or Prepayment Request from the Borrower under Clause 5 (*Voluntary Prepayment and Cancellation*), and any notice of termination under Paragraph 1.5 (*Termination of a Utilisation by the Borrower*) in Part II (*Deferment and termination procedure*) of Schedule 2 (*Utilisation procedure*) shall be irrevocable.
- (c) Any prepayment under this Agreement or payment of a sum demanded by the Bank pursuant to Clause 6 (*Mandatory Prepayment and Cancellation*) shall be made together with accrued interest on the amount prepaid and, subject to any Break Costs and Administrative Fee, without premium or penalty.
- (d) The Borrower shall not reborrow any part of the Facility which is repaid or prepaid.
- (e) The Borrower shall not repay or prepay all or any part of the Loans or cancel all or any part of the Available Facility except at the times and in the manner expressly agreed pursuant to the terms of this Agreement.
- (f) No amount of the Available Facility cancelled under this Agreement may be subsequently reinstated.
- (g) At the end of the Availability Period, unless otherwise notified by the Bank to the Borrower, the Available Facility shall be immediately cancelled, without any further notice from the Bank to the Borrower and without any liability arising on the part of either Party.
- (h) Principal and interest under this Agreement shall be payable in the currency of the relevant Loan and other payments, if any, shall be made in the currency specified by the Bank.

8. INTEREST

8.1 Payment of interest

The Borrower shall pay interest on the outstanding balance of each:

- (a) Fixed Rate Loan at the Fixed Rate; and
- (b) Floating Rate Loan at the Floating Rate,

quarterly or semi-annually in arrear on the relevant Interest Payment Dates. If the period from the Utilisation Date to the first Interest Payment Date is 15 (fifteen) days or less, then the payment of interest in respect of a Fixed Rate Loan accrued during such period shall be postponed to the following (second) Interest Payment Date.

8.2 Calculation of interest

(a) Fixed Rate Loans

Interest in respect of a Fixed Rate Loan will be calculated on the basis of Clause 18.1 (*Day count convention*) paragraph (a).

(b) Floating Rate Loans

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



- (ii) In case of a Deferred Utilisation, the Benchmark Rate will be determined in accordance with Schedule 5 (*Benchmark Rate*) for the Floating Rate Reference Period commencing on the Deferred Utilisation Date.
- (iii) Interest in respect of each Floating Rate Reference Period will be calculated on the basis of Clause 18.1 (*Day count convention*) paragraph (b).

(c) **Revision or Conversion of Loans**

If the Borrower exercises an option to revise or convert the interest rate basis of a Loan, it shall, from the effective Interest Revision/Conversion Date, pay interest in accordance with the provisions of Schedule 8 (*Interest Rate Revision and Conversion*).

8.3 Default interest

- (a) If the Borrower fails to pay any amount payable by it under a Finance Document on its due date, interest shall accrue on any overdue amount from the due date up to the date of actual payment (both before and after judgment) at an annual rate equal to:
 - (i) in case of Floating Rate Loans – the applicable Floating Rate plus [REDACTED];
 - (ii) in case of Fixed Rate Loans – the higher of:
 - (A) the applicable Fixed Rate plus [REDACTED] or
 - (B) the Benchmark Rate (one month) plus [REDACTED] and
 - (iii) in case of amounts other than under paragraph (i) or (ii) above – the Benchmark Rate plus [REDACTED]
- (b) Notwithstanding paragraph (a) above, if the overdue sum is in a currency for which no Benchmark Rate is specified under this Agreement, the Bank shall apply the relevant benchmark rate, or as determined by the Bank, the relevant risk-free rate that is generally used by the Bank for transactions in that currency plus [REDACTED], calculated in accordance with the market practice for such rate.
- (c) Any interest accruing under this Clause 8.3 will be payable by the Borrower immediately on demand by the Bank.
- (d) For the purpose of determining the Benchmark Rate in relation to paragraphs (a)(ii)(B) and (a)(iii) above, the relevant periods within the meaning of Schedule 5 (*Benchmark Rate*) shall be successive periods of 1 (one) month commencing on the due date.
- (e) Any unpaid but due interest may be capitalised in conformity with Article 1154 of the Luxembourg Civil Code. For the avoidance of doubt, capitalisation of interest shall occur only for interest due but unpaid for a period of more than 1 (one) year. The Borrower hereby agrees in advance to have the unpaid interest due for a period of more than 1 (one) year compounded and that, as of the capitalisation, such unpaid interest shall in turn produce interest at the interest rate set out in this Clause 8.3.

9. CHANGES TO THE CALCULATION OF INTEREST

9.1 Market disruption

If at any time from the date of a Utilisation Acceptance in respect of a Loan to the date falling either:

- (a) 20 (twenty) Business Days prior to the Utilisation Date for Loans to be utilised in EUR; or
- (b) 2 (two) Business Days prior to the Utilisation Date for Loans to be utilised in CZK,

a Market Disruption Event occurs, the Bank may notify the Borrower that Clause 9.2 (*Optional currency*) shall apply to that Loan.

9.2 Optional currency

- (a) Irrespective of the currency specified in the Utilisation Offer, the Bank may decide to disburse an Accepted Loan in EUR and notify the Borrower of the EUR equivalent to be utilised on the Utilisation Date.



- (b) The rate of interest previously agreed for the relevant Loan shall no longer be applicable and instead the rate of interest on the relevant Loan, until the Maturity Date, or the Interest Revision/Conversion Date (if any), shall be the percentage rate per annum notified by the Bank to the Borrower being the sum of:
- (i) the Margin; and
 - (ii) the rate (expressed as a percentage per annum) determined by the Bank to be the all-inclusive cost to the Bank of funding of the relevant Loan based upon the then applicable internally generated Bank reference rate or an alternative rate determination method determined by the Bank.
- (c) The Borrower shall have the right to refuse such Utilisation within the deadline specified in the notice and shall bear charges (if any) incurred as a result, in which case the Bank shall not disburse the Loan. If the Borrower does not refuse the Utilisation in time, the Utilisation in EUR and the conditions thereof shall be fully binding on all Parties.

10. BREAK COSTS

10.1 Break Costs on voluntary prepayment

- (a) If the Borrower prepays a Fixed Rate Loan, the Borrower shall pay Break Costs to the Bank on the Prepayment Date.
- (b) The prepayment of a Loan on its Interest Revision/Conversion Date may be made without Break Costs unless the Borrower has accepted a Fixed Rate under a new Interest Revision/Conversion Proposal.

10.2 Break Costs on a terminated Utilisation

- (a) If Utilisation of an Accepted Loan to which a Fixed Rate applies is terminated (the "**Terminated Fixed Rate Utilisation**") pursuant to:
- (i) Paragraph 1.4 (*Termination of a Utilisation deferred by 6 (six) months*) in Part II (*Deferment and termination procedure*) of Schedule 2 (*Utilisation procedure*); or
 - (ii) Paragraph 1.5 (*Termination of a Utilisation by the Borrower*) in Part II (*Deferment and termination procedure*) of Schedule 2 (*Utilisation procedure*),
- the Borrower shall pay Break Costs to the Bank on such Terminated Fixed Rate Utilisation, within 15 (fifteen) days of demand by the Bank.
- (b) Such Break Costs shall be calculated on the assumption that the Terminated Fixed Rate Utilisation had been utilised and repaid on the relevant Scheduled Utilisation Date or, to the extent the Utilisation is currently deferred, on the date of the termination notice.

10.3 Break Costs Prepayment Event

In the event of a demand for prepayment of a Fixed Rate Loan upon the occurrence of a Break Costs Prepayment Event, the Borrower shall pay to the Bank on the relevant Prepayment Date the Break Costs in respect of the Fixed Rate Loan that is being prepaid.

10.4 Break Costs on acceleration

- (a) In the event of an acceleration pursuant to Clause 15.11 (*Acceleration*) the Borrower shall pay to the Bank, together with any amount demanded by the Bank under Clause 15.11 (*Acceleration*), in respect of any Fixed Rate Loan, Break Costs on any amount of principal due to be prepaid, and such Break Costs 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.
- (b) Amounts due by the Borrower pursuant to this Clause 10.4 shall be payable on the date specified in the Bank's demand.



11. FEES

11.1 Commitment fee

- (a) The Borrower shall pay to the Bank a fee in the currency of the Facility computed at a rate [REDACTED] per annum on the Available Facility (which, for this Clause 11.1, shall include the aggregate amount of Accepted Loans which have not yet been utilised) from the date falling [REDACTED] months from the Date of Effectiveness to the last day of the Availability Period.
- (b) The accrued commitment fee is payable:
- (i) on 12 May, 12 August, 12 November, 12 February;
 - (ii) on the last day of the Availability Period; and
 - (iii) if the Available Facility is cancelled in full, on the cancelled amount of the Available Facility at the time specified by the Bank.

12. REPRESENTATIONS AND WARRANTIES

The Borrower makes the representations and warranties set out in this Clause 12 and the Policy and Project Representations to the Bank on the date of this Agreement.

12.1 Status

- (a) It is a joint stock company (in Czech: *akciová společnost*) duly incorporated and validly existing under the law of the Czech Republic.
- (b) It has the power to own its assets and carry on its business as it is being conducted.

12.2 Binding obligations

The obligations expressed to be assumed by it in each Finance Document are legal, valid, binding, and enforceable (enforcement shall be done in accordance with Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (recast) ("**Brussels Regulation**").

12.3 Non-conflict with other obligations

The entry into and performance by it of, and the transactions contemplated by, the Finance Documents do not and shall not conflict with:

- (a) any law or regulation applicable to it;
- (b) its constitutional documents; and/or
- (c) any agreement or other instrument binding upon it.

12.4 Power and authority

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Finance Documents to which it is a party and the transactions contemplated by those Finance Documents.

12.5 Validity and admissibility in evidence

All Authorisations required or desirable:

- (a) to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Finance Documents to which it is a party;
- (b) to conduct the business, trade and ordinary activities of the Borrower; and
- (c) to make the Finance Documents to which it is a party admissible in evidence in its jurisdiction of incorporation,



have been obtained or effected and are in full force and effect.

12.6 **Governing law and enforcement**

- (a) The choice of the laws of Luxembourg as the governing law of the Finance Documents will be recognised and enforced in its jurisdiction of incorporation (in accordance with Regulation (EC) No 593/2008 of the European Parliament and of the Council of 17 June 2008 on the law applicable to contractual obligations (Rome I) and Regulation (EC) No 864/2007 of the European Parliament and of the Council of 11 July 2007 on the law applicable to non-contractual obligations (Rome II)).
- (b) Any judgment obtained in Luxembourg in relation to a Finance Document will be recognised and enforced in its jurisdiction of incorporation (in accordance with the Brussels Regulation).

12.7 **No filing or stamp Taxes**

Except for a mandatory publication of this Agreement in the registry of contracts (in Czech: *registr smluv*), under the law of its jurisdiction of incorporation it is not necessary that the Finance Documents be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration or similar tax be paid on or in relation to the Finance Documents or the transactions contemplated by the Finance Documents.

12.8 **No default**

- (a) No Event of Default is continuing or might reasonably be expected to result from the making of any Utilisation.
- (b) No other event or circumstance is outstanding which constitutes a default under any other agreement or instrument which is binding on it or to which its assets are subject which might have a Material Adverse Effect.

12.9 **No misleading information**

- (a) Any factual information provided by any member of the Group (through the Borrower) to the Bank in connection with any Finance Document was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it was stated.
- (b) The financial projections contained in any information supplied by it in connection with any Finance Document have been prepared on the basis of recent historical information and on the basis of reasonable assumptions.
- (c) Nothing has occurred or been omitted from the factual information or financial projections provided and no information has been given or withheld that results in the information contained in the factual information or any financial projections being untrue or misleading in any material respect.

12.10 **Accounts**

The latest available consolidated audited and unconsolidated unaudited financial statements of the Borrower have been prepared on a basis consistent with previous years and (if applicable) have been approved by its auditors as representing a true and fair view of the results of its operations for that year and accurately disclose or reserve against all the liabilities (actual or contingent) of the Borrower.

12.11 **Material Adverse Effect**

No event or circumstance has occurred which is reasonably likely to have Material Adverse Effect since 17 February 2026.

12.12 ***Pari Passu* ranking**

Its payment obligations under the Finance Documents rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

12.13 **No proceedings**

- (a) To the Borrower's best knowledge and belief, no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which, if adversely determined, might reasonably be expected to have a Material Adverse Effect has or have been started or threatened against it.



- (b) To the Borrower's best knowledge and belief, no judgment or order of a court, arbitral body or agency which might reasonably be expected to have a Material Adverse Effect has been made against it.

12.14 Legal and beneficial ownership

As at the date of this Agreement, no Security exists over its assets or over those of the Group.

12.15 Corporate standing

- (a) No petition has been presented or filed for the bankruptcy, insolvency, a moratorium or restructuring of the Borrower or any other member of the Group and neither the Borrower nor any other member of the Group intends to file or initiate filing of any such petition.
- (b) Neither the Borrower nor any other member of the Group has been declared insolvent or bankrupt, no preventive restructuring or restructuring has been approved and no moratorium declared in respect of the Borrower or any other member of the Group and no insolvency trustee has been appointed to prepare a restructuring report.
- (c) Neither the Borrower nor any other member of the Group has commenced negotiations on any rehabilitation project (in Czech: *sanační projekt*) within the meaning of the Preventive Restructuring Act, any restructuring plan or any other similar project or plan nor it nor any other member of the Group prepares such project or plan nor has any such project or plan been prepared or negotiated by third person on its or any other Group member's behalf.
- (d) The Borrower or any other member of the Group is neither insolvent (in Czech: *v úpadku*) nor in a situation of imminent insolvency (in Czech: *hrozícího úpadku*) within the meaning of the applicable insolvency laws.
- (e) Neither the Borrower nor any other member of the Group is in a situation of financial difficulties (in Czech: *finanční potíže*) that meet the condition of sufficient severity (in Czech: *dostatečné závažnosti*) within the meaning of the Preventive Restructuring Act.
- (f) No insolvency or bankruptcy petition in respect of it or any other member of the Group has been rejected on the grounds of insufficient funds.
- (g) Its or any other Group member's obligations are not of higher value than its or any other Group member's respective assets.
- (h) No decision has been made to wind it or any other member of the Group up with or without liquidation.
- (i) No analogous procedure, step or event analogous under the laws of any jurisdiction to any of the procedures, steps or events described in paragraphs (a) to (h) above has been taken or has occurred in any jurisdiction, and there is no threat of any of such procedures, steps or events being taken or occurring.
- (j) The entry into this Agreement is for its corporate benefit.
- (k) It does not enter into this Agreement with the intention to conceal its assets or defraud its creditors.
- (l) It does not enter into this Agreement with the intention to provide more preferential treatment to the Bank than it is provided to its other creditors.
- (m) It and the Bank are not related parties pursuant to any applicable law.
- (n) It and the Bank do not operate under the influence of the same natural and legal person, and the Bank is not a beneficiary of any agreement with it under which it has undertaken any obligation without sufficient consideration.
- (o) Its or any other Group member's Centre of Main Interests is situated in the Czech Republic and it or any other member of the Group has no Establishment in jurisdiction other than the Czech Republic.

12.16 Water Infrastructure

The Borrower and each member of the Group, where relevant, has legal right to use water infrastructure operated by the Borrower and the Group, no concession agreements with non-Group members are required for the operation of



such water infrastructure and neither the Borrower nor any other member of the Group has entered into such concession agreements, save for

- (a) [REDACTED]
- (b) any further lease, usufructuary or operation agreements having the commercial effect of a concession, which are required to perform the Core Business activity carried out on the date of this Agreement by the Borrower.

12.17 **Most favoured lender**

No More Favourable Provision has been concluded with any other creditor of the Borrower.

12.18 **Repetition**

The Repeating Representations are deemed to be made by the Borrower by reference to the facts and circumstances then existing on the date of each Utilisation Acceptance, the date of each Compliance Certificate, each Utilisation Date, and each Interest Payment Date.

13. **INFORMATION UNDERTAKINGS**

The undertakings in this Clause 13 and the Policy and Project Information Undertakings remain in force from the date of this Agreement for so long as any amount is outstanding under the Finance Documents or the Bank has any obligation hereunder.

13.1 **Financial statements**

The Borrower shall deliver to the Bank:

- (a) as soon as they become available but, in any event, within 180 (one hundred and eighty) days after the end of its Financial Years, its audited consolidated and unconsolidated annual report, balance sheet, cash flow statement, profit and loss account and auditors' report for that Financial Year; and
- (b) as soon as they become available but, in any event, within 120 (one hundred and twenty) days after the end of each of the relevant accounting periods, its interim unconsolidated semi-annual report, balance sheet, profit and loss account and cash flow statement for the first half-year of each of its Financial Years.

13.2 **Compliance Certificate**

- (a) The Borrower shall deliver to the Bank, with each set of financial statements delivered pursuant to Clause 13.1 (*Financial statements*) paragraph (a), a Compliance Certificate which shall, amongst other things, set out (in reasonable detail) computations as to compliance with Clause 14.11 (*Financial covenants*).
- (b) Each Compliance Certificate shall be signed by an Authorised Signatory with individual representation right or at least two Authorised Signatories with joint representation rights.

13.3 **Information: miscellaneous**

The Borrower shall inform the Bank of:

- (a) promptly upon becoming aware of them, the details of any litigation, arbitration, administrative proceedings or investigation which are current, threatened or pending against any member of the Group and which might, if adversely determined, result in a Material Adverse Effect;
- (b) promptly upon becoming aware of them, the details of any judgment or order of a court, arbitral body or agency which is made against any member of the Group and which might have a Material Adverse Effect; and
- (c) promptly, such further information regarding the financial condition, business, and operations of any member of the Group as the Bank may reasonably request.



13.4 **Notification of Default**

The Borrower shall notify the Bank of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.

14. **GENERAL UNDERTAKINGS**

The undertakings in this Clause 14 and the Policy and Project Undertakings remain in force from the date of this Agreement for so long as any amount is outstanding under this Agreement or the Bank has any obligation hereunder.

14.1 **Compliance with Laws**

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

14.2 **Negative pledge**

In this Clause 14.2, "**Quasi-Security**" means an arrangement or transaction described in paragraph (b) below.

(a) The Borrower shall not (and shall ensure that no other member of the Group shall) create or permit to subsist any Security over any of its assets.

(b) The Borrower shall not (and shall ensure that no other member of the Group shall):

- (i) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by the Borrower and/or any other member of the Group;
- (ii) sell, transfer or otherwise dispose of any of its receivables on recourse terms;
- (iii) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
- (iv) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising indebtedness or of financing the acquisition of an asset.

(c) Paragraphs (a) and (b) above do not apply to any Security or Quasi-Security listed below:

- (i) any netting or set-off arrangement entered into by any member of the Group in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances;
- (ii) any recourse factoring arrangement entered into by SčS after the date of this Agreement in the ordinary course of trading or any similar agreement(s) having the commercial effect of a recourse factoring entered into by SčS after the date of this Agreement in the ordinary course of trading;
- (iii) any payment or close out netting or set-off arrangement pursuant to any hedging transaction entered into by any member of the Group for the purpose of:
 - (A) hedging any risk to which any member of the Group is exposed in its ordinary course of trading; or
 - (B) its interest rate or currency management operations which are carried out in the ordinary course of business and for non-speculative purposes only,

excluding, in each case, any Security or Quasi-Security under a credit support arrangement in relation to a hedging transaction;

- (iv) any Security or Quasi-Security or preference arising by operation of law and in the ordinary course of trading and not as a result of any default or omission by the Borrower or any other member of the Group;



- (v) any Security or Quasi-Security over or affecting any asset acquired by any member of the Group after the date of this Agreement if:
 - (A) the Security or Quasi-Security was not created in contemplation of the acquisition of that asset by such member of the Group;
 - (B) the principal amount secured has not been increased in contemplation of or since the acquisition of that asset by such member of the Group; and
 - (C) the Security or Quasi-Security is removed or discharged within 2 (two) months of the date of acquisition of such asset;
- (vi) any Security or Quasi-Security over or affecting any asset of any company which becomes a member of the Group after the date of this Agreement, where the Security or Quasi-Security is created prior to the date on which that company becomes a member of the Group, if:
 - (A) the Security or Quasi-Security was not created in contemplation of the acquisition of that company;
 - (B) the principal amount secured has not increased in contemplation of or since the acquisition of that company; and
 - (C) the Security or Quasi-Security is removed or discharged within 2 (two) months of that company becoming a member of the Group;
- (vii) any Security or Quasi-Security entered into pursuant to any Finance Document; or
- (viii) any Security or Quasi-Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to a member of the Group in the ordinary course of trading and on the supplier's standard or usual terms and not arising as a result of any default or omission by any member of the Group.

14.3 Disposals

- (a) The Borrower shall not (and shall ensure that no other member of the Group shall) enter into a single transaction or a series of transactions (whether related or not, whether voluntary or involuntary, and whether to a subsidiary or other person) to sell, lease, transfer or otherwise dispose of any asset.
- (b) Paragraph (a) above does not apply to any sale, lease, transfer or other disposal:
 - (i) made by one member of the Group in favour of another member of the Group in the ordinary course of trading and on arm's length basis, arising over or affecting any asset of any member of the Group;
 - (ii) made in the ordinary course of trading of the disposing entity including, for the avoidance of doubt any sale, lease, transfer or other disposal with any asset which is: (A) outdated, useless and/or worn-out, and (B) not used on a long-term basis or not used for the business of the Borrower or any member of the Group;
 - (iii) of assets in exchange for other assets comparable or superior as to type, value and quality (other than an exchange of a non-cash asset for cash);
 - (iv) of assets (other than shares) for cash where the higher of the market value and net consideration receivable (when aggregated with the higher of the market value and net consideration receivable for any other sale, lease, licence, transfer or other disposal not allowed under the preceding paragraphs does not exceed [REDACTED] (or its equivalent in other currency or currencies) in any given Financial Year of the Borrower; or
 - (v) other disposal with an asset made with the prior written consent of the Bank.



- (c) Paragraph (b) above does not apply to any sale, lease, transfer or other disposal of a Project Asset or any shares in subsidiaries holding Project Assets, which may not be disposed of under any circumstances.

14.4 Merger

- (a) The Borrower shall not and shall ensure that no other member of the Group shall enter into any amalgamation, demerger, merger or corporate reconstruction.
- (b) Paragraph (a) above does not apply to any amalgamation (in Czech: *splynutí*), demerger (in Czech: *rozštěpení*), merger (in Czech: *sloučení*), spin-off (in Czech: *odštěpení*) or corporate reconstruction entered into, on a solvent basis, between:
- (i) the Borrower and any of its Subsidiaries if the Borrower remains the surviving entity; or
 - (ii) any two other members of the Group if any of the members of the Group as of the date of this Agreement, as applicable remains the surviving entity,

and in each case, no substantial change to the Core Business of the Borrower or the Group from that carried on at the date of this Agreement is made as a result, and provided that the rights and obligations of the Borrower under this Agreement remain unaffected.

14.5 Change in business

The Borrower shall procure that no substantial change is made to the Core Business of the Borrower or the Group from that carried on at the date of this Agreement.

14.6 Most favoured lender

- (a) The Borrower shall promptly inform the Bank if any member of the Group incurs any indebtedness the terms of which include a loss of rating clause, a financial covenant or any other provision regarding financial ratios, any mandatory prepayment events, representations and warranties, information undertakings, general undertakings or events of default, which is either:
- (i) more favourable to the relevant creditor than any corresponding provision of this Agreement (i.e. in Clauses 6 (*Mandatory Prepayment and Cancellation*), 12 (*Representations and Warranties*), 13 (*Information Undertakings*), 14 (*General Undertakings*) or Clause 15 (*Events of Default*)) is to the Bank; or
 - (ii) not provided for under this Agreement,
- (each a "**More Favourable Provision**").
- (b) The Borrower shall promptly provide a copy of the More Favourable Provision to the Bank (including any relevant defined terms or references).
- (c) If the Bank so requests, the Borrower shall promptly execute an amendment to this Agreement so as to reflect the More Favourable Provision in favour of the Bank.

14.7 Subsidiaries' Indebtedness

- (a) The Borrower shall ensure that at any time the Subsidiary Financial Indebtedness shall not exceed ██████████ of the Financial Indebtedness of the Group as reflected in the latest consolidated statements.
- (b) For the purposes of this Clause 14.7:
- (i) "**Financial Indebtedness of the Group**" means the consolidated Financial Indebtedness of the Group; and
 - (ii) "**Subsidiary Financial Indebtedness**" means the aggregate Financial Indebtedness of all Subsidiaries of the Borrower with the exception of any Financial Indebtedness incurred from another member of the Group.
- (c) Paragraph (a) above shall not apply to ██████████



14.8 Guarantees and indemnities

- (a) Except as permitted under paragraph (b) below, the Borrower shall not (and shall ensure that no other member of the Group will) incur or allow to remain outstanding any guarantee granted by the Borrower or such other member of the Group in respect of any obligation of any person.
- (b) Paragraph (a) above does not apply to guarantees related to performance bonds only (excluding other types of guarantees) in an aggregate amount not exceeding [REDACTED] or its equivalent in any other currency.

14.9 Joint Ventures

- (a) The Borrower shall not (and shall ensure that no other member of the Group will):
 - (i) enter into, invest in or acquire (or agree to acquire) any shares, stocks, securities or other interest in any Joint Venture; or
 - (ii) transfer any assets or lend to or guarantee or give an indemnity for or give Security for the obligations of a Joint Venture or maintain the solvency of or provide working capital to any Joint Venture (or agree to do any of the foregoing),

without the prior written consent of the Bank, such consent not to be unreasonably withheld or delayed.
- (b) For the purposes of this Clause 14.9, "**Joint Venture**" means any joint venture entity, whether a company, unincorporated firm, undertaking, association, joint venture or partnership or any other entity.
- (c) Paragraph (a) above does not apply to:
 - (i) the acquisition of any shares in a company in which the Group already holds a shareholding interest (i.e. an increase of its existing shareholding); or
 - (ii) any incorporation of a so-called special purpose vehicle company (SPV) by the Borrower, provided that such company is incorporated in the Czech Republic with limited liability, and its primary purpose relates to the Project or maintenance of Project Assets and is controlled by the Borrower or its Subsidiaries.

14.10 Acquisitions

- (a) The Borrower shall not, and shall ensure that no other member of the Group will:
 - (i) acquire a company or any shares or securities or a business or undertaking (or, in each case, any interest in any of them); or
 - (ii) incorporate a company,

without the prior written consent of the Bank, such consent not to be unreasonably withheld or delayed.
- (b) Paragraph (a) above does not apply to:
 - (i) the acquisition of any shares in a company in which the Group already holds a shareholding interest (i.e. an increase of its existing shareholding); or
 - (ii) any incorporation of a so-called special purpose vehicle company (SPV) by the Borrower, provided that such company is incorporated in the Czech Republic with limited liability, and its primary purpose relates to the Project or maintenance of Project Assets and is controlled by the Borrower or its Subsidiaries.

14.11 Financial covenants

- (a) The Borrower shall ensure that in respect of any Relevant Period:
 - (i) Total Net Debt to EBITDA Ratio is equal to or less than [REDACTED];
 - (ii) Interest Cover is equal to or higher than [REDACTED]; and



- (iii) Equity to Total Assets Ratio must not fall below [REDACTED]

The ratios will be tested in respect of any Relevant Period annually as of the end of a Financial Year based on the latest available audited consolidated financial statements of the Borrower, prepared in accordance with the GAAP and compliance by the Borrower therewith will be confirmed to the Bank by delivery of a Compliance Certificate pursuant to Clause 13.2 (*Compliance Certificate*).

- (b) In the event of a breach of any of the ratios as set out in paragraph (a) above, the Bank may request the Borrower to provide or arrange for the provision of a guarantee or other Security, acceptable to the Bank, in order to secure the obligations of the Borrower to the Bank under this Agreement.

(c) **Cure Rights**

- (i) Any of the Affiliates or shareholders may, prior to, or within 30 (thirty) days after, the date that the Compliance Certificate for the Relevant Period in which breach of relevant financial covenants in this Clause 14.11 was first evidenced is due to be delivered in accordance with Clause 13.2 (*Compliance Certificate*), notify the Bank (together with the Borrower) of its intention to remedy such Default, in which case the Borrower shall procure that the relevant Affiliate or shareholder provides, within the same period, the Borrower with an amount (the "**Cure Amount**") which the Borrower shall use to prepay the Loan in accordance with Clause 5 (*Voluntary prepayment and cancellation*) so that the identified Default would be remedied and provided that:

- (A) solely in respect of the calculation of Total Net Debt to EBITDA Ratio, the Cure Amount shall correspond to an amount that would be sufficient to reduce the Total Net Debt so that the relevant financial covenant would be complied with;
- (B) solely in respect of the calculation of Interest Cover, the Cure Amount shall correspond to an amount that, if considered as a part of the operating profit, the relevant financial covenant would be complied with; and
- (C) solely in respect of the calculation of Equity to Total Assets Ratio, the Cure Amount shall correspond to an amount that, if considered as a part of the equity according to the balance sheet, the relevant financial covenant would be complied with.

- (ii) Within the period referred to in paragraph (c)(i) above and in each case not later than together with the Prepayment Request, the Borrower shall deliver to the Bank recalculation of the financial covenants taking into account the relevant Cure Amount.

- (iii) Upon and following the breach of this Clause 14.11:

- (A) subject to paragraph (C) below a Default (and not an Event of Default) shall be continuing in respect of that breach;
- (B) no Default (or Event of Default) shall be continuing in respect of that breach in the event that such breach is remedied in accordance with paragraph (c)(i) above; and
- (C) an Event of Default shall occur only upon: (i) the expiry of the 30 (thirty) days period referred to in paragraph (c)(i) above in the event that the any of the Affiliates or shareholders have failed to notify the Bank of their intention to cure a Default during, or prior to, that period, or (ii) the expiry of the 30 (thirty) days period referred to in paragraph (c)(i) above in the event that the relevant Affiliate or shareholder notified the Bank (together with the Borrower) of its intention to cure a Default, but such Default has not been cured within, or prior to, that period, or (iii) any Affiliate or shareholder having notified the Bank that it has no intention to remedy such Default.

- (iv) Any funds corresponding to the Cure Amount under this Clause 14.11 paragraph (c) may be funds (i) obtained from a loan provided to the Borrower, or (ii) acquired from a capital increase of the Borrower.

- (v) The Cure Rights under this Clause 14.11 paragraph (c)(i) may:

- (A) only be exercised a maximum of 4 (four) times in aggregate during the life of the Facility; and



(B) not be exercised in respect of consecutive breach of the same financial covenant in 2 (two) subsequent Relevant Periods.

(d) For the purposes of this Clause 14.11 (and for the other Clauses, where applicable):

"Acceptable Bank" means:

- (i) a bank or financial institution which has a rating for its long-term unsecured and non credit-enhanced debt obligations of A- or higher by Standard & Poor's Rating Services or its successor or Fitch Ratings Ltd or its successor or A3 or higher by Moody's Investors Service, Inc. or its successor or a comparable rating from an internationally recognised credit rating agency; or
- (ii) any other bank or financial institution approved by the Bank.

"Borrowings" means, at any time, the aggregate outstanding principal, capital or nominal amount (and any fixed or minimum premium payable on prepayment or redemption) of any indebtedness of members of the Group for or in respect of:

- (i) moneys borrowed and debit balances at banks or other financial institutions;
- (ii) any acceptances under any acceptance credit or bill discount facility (or dematerialised equivalent);
- (iii) any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (iv) any Finance Lease;
- (v) receivables sold or discounted;
- (vi) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of (A) an underlying liability of an entity which is not a member of the Group which liability would fall within one of the other paragraphs of this definition, or (B) any liabilities of any member of the Group relating to any post-retirement benefit scheme;
- (vii) any amount raised by the issue of shares which are redeemable (other than at the option of the issuer) before the Maturity Date or are otherwise classified as borrowings under the GAAP;
- (viii) any amount of any liability under an advance or deferred purchase agreement if (A) one of the primary reasons behind the entry into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question, or (B) the agreement is in respect of the supply of assets or services and payment is due more than 90 (ninety) days after the date of supply;
- (ix) any amount raised under any other transaction (including any forward sale or purchase agreement, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing or otherwise classified as borrowings under the GAAP; and
- (x) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (i) to (ix) above.

"Cash" means, at any time, cash in hand or at bank and (in the latter case) credited to an account in the name of a member of the Group with an Acceptable Bank and to which a member of the Group is alone (or together with other members of the Group) beneficially entitled and for so long as:

- (i) that cash is repayable on demand;
- (ii) repayment of that cash is not contingent on the prior discharge of any other indebtedness of any member of the Group or of any other person whatsoever or on the satisfaction of any other condition;
- (iii) there is no Security over that cash; and



- (iv) the cash is freely and immediately available to be applied in repayment or prepayment of the Loan.

"Cash Equivalent Investments" means at any time:

- (i) certificates of deposit maturing within 1 (one) year after the relevant date of calculation and issued by an Acceptable Bank;
- (ii) any investment in marketable debt obligations issued or guaranteed by the government of the United States of America, the United Kingdom, any member state of the European Union or by an instrumentality or agency of any of them having an equivalent credit rating, maturing within 1 (one) year after the relevant date of calculation and not convertible or exchangeable to any other security;
- (iii) any investment in money market funds which:
- (A) have a credit rating of either A-1 or higher by Standard & Poor's Financial Services LLC or its successor or F1 or higher by Fitch Ratings Inc. or its successor or P-1 or higher by Moody's Investors Service, Inc. or its successor; and
- (B) invest substantially all their assets in securities of the types described in paragraphs (i) and (ii) above,
- to the extent that investment can be turned into cash on not more than 30 (thirty) days' notice; or
- (iv) any other debt security approved by the Bank,

in each case, and to which any member of the Group is alone (or together with other members of the Group) beneficially entitled at that time and which is not issued or guaranteed by any member of the Group or subject to any Security.

"Consolidated Equity" means, at any time, the equity according to the balance sheet; and in each case based on and evidenced in the latest Group accounts.

"Consolidated Total Assets" means the total assets of the Group based on the latest audited consolidated financial statements of the Group.

"EBITDA" means, in respect of any Relevant Period, the consolidated operating profit of the Group before taxation:

- (i) **not including** any accrued interest owing to any member of the Group;
- (ii) after **adding** back any amount attributable to the amortisation or depreciation of assets of members of the Group; and
- (iii) after **deducting** the amount of any profit (or adding back the amount of any loss) of any member of the Group which is attributable to minority interests,

in each case, to the extent added, deducted or taken into account, as the case may be, for the purposes of determining operating profits of the Group before taxation.

"Equity to Total Assets Ratio" means the ratio of Consolidated Equity to Consolidated Total Assets.

"Finance Charges" means, for any Relevant Period, the aggregate amount of the accrued interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments in respect of Borrowings paid or payable by any member of the Group (calculated on a consolidated basis) in cash in respect of that Relevant Period:

- (i) **including** the interest (but not the capital) element of payments in respect of Finance Leases;
- (ii) **including** any commission, fees, discounts and other finance payments payable by (and deducting any such amounts payable to) any member of the Group under any interest rate hedging arrangement;
- (iii) **excluding** any interest cost or expected return on plan assets in relation to any post-employment benefit schemes;



- (iv) if a joint venture is accounted for on a proportionate consolidation basis, after **adding** the Group's share of the finance costs or interest receivable of the joint venture; and
- (v) **excluding** any capitalised interest,

so that no amount shall be added (or deducted) more than once.

"**Finance Lease**" means any lease or hire purchase contract, a liability under which would, in accordance with the GAAP, be treated as a balance sheet liability (other than a lease or hire purchase contract which would, in accordance with the GAAP in force prior to 1 January 2019, have been treated as an operating lease). For the avoidance of doubt Finance Leases does not include rental fee paid to municipalities, society of municipalities or third parties relating to agreements on operation of water supply and sewerage infrastructure and related assets for public purpose).

"**Interest Cover**" means the ratio of EBITDA to Finance Charges in respect of any Relevant Period.

"**Relevant Period**" means each period of 12 (twelve) months ending on the last day of any Financial Year.

"**Total Net Debt**" means, at any time, the aggregate amount of all obligations of members of the Group for or in respect of Borrowings at that time but:

- (i) **excluding** any such obligations to any other member of the Group;
- (ii) **including**, in the case of Finance Leases only, their capitalised value; and
- (iii) **deducting** the aggregate amount of Cash and Cash Equivalent Investments held by any member of the Group at that time,

and so that no amount shall be included or excluded more than once.

"**Total Net Debt to EBITDA Ratio**" means, in respect of any Relevant Period, the ratio of Total Net Debt on the last day of that Relevant Period to EBITDA in respect of that Relevant Period.

All expressions used in this Clause 14.11 and not otherwise defined above, shall be construed in accordance with the GAAP accounting principles.

15. EVENTS OF DEFAULT

Each of the events or circumstances set out in this Clause 15 is an Event of Default (save for Clause 15.11 (*Acceleration*)).

15.1 Non-payment

The Borrower does not pay on the due date any amount payable pursuant to a Finance Document at the place and in the currency in which it is expressed to be payable, unless:

- (a) its failure to pay is caused by an administrative or technical error or a Disruption Event; and
- (b) payment is made within 3 (three) Business Days of its due date.

15.2 Misrepresentation

Any representation or statement made or deemed to be made by the Borrower in the Finance Documents or any other document delivered by or on behalf of the Borrower under, or in connection with any Finance Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made.

15.3 Cross default

- (a) Any Financial Indebtedness of the Borrower or any other member of the Group is not paid when due nor within any originally applicable grace period.
- (b) Any Financial Indebtedness of the Borrower or any other member of the Group is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described).



- (c) Any commitment for any Financial Indebtedness of the Borrower or any other member of the Group is cancelled or suspended by a creditor of the Borrower or any other member of the Group as a result of an event of default (however described).
- (d) Any creditor of the Borrower or any other member of the Group becomes entitled to declare any Financial Indebtedness of the Borrower or any other member of the Group due and payable prior to its specified maturity as a result of an event of default (however described).
- (e) The Bank becomes entitled to:
 - (i) declare any indebtedness of the Borrower (other than incurred under this Agreement) or any other member of the Group due and payable prior to its specified maturity as a result of an event of default (however described); or
 - (ii) exercise its rights in respect of any material breach of any guarantee, counter-guarantee, payment undertaking, project agreement, grant agreement, technical assistance agreement or any other form of support for the benefit of the Borrower or any other member of the Group, or exercise any put option, under any arrangement involving the resources of the Bank or of its mandatots.

15.4 **Insolvency**

- (a) The Borrower or any other member of the Group:
 - (i) is unable to pay, or admits its inability to pay, its debts as they fall due;
 - (ii) suspends making payments of any of its debts; or
 - (iii) by reason of actual or anticipated financial difficulties, commences negotiations with 1 (one) or more of its creditors (excluding the Bank under this Agreement) with a view to rescheduling any of its indebtedness.
- (b) The value of the assets of the Borrower or any other member of the Group is less than its liabilities (taking into account contingent and prospective liabilities).
- (c) A moratorium is declared in respect of any indebtedness of the Borrower or any other member of the Group.
- (d) The Borrower or any other member of the Group is in the situation of insolvency (in Czech: *v úpadku*) or imminent insolvency (in Czech: *hrozícího úpadku*) within the meaning of the applicable insolvency laws, in the situation of financial difficulties (in Czech: *finanční potíže*) that meet the condition of sufficient severity (in Czech: *dostatečné závažnosti*) within the meaning of the Preventive Restructuring Act.

15.5 **Insolvency proceedings**

- (a) Any corporate action, legal proceedings or other procedure or step is taken in relation to the suspension of payments, a moratorium of any indebtedness, dissolution, administration or reorganisation (by way of voluntary arrangement, composition or otherwise), including bankruptcy, controlled management, suspension of payments, arrangement with creditors and judicial liquidation proceedings or any analogous procedure or step is taken under any applicable law in any jurisdiction or an order is made or an effective resolution is passed for the winding-up of the Borrower or any other member of the Group, or if the Borrower or any other member of the Group takes steps towards a substantial reduction in its capital, is declared insolvent or ceases or resolves to cease to carry on the whole or any substantial part of its business or activities, or any situation similar to any of the above occurs under any applicable law.
- (b) Any corporate action, legal proceedings or other procedure or step is taken in relation to the appointment of an encumbrancer, a receiver, liquidator, administrator, administrative receiver or similar officer, whether by a court of competent jurisdiction or by any competent administrative authority or by any person, of or over, any part of the business or assets of the Borrower or any other member of the Group or any Project Assets.
- (c) Paragraphs (a) and (b) above shall not apply to any legal proceeding, winding-up petition or other procedure or step of a third party (other than the member of the Group) which is frivolous or vexatious and is discharged, stayed or dismissed within 20 (twenty) Business Days of commencement.



15.6 Creditors' process

Any expropriation, attachment, sequestration, distress or execution affects any asset or assets of the Borrower or any other member of the Group or any Project Assets and is not discharged or stayed within 20 (twenty) Business Days.

15.7 Unlawfulness

- (a) It is or becomes unlawful for the Borrower to perform any of its obligations under the Finance Documents.
- (b) Any Finance Document ceases to be in full force and effect or ceases to be legal, valid, binding, enforceable or effective or is alleged by a party to it (other than the Bank) to be ineffective.

15.8 Material adverse change

Any event or circumstance occurs which has a Material Adverse Effect.

15.9 Financial covenants

Subject to Clause 14.11 (*Financial covenants*) paragraph (c) (*Cure Rights*), any requirement of Clause 14.11 (*Financial covenants*) is not satisfied.

15.10 Other obligations

- (a) The Borrower does not comply with any provision of the Finance Documents (other than those referred to in Clause 15.1 (*Non-payment*) to Clause 15.9 (*Financial covenants*)).
- (b) No Event of Default under paragraph (a) above shall occur if the non-compliance or circumstance giving rise to the non-compliance is capable of remedy and is remedied within 15 (fifteen) Business Days of the earlier of (i) the Bank giving notice to the Borrower, and (ii) the Borrower becoming aware of the failure to comply.

15.11 Acceleration

On and at any time after the occurrence of an Event of Default which is continuing, the Bank may, by notice to the Borrower but without *mise en demeure préalable* or any judicial or extra judicial step:

- (a) cancel the Available Facility whereupon the Available Facility shall immediately be cancelled and the Facility shall immediately cease to be available for further Utilisation; and/or
- (b) declare that all or any part of the Loans, together with accrued interest, and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, whereupon they shall become immediately due and payable.

16. INCREASED COSTS AND INDEMNITY

16.1 Increased Costs

- (a) The Borrower shall, within 3 (three) Business Days of a demand by the Bank, pay the Bank the amount of any Increased Costs incurred by the Bank as a result of (i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation, or (ii) compliance with any law or regulation made after the date of this Agreement.
- (b) In this Agreement "**Increased Costs**" means:
 - (i) a reduction in the rate of return from the Facility or on the Bank's overall capital;
 - (ii) an additional or increased cost; or
 - (iii) a reduction of any amount due and payable under any Finance Document,

which is incurred or suffered by the Bank to the extent that it is attributable to the Bank having entered into any Finance Document or funding or performing its obligations under any Finance Document.



16.2 Indemnity

Without prejudice to any other rights of the Bank under any Finance Document or under any applicable law, the Borrower shall indemnify and hold the Bank harmless from and against any loss incurred as a result of any full or partial discharge that takes place in a manner other than as expressly set out in a Finance Document.

17. COSTS AND EXPENSES

17.1 Transaction expenses

The Borrower shall on demand pay the Bank the amount of all costs and expenses (including legal fees) reasonably incurred by it in connection with the negotiation, preparation, and execution of:

- (a) this Agreement and any other documents referred to in this Agreement; and
- (b) any other Finance Documents.

17.2 Amendment costs

If the Borrower requests an amendment, waiver or consent, the Borrower shall, within the period specified in the demand (which shall not be less than 5 (five) Business Days), reimburse the Bank for the amount of all costs and expenses (including legal fees) reasonably incurred by the Bank in responding to, evaluating, negotiating or complying with that request or requirement.

17.3 Enforcement costs

The Borrower shall, within the period specified in the demand (which shall not be less than 3 (three) Business Days), pay to the Bank the amount of all costs and expenses (including legal fees) incurred by the Bank in connection with the enforcement of, or the preservation of any rights under, any Finance Document and any Security provided in respect of this Agreement.

17.4 Taxes, duties and fees

- (a) 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 any Finance Document or any related document and in the creation, perfection, registration or enforcement of any Security for the Loans to the extent applicable.
- (b) The Borrower shall pay all principal, interest, indemnities and other amounts due under any Finance Document gross without any withholding or deduction of any national or local impositions whatsoever required by law or under any agreement with a governmental authority or otherwise. If the Borrower is obliged to make any such withholding or deduction, it shall gross up the payment to the Bank so that, after withholding or deduction, the net amount actually received by the Bank is equivalent to the sum due.

18. PAYMENT MECHANICS

18.1 Day count convention

Any interest, indemnity, commission or fee accruing under a Finance Document shall accrue from day to day and is calculated on the basis of:

- (a) a year of 360 (three hundred and sixty) days and a month of 30 (thirty) days in respect of a Fixed Rate Loan;
- (b) a year of 360 (three hundred and sixty) days and the number of days elapsed in respect of a Floating Rate Loan; and
- (c) in respect of the fee payable pursuant to Clause 11.1 (*Commitment fee*), a year of 360 (three hundred and sixty) days and the number of days elapsed.

18.2 Payment convention

- (a) If an Interest Payment Date is not a Business Day, it shall be deemed to be:
 - (i) in respect of a Fixed Rate Loan, the following Business Day, without adjustment to the interest due; or



- (ii) in respect of a Floating Rate Loan, the following Business Day in that month, or, failing that, the nearest preceding Business Day, in all cases with corresponding adjustment to the interest due.
- (b) If the date on which any payment other than principal or interest is due to be paid is not a Business Day, such payment shall be made on the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not), in all cases with a corresponding adjustment to the amount of such payment.

18.3 Time and place of payment

- (a) Unless otherwise specified in this Agreement or in the Bank's demand, all sums other than sums of interest, indemnity and principal are payable within 15 (fifteen) days of the Bank's demand.
- (b) The Borrower shall indicate the Facility Number in the payment details for each payment made in accordance with this Agreement.
- (c) A sum due from the Borrower shall be deemed paid when the Bank receives it.
- (d) Any Utilisations shall be made into the Utilisation Account.
- (e) Any payments to the Bank from the Borrower under a Finance Document shall be made from the Payment Account.
- (f) Each sum payable by the Borrower to the Bank under a Finance Document shall be paid to the relevant account notified by the Bank to the Borrower. The Bank shall notify the Borrower of such account not less than 15 (fifteen) days before the due date for the first payment by the Borrower and shall notify any change of such account not less than 15 (fifteen) days before the date of the subsequent payment after which the change applies. This period of notice does not apply in the case of payment under Clause 15 (*Events of Default*).

18.4 Disruption to payment systems

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

- (a) the Bank may, and shall if requested to do so by the Borrower, consult with the Borrower with a view to agreeing with the Borrower such changes to the operation or administration of this Agreement 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) above 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 (including for negligence, gross negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Bank) arising as a result of a Disruption Event or for taking or not taking any action pursuant to or in connection with this Clause 18.4.

19. APPLICATION OF SUMS RECEIVED

19.1 General

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

19.2 Partial payments

- (a) If the Bank receives a payment that is insufficient to discharge all the amounts, then due and payable by the Borrower under the Finance Documents, the Bank shall apply that payment towards the obligations of the Borrower under the Finance Documents (unless otherwise determined by the Bank) in the following order:
 - (i) first, in or towards payment *pro rata* of any unpaid fees, costs, indemnities and expenses due under the Finance Documents;



- (ii) secondly, in or towards payment *pro rata* of any accrued interest due but unpaid under this Agreement;
 - (iii) thirdly, in or towards payment *pro rata* of any principal due but unpaid under this Agreement; and
 - (iv) fourthly, in or towards payment *pro rata* of any other sum due but unpaid under the Finance Documents.
- (b) The Bank may vary the order set out in paragraphs (a)(ii) to (a)(iv) above.
- (c) Paragraphs (a) and (b) above will apply regardless of and override any designation (*déclaration d'imputation*) made by the Borrower.

19.3 No set-off by the Borrower

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

19.4 Allocation of sums related to Loans

- (a) In case of:
- (i) a partial voluntary prepayment of a Loan that is repaid in instalments, the Prepayment Amount shall be applied *pro rata* to each outstanding instalment, or, at the request of the Borrower, in inverse order of maturity; or
 - (ii) a partial compulsory prepayment of a Loan that is repaid in instalments, the Prepayment Amount shall be applied in reduction of the outstanding instalments in inverse order of maturity.
- (b) Sums received by the Bank following a demand under Clause 15.11 (*Acceleration*) and applied to a Loan shall reduce the outstanding instalments in inverse order of maturity. The Bank may apply sums received between Loans at its discretion.
- (c) In case of receipt of sums which cannot be identified as applicable to a specific Loan, and on which there is no agreement between the Bank and the Borrower regarding their application, the Bank may apply these between Loans at its discretion.

20. SET-OFF

The Bank may set off any matured obligation due from the Borrower under the Finance Documents (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 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.

21. NOTICES

21.1 Communication in writing

Any notice or other communication given under the Finance Documents (other than a live pricing call in respect of a Live Pricing Loan) must be in writing and, unless otherwise stated, may be made by letter or electronic mail.

21.2 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 or document to be made or delivered under or in connection with the Finance Documents is:

For the Bank	Attention: Operations
	100 boulevard Konrad Adenauer L-2950 Luxembourg



E-mail address: contactline-99388@eib.org

For the Borrower

Attention: Finance Department

Přítkovská 1689
415 50 Teplice
Czech Republic

E-mail address: info@svs.cz

or any substitute address or electronic mail address or department as a Party may notify to the other by not less than 10 (ten) Business Days' notice.

21.3 Delivery

- (a) Notices and other communications for which fixed periods are laid down in this Agreement, 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) in relation to a hand-delivered or registered letter on the date of delivery; or
 - (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 manner as the other Party has specified for this purpose.
- (b) Any notice provided by the Borrower to the Bank by electronic mail shall:
 - (i) include the Facility Number in the subject line; and
 - (ii) be in the form of a non-editable electronic image (pdf, tif or other common non-editable file format agreed between the Parties) of the notice signed by an Authorised Signatory with individual representation right or at least 2 (two) Authorised Signatories with joint representation rights, attached to the electronic mail.
- (c) Notices issued by the Borrower pursuant to any provision of this Agreement 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 specimen signature of such person or persons.
- (d) Without affecting the validity of electronic mail notices made in accordance with this Clause 21, the following notices and documents, with the exception of notices and documents signed with Qualified Electronic Signatures, shall also be sent by registered letter to the relevant Party at the latest on the immediately following Business Day:
 - (i) Utilisation Acceptance;
 - (ii) any notices in respect of the deferment and cancellation of any Loan, Interest Revision/Conversion of any Loan, Market Disruption Event, Prepayment Request, Prepayment Notice, Event of Default or any demand for prepayment; and
 - (iii) any other notice or document required by the Bank.
- (e) The Parties agree that any of the above communications (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*).

21.4 English language

- (a) Any notice or communication given under or in connection with any Finance Document must be in English.
- (b) All other documents provided under or in connection with any Finance Document 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 shall prevail unless the document is a constitutional, statutory or other official document.

22. MISCELLANEOUS

22.1 Place of performance

The place of performance under this Agreement shall be Luxembourg.

22.2 Accounts

In any litigation or arbitration proceedings arising out of or in connection with a Finance Document, the entries made in the accounts maintained by the Bank are *prima facie* evidence of the matters to which they relate.

22.3 Certificates and determinations

Any certification or determination by the Bank of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

22.4 Entire Agreement

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

22.5 Partial invalidity

If, at any time, any provision of a Finance Document is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired.

22.6 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of the Bank, any right or remedy under a Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the Finance Documents. No election to affirm any Finance Document on the part of the Bank shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in each Finance Document are cumulative and not exclusive of any rights or remedies provided by law.

22.7 Amendments and waivers

Any term of this Agreement may be amended only with the consent the Bank and the Borrower and any such amendment shall be binding on all Parties.

22.8 Data protection

- (a) When disclosing information (other than mere contact information relating to the Borrower's personnel involved in the management of this Agreement ("**Contact Data**")) to the Bank in connection with this Agreement, the Borrower shall redact or otherwise amend that information (as necessary) so that it does not contain any personal data, except where this Agreement requires, or the Bank requests, the disclosure of 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 Agreement, the Borrower shall 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 of 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 from time to time).



22.9 **Independent controller**

For the purposes of GDPR and Regulation (EU) 2018/1725, the Parties acknowledge that each Party shall act as an independent controller, and not a processor on behalf of or joint controller with the other Party, when processing personal data in connection with this Agreement.

22.10 **Date of Effectiveness**

- (a) This Agreement is conditional upon and shall become effective only after receipt by the Bank, in a form and substance acceptable to the Bank, of the evidence that the Borrower has duly published this Agreement 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 Agreement signed by all Parties hereto.
- (b) This Agreement shall not become effective until the Bank sends to the Borrower a letter confirming fulfilment of the above-mentioned conditions and providing the date that this Agreement becomes effective (the "**Date of Effectiveness**"), and such letter shall be the conclusive evidence that this Agreement has become effective.
- (c) For the avoidance of doubt, until such letter has been issued by the Bank, neither the Borrower nor the Bank shall have any claims against each other or have any liability whatsoever under or in connection with this Agreement.
- (d) In case the above-mentioned conditions are not fulfilled within 45 (forty-five) calendar days after the Borrower received this Agreement signed by all Parties, this Agreement shall not enter into force without any further action being necessary or required.

23. **GOVERNING LAW AND JURISDICTION**

23.1 **Governing law**

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

23.2 **Jurisdiction**

The courts of Luxembourg City have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of or in connection with this Agreement (including a dispute regarding the existence, validity or termination of this Agreement or the consequences of its nullity) or any non-contractual obligation arising out of or in connection with this Agreement.



SCHEDULE 1

Conditions precedent

Part I – Conditions precedent to first Utilisation Offer

- 1.1 Evidence that the execution by the Borrower of this Agreement and the performance of its obligations thereunder have been duly authorised and that the person or persons signing this Agreement on behalf of the Borrower is/are duly authorised to do so:
- (a) a copy of the up-to-date articles of association (in Czech: *stanovy*) of the Borrower;
 - (b) a copy of an up-to-date extract from the Czech Commercial Register (in Czech: *obchodní rejstřík*) of the Borrower;
 - (c) a copy of the resolution of the Board of Directors (in Czech: *představenstvo*) of the Borrower; and
 - (d) a copy of the resolution of the Supervisory Board (in Czech: *dozorčí rada*) of the Borrower.
- 1.2 1 (one) original (electronic document) of this Agreement duly executed by all Parties.
- 1.3 The List of Accounts.
- 1.4 The List of Signatories.

Part II – Conditions precedent to initial Utilisation

- 1.1 Evidence that the execution by each party (other than the Bank) of each Finance Document (other than this Agreement) and the performance of its obligations thereunder have been duly authorised and that the person or persons signing the Finance Documents on behalf of such entity is/are duly authorised to do so.
- 1.2 A legal opinion addressed to and capable of being relied to by the Bank of an external legal counsel of the Borrower satisfactory to the Bank under Czech law on the due incorporation, legal capacity, corporate authority and due execution of this Agreement and the relevant documentation by the Borrower and on (but not limited to) recognition by the Czech courts of the legality, validity, binding effect of the Borrower's obligations under this Agreement and the relevant documentation and their enforceability in the Czech courts in the form agreed by the Bank.
- 1.3 A Compliance Certificate signed by an Authorised Signatory with individual representation right or at least 2 (two) Authorised Signatories with joint representation rights confirming compliance by the Borrower with the financial covenants pursuant to Clause 14.11 (*Financial covenants*) and with evidence of such compliance and related calculations.
- 1.4 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 Project or the entry into and performance of, and the transactions contemplated by, the Finance Documents or the legality, validity, binding effect or enforceability of the same.

Part III – Conditions precedent to all Utilisations

- 1.1 A Utilisation Certificate signed by an Authorised Signatory with individual representation right or at least 2 (two) Authorised Signatories with joint representation rights and dated no earlier than 10 (ten) Business Days and no later than 6 (six) Business Days prior to the Utilisation Date.
- 1.2 In respect of a Live Pricing Loan, a Utilisation Acceptance duly countersigned by the Borrower has been delivered to the Bank within the deadline specified therein, pursuant to Paragraph 1.3 (*Content of a Utilisation Offer*) in Part I (*Utilisation*) of Schedule 2 (*Utilisation procedure*).

Part IV – Conditions precedent to Project component aimed at the expansion of groundwater production capacity

With regards to any Utilisation for any Project component aimed at the expansion of groundwater production capacity within the Borrower's service area, all Environmental and Social Approvals of the competent environmental authority.



SCHEDULE 2

Utilisation procedure

Part I – Utilisation

1.1 Request of a Utilisation Offer

- (a) The Borrower may request that the Bank issues a Utilisation Offer provided that such request is delivered to the Bank at least 15 (fifteen) Business Days prior to the last day of the Availability Period and specifies the Utilisation Account to which the Loan should be made.
- (b) Any terms of a proposed Utilisation which are exchanged between the Bank and the Borrower prior to the sending of a Utilisation Offer are indicative only and non-binding.

1.2 Sending of a Utilisation Offer

- (a) Subject to Clause 3.2 (*Conditions precedent to Utilisation Offer*), within 5 (five) Business Days of a notice from the Borrower, the Bank shall, in its own discretion, either:
 - (i) send a Utilisation Offer to the Borrower;
 - (ii) notify the Borrower that the terms of the disbursement of the requested Utilisation shall be agreed during a recorded live pricing call to be held between the Bank and the Borrower (the "**Live Pricing Loan**"). In such case, subject to Clauses 3.3 (*Conditions precedent to initial Utilisation*), 3.4 (*Conditions precedent to subsequent Utilisations*) and 3.5 (*Further conditions precedent*), and following a successful live pricing call between the Bank and the Borrower during which the Parties agree on the terms of the disbursement of the requested Loan, the Bank shall send to the Borrower, on the same Business Day and after such successful pricing call, a Utilisation Offer reflecting the terms agreed during the call, which shall include information as set out in Schedule 6 (*Form of Utilisation Offer and Acceptance*). The latest time for conclusion of a successful live pricing process is 5 (five) Business Days prior to the last day of the Availability Period.
- (b) The Parties agree that a Utilisation Offer may be issued by the Bank as an unsigned document and in such case shall be considered validly executed and delivered on behalf of the Bank provided that such Utilisation Offer is sent by e-mail from the following e-mail address EIB-FirmDisbursementOffer@eib.org to the e-mail address of the Borrower indicated in Clause 21.2 (*Addresses*).
- (c) The Borrower agrees that the Utilisation Offer shall be executed according to this Paragraph 1.2 and shall not be signed by the Bank.

1.3 Content of a Utilisation Offer

Each Utilisation Offer shall specify:

- (a) the currency, amount and CZK equivalent of the Loan;
- (b) the Scheduled Utilisation Date, which shall be a Business Day which falls (i) at least 10 (ten) days after the date of the Utilisation Offer or the successful live pricing call, and (ii) on or before the last day of the Availability Period;
- (c) whether the Loan is:
 - (i) a Fixed Rate Loan; or
 - (ii) a Floating Rate Loan,
 in each case, pursuant to the relevant provisions of Clause 8 (*Interest*);
- (d) for a Fixed Rate Loan, the Fixed Rate, and for a Floating Rate Loan, the Spread, applicable to the Loan until the Interest Revision/Conversion Date (if any) or until the Maturity Date;
- (e) the Interest Payment Dates for the Loan;



- (f) the first Interest Payment Date;
- (g) the terms for repayment of principal for the Loan, in accordance with the provisions of Clause 4 (*Repayment*);
- (h) the first and the last Repayment Date for the Loan;
- (i) the Interest Revision/Conversion Date, if requested by the Borrower, for the Loan;
- (j) the Utilisation Account; and
- (k) the Utilisation Acceptance Deadline.

1.4 **Utilisation Acceptance**

- (a) The Borrower may accept a Utilisation Offer by delivering a Utilisation Acceptance to the Bank no later than the Utilisation Acceptance Deadline. The Utilisation Acceptance shall be signed by an Authorised Signatory with individual representation right or at least 2 (two) Authorised Signatories with joint representation rights.
- (b) The Borrower shall sign the Utilisation Acceptance either by way of wet-ink signature or electronic signature. The use of electronic signature is limited to Qualified Electronic Signatures.
- (c) If a Utilisation Offer is duly accepted by the Borrower by delivering a Utilisation Acceptance in accordance with the terms of the Utilisation Offer on or before the Utilisation Acceptance Deadline, the Bank shall make the Accepted Loan available to the Borrower in accordance with the relevant Utilisation Offer and subject to the terms and conditions of this Agreement.
- (d) For Loans other than Live Pricing Loans, the Borrower shall be deemed to have refused any Utilisation Offer which has not been duly accepted by delivering a Utilisation Acceptance on or before the Utilisation Acceptance Deadline.

1.5 **Utilisation Account**

- (a) Each Utilisation shall be made to the Utilisation Account specified in the relevant Utilisation Offer.
- (b) Notwithstanding Clause 18.3 (*Time and place of payment*) paragraph (d), the Borrower acknowledges that payments to a Utilisation Account notified by the Borrower shall constitute Utilisations under this Agreement as if they had been made to the Borrower's own bank account.
- (c) Only 1 (one) Utilisation Account may be specified for each Loan.

1.6 **Currency of Utilisation**

- (a) Each Loan shall be in EUR or in CZK, if it is readily available in the amount required and freely convertible into EUR in the wholesale market for that currency on the day of the Utilisation Offer and on the Utilisation Date for that Loan.
- (b) For the calculation of the sums available to be utilised in EUR, and to determine their equivalent in CZK, the Bank shall apply the rate published by the European Central Bank in Frankfurt am Main, available on or shortly before the date of the Utilisation Offer as the Bank shall decide.

1.7 **Minimum amount of Loan**

The amount of each Loan shall be in a minimum amount equivalent to CZK 120,000,000 (one hundred and twenty million Czech crowns) or (if less) the Available Facility. The Borrower may request no more than 10 (ten) Loans under this Agreement. The amount of each Loan (and therefore the resulting number of Loans) may be adjusted depending on market conditions.

1.8 **Amortisation Schedule**

- (a) Following receipt of a Utilisation Acceptance for a Loan to be repaid by instalments, the Bank shall send to the Borrower the Amortisation Schedule referred to in Clause 4 (*Repayment*) not later than 10 (ten) Business Days after the Utilisation Date for such Loan.
- (b) Each Amortisation Schedule shall include the following:



- (i) the Utilisation Date;
- (ii) the currency of the Loan;
- (iii) the amount of the Loan;
- (iv) the Repayment Dates; and
- (v) the Maturity Date.

Part II – Deferment and termination procedure

1.1 Deferment of Utilisation: Borrower's request

- (a) The Borrower may defer the Utilisation of an unutilised Accepted Loan by notifying the Bank no later than 5 (five) Business Days prior to the Utilisation Date.
- (b) The Bank shall defer the relevant Utilisation pursuant to this Paragraph 1.1 provided that such notice specifies:
 - (i) whether the Borrower would like to defer the Utilisation in whole or in part, and, if in part, the amount to be deferred; and
 - (ii) the date until which the Borrower would like to defer a Utilisation of the above amount, which must be a Business Day falling not later than:
 - (A) 6 (six) months from its Scheduled Utilisation Date;
 - (B) 30 (thirty) days prior to the first Repayment Date; and
 - (C) the last day of the Availability Period.

1.2 Deferment of Utilisation: failure to satisfy conditions to Utilisation

- (a) The utilisation of an Accepted Loan shall be deferred if any condition for Utilisation of such Accepted Loan referred to in Clause 3 (*Conditions of Utilisation*) is not fulfilled:
 - (i) at the date specified for fulfilment of such condition in Clause 3 (*Conditions of Utilisation*); or
 - (ii) at its Utilisation Date.
- (b) Without prejudice to the Bank's right to cancel the Available Facility in whole or in part pursuant to the terms of this Agreement, the Bank shall defer such Accepted Loan until a Business Day falling:
 - (i) not earlier than 6 (six) Business Days following the fulfilment of all conditions of Utilisation;
 - (ii) not later than 30 (thirty) days prior to the first Repayment Date; and
 - (iii) not later than the last day of the Availability Period.

1.3 Deferment Fee

The Borrower shall pay the Deferment Fee in respect of any Deferred Utilisation within 15 (fifteen) days of the Bank's demand, or within any longer period specified in the Bank's demand.

1.4 Termination of a Utilisation deferred by 6 (six) months

If a Utilisation has been deferred by more than 6 (six) months in aggregate, the Bank may notify the Borrower that such Utilisation shall be terminated with effect on the date of such notification. The amount of the Utilisation which is terminated by the Bank pursuant to this Paragraph 1.4 shall form part of the Available Facility.

1.5 Termination of a Utilisation by the Borrower

The Borrower may terminate the Utilisation of an unutilised Accepted Loan by notifying the Bank no later than 5 (five) Business Days prior to the Utilisation Date.



Part II – Reporting

1.1 Dispatch of information: designation of the person responsible

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

	Financial Contact	Technical Contact
Company	Severočeská vodárenská společnost a.s.	Severočeská vodárenská společnost a.s.
Contact person	██████████	██████████
Title	██████████	██████████
Function / Department financial and technical	Finance Department	Strategy and Planning Division
Address	Přítkovská 1689, 415 50 Teplice IČ: 490 99 469	Přítkovská 1689, 415 50 Teplice IČ: 490 99 469
Phone	██████████	██████████
Mobile	██████████	██████████
E-mail	██████████	██████████

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

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

1.2 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
<p>Project Progress Report</p> <p>The report to cover progress made during the previous financial year (January to December).</p> <ul style="list-style-type: none"> - A brief update on the Technical Description, explaining the reasons for significant changes vs. initial scope; - Update on the date of completion of each of the main Project's components, explaining reasons for any possible delay; - Update on the cost of the Project, explaining reasons for any possible cost variations vs. initial budgeted cost; - A description of any major issue with impact on the environment and/or social impact; - Update on the Project's demand or usage and comments; - 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 on-going; - Non-confidential Project-related pictures, if available; - Submission of EIA (non-technical summary and full copy) for any Project component (sub-project) where it is required based on the decision of the competent environmental authority (including the screening-in decision by the authority); - Copies of environmental permits and EIA screening-out decisions for any Project component (sub-project) as issued by the competent environmental authority; and - Update on the Monitoring Indicators (achievement to date): <ul style="list-style-type: none"> o Water production capacity (rehabilitated or new (increase)), m³/day; o Length of water mains (new or rehabilitated), km; o Wastewater treatment capacity (rehabilitated or new (increase)), m³/day and PE (population equivalent); o Length of sewers (new or rehabilitated), km. 	30 April	Annually



1.3 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
<p>Project Completion Report, including:</p> <ul style="list-style-type: none"> - A final Technical Description of the Project as completed, explaining the reasons for any significant change compared to the Technical Description in Part I (<i>Technical Description</i>) of this Schedule 3; - The date of completion of each of the main Project's components, explaining reasons for any possible delay; - The final cost of the Project, with an explanation of reasons for any possible significant (+/-25%) cost variations vs. initial budgeted cost, at component or investment group (e.g., water production, water network, wastewater treatment, stormwater network, etc.) level; - Employment effects of the Project: person-days required during implementation as well as permanent new jobs created; - A description of any major issue with impact on the environment or social impacts; - Update on the Project's demand or usage and comments; - 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 on-going; - Non-confidential Project-related pictures, if available; - Submission of EIA (non-technical summary and full copy) for any Project component where it is required based on the decision of the competent environmental authority, including the screening in decision by the authority (only those which have not been submitted as part of progress reporting); - Copies of environmental permits and EIA screening-out decisions for any Project component (sub-project) as issued by the competent environmental authority (only those which have not been submitted as part of progress reporting); and - An update on the following Monitoring Indicators complete with an explanation for significant (+/-25%) variations between appraisal stage and final achieved numbers: <ul style="list-style-type: none"> o Water production capacity (rehabilitated or new (increase)), m³/day; o Length of water mains (new or rehabilitated), km; o Wastewater treatment capacity (rehabilitated or new (increase), m³/day and PE (population equivalent); o Length of sewers (new or rehabilitated), km. 	30 April 2032

1.4 Language of reports

All report shall be delivered in English.

Part III – Project representations

1.1 State subsidies or grants

The financing of the Project includes certain EU Funds, state subsidies or grants and the provision of such funds has been duly authorised.

1.2 Environmental or Social Claims

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 the Borrower or any relevant Affiliate in relation to the Project save for any Environmental or Social Claim previously disclosed to the Bank.

1.3 Good title to assets

It has a good, valid and marketable title to, or valid leases or licences of, and all appropriate Authorisations to use and operate the assets comprising the Project.



Part IV – Project information undertakings

- (a) The Borrower shall deliver to the Bank:
- (i) the information in content and in form, and at the times, as agreed in Part II (*Reporting*) above; and
 - (ii) any such information or further document concerning the financing, procurement, implementation, operation and environmental or social matters of or for the Project as the Bank may require within a reasonable time.
- (b) If the Borrower does not deliver the information or document referred to in paragraph (a) above by the required time, the Bank may, at the Borrower's expense, employ its own staff or a consultant or any other third party to determine or obtain such information or document and the Borrower shall provide such assistance and access necessary for this purpose.
- (c) The Borrower shall, promptly upon becoming aware of it, inform the Bank of:
- (i) any action or protest initiated or any objection raised by any third party or any genuine complaint received by the Borrower, which is material or any material Environmental or Social Claim that it to its knowledge commenced, pending or threatened against it or any relevant Affiliate with regard to environmental or other matters affecting the Project;
 - (ii) any incident or accident relating to the Project which has or is likely to have a significant adverse effect on the Environment or on Social Matters;
 - (iii) any fact or event which may substantially prejudice or affect the implementation or operation of the Project;
 - (iv) any material non-compliance by it with any applicable Environmental and Social Law; and
 - (v) any suspension, revocation or material modification of any Environmental and Social Approval,
- and set out the action to be taken with respect to such matters.

Part V - Project undertakings

1.1 Completion of Project

The Borrower shall complete the Project by [REDACTED].

1.2 Maintenance

- (a) The Borrower shall maintain in good working order and condition (ordinary wear and tear excepted) all of the Project Assets.
- (b) The Borrower shall ensure that the Project is completed and maintained in accordance with:
- (i) the Technical Description and without any change to the nature of the Project (save for any immaterial modifications communicated to the Bank); and
 - (ii) all information regarding the Project provided to the Bank prior to the date of this Agreement.

1.3 Insurance

The Borrower shall maintain insurances in respect of all works and Project Assets with reputable underwriters or insurance companies in accordance with the relevant industry practice and to the extent usual for companies carrying on the same or substantially similar business.

1.4 Project Authorisations

The Borrower shall, at the appropriate time for the Project, obtain and then comply with and maintain in full force and effect all Authorisations and proprietary rights required to enable the Project to be implemented in accordance with the Technical Description.



1.5 Procurement procedure

- (a) The Parties consider that the Borrower is a contracting authority or contracting entity within the meaning of EU Procurement Directives and, consequently, EU Law shall apply to the award of works, services, and goods under the Project.
- (b) The Borrower shall request in the tender documents or other reference documents for award procedures pursuant to in paragraph (a) above (in each case, for documents dated on or after the date of this Agreement) that the bidders declare whether or not they are subject to any exclusion decision or temporary suspension pursuant to the Exclusion Policy.
- (c) If a bidder declares to the Borrower prior to the contract award that it is subject to any exclusion decision or temporary suspension covered by the Exclusion Policy, the Borrower shall inform the Bank of any such self-declared exclusion, engage with the Bank in good faith and shall make best efforts in order to:
 - (i) achieve an exclusion of such bidder under applicable law so that the bidder does not participate in the Project; or
 - (ii) should such an exclusion not be possible, restructure the scope of the Project so that no proceeds of the Loan be applied towards any works, services or goods under any contract awarded to that bidder, unless otherwise agreed with the Bank.
- (d) In case during the term of the Agreement, and as approved by the Bank, the Borrower ceases to be a contracting authority or a contracting entity within the meaning of the EU Procurement Directives, the Borrower shall apply the criteria of economy and efficiency, ensure an appropriate selection of works, goods and services offered at competitive prices and in a timely manner, and negotiate contracts impartially and according to the best interests of the Project.

1.6 Environment and social matters

The Borrower shall:

- (a) implement and operate the Project materially in compliance with Environmental and Social Law;
- (b) obtain and maintain requisite Environmental and Social Approvals for the Project;
- (c) materially comply with any such Environmental and Social Approvals for the Project;
- (d) act in accordance with provisions of the relevant EU Directives, including, but not limited to the EIA Directive, Habitats Directive, Birds Directive, Drinking Water Directive, Urban Waste-Water Treatment Directives and the Water Framework Directive;
- (e) ensure that no proceeds of the Loan will be committed or used to finance a Project component that requires a full EIA until the EIA and/or the necessary nature assessment have been finalised and approved by the relevant competent authority; and
- (f) provide to the Bank, if requested, any decisions issued by the competent authority that screen out the Project components and the main reasons for not requiring EIA with the reference to the relevant criteria listed in Annex III of the EIA Directive.



SCHEDULE 4

EIB Policy Requirements

Part I – Acknowledgements

1.1 Anti-money laundering and countering the financing of terrorism

The Borrower acknowledges that 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.

1.2 Transparency Policy

The Borrower acknowledges that 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.

Part II – EIB policy representations

1.1 Sanctioned Persons

None of the Borrower and/or any Relevant Person:

- (a) is a Sanctioned Person; or
- (b) is in breach of any Sanctions.

It is acknowledged and agreed that the representations set out in this Paragraph 1.1 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.

1.2 List of Accounts and List of Signatories

The most recent List of Accounts and the most recent List of Signatories are up to date and correct.

Part III – EIB Policy information undertakings

1.1 Information concerning the Project

- (a) The Borrower shall promptly inform the Bank of any genuine allegation, complaint or information with regard to Illegal Activity or any Sanctions related to the Project and set out the action to be taken with respect to such matters.
- (b) The Borrower shall, promptly upon request, provide to the Bank:
 - (i) a certificate of its insurers showing fulfilment of the requirements of Paragraph 1.3 (*Insurance*) in Part V (*Project undertakings*) of Schedule 3 (*Project requirements*); and
 - (ii) annually, a list of policies in force covering the insured Project Assets, together with confirmation of payment of the current premiums.

1.2 Information concerning the Borrower

The Borrower shall:

- (a) When requested and within a reasonable time, deliver to the Bank such information, evidence or document (which is not already available to the Bank, including in terms of format, validity or content), concerning the compliance with the customer due diligence (CDD) and/or know your customer (KYC) requirements or similar identification and verification procedures relating to the Borrower under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents, as well as the Bank's internal policies;



- (b) promptly provide the Bank with a current List of Accounts and a current List of Signatories:
 - (i) upon the request of the Bank; or
 - (ii) if any information or evidence in a previous List of Accounts or List of Signatories requires updating,

which the Bank shall approve in writing upon being satisfied with the content of any revised List of Accounts or any revised List of Signatories; and

- (c) inform the Bank immediately of:
 - (i) unless prohibited by law, any material litigation, arbitration, investigations or administrative proceedings carried out by a court, administration or similar public authority, which, to the best of its knowledge and belief, is current, imminent or pending against the Borrower or its controlling entities or members of the Borrower's management bodies in connection with Illegal Activity related to the Facility, the Loan or the Project;
 - (ii) any Change in the Beneficial Ownership of the Borrower;
 - (iii) any claim, action, proceeding, formal notice or investigation relating to any Sanctions concerning the Borrower or any Relevant Person; and
 - (iv) any measure taken by the Borrower pursuant to Paragraph 1.1 (*Integrity*) in Part IV (*EIB policy undertakings*) of this Schedule 4.

Part IV – EIB policy undertakings

1.1 Integrity

The Borrower shall implement, within a reasonable timeframe, appropriate measures in respect of any member of its management bodies who has been convicted by a final and irrevocable court ruling of an Illegal Activity perpetrated in the course of the exercise of their professional duties, in order to ensure that such member is excluded from any Borrower's activity in relation to the Facility, the Loans or the Project.

1.2 Integrity audit rights

The Borrower shall ensure that all contracts awarded after the date of this Agreement pursuant to Paragraph 1.5(a) (*Procurement procedure*) in Part V (*Project undertakings*) of Schedule 3 (*Project requirements*), shall contain provisions which:

- (a) require the relevant contractor to promptly inform the Bank of any genuine allegation, complaint or information relating to any Illegal Activity which have occurred or are alleged to have occurred and which relate to or affect the Project;
- (b) require the relevant contractor to keep books and records of all financial transactions and expenditures in connection with the Project for a period of no less than 7 (seven) years from the substantial performance of the relevant contract; and
- (c) include a right for the Bank, in the event of an alleged Illegal Activity, to review the books and records of the relevant contractor relating to the Project and to take copies of documents (to the extent permitted by law).

1.3 Books and Records

The Borrower shall ensure that it has kept and shall continue to keep proper books and records of account, in which full and correct entries shall be made of all financial transactions and the assets and business of the Borrower, including expenditures in connection with the Project, in accordance with GAAP as in effect from time to time.

1.4 Visits by the Bank

- (a) The Borrower shall allow persons designated by the Bank, as well as persons designated by other institutions or bodies of the European Union, when so required by the relevant mandatory provisions of EU Law:
 - (i) to visit the sites, installations and works constituting the Project;



- (ii) to interview representatives of the Borrower, and not obstruct contact with any other person involved in or affected by the Project; and
 - (iii) to review the Borrower's books and records in relation to the execution of the Project and to be able to take copies of related documents to the extent permitted by the law.
- (b) The Borrower shall provide to the Bank, or ensure that the Bank is provided with, all necessary assistance for the purposes described in this Paragraph 1.4.
 - (c) The Borrower acknowledges and agrees that the Bank may be obliged to communicate information relating to the Borrower and the Project to any competent institution or body of the European Union in accordance with the relevant mandatory provisions of EU Law and/or the PSLF.

1.5 Sanctions

The Borrower shall not, 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 the Project;
- (b) use all or any 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 any part of any payment under a Finance Document out of proceeds derived from activities or businesses with a Sanctioned Person, a person in breach of any 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 Part IV 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 Borrower acknowledges that this operation is financed under a programme mentioned in Article 51 of the Council Regulation (EU) No 833/2014 of 31 July 2014, which provides that it is prohibited to provide direct or indirect support including financing and financial assistance or any other benefit to (i) a legal person, entity or body established in Russia or (ii) a legal person, entity or body whose proprietary rights are directly or indirectly owned for more than 50% (fifty per cent) by an entity referred to in (i) of this paragraph, unless permitted pursuant to such Council Regulation.

Part V – EIB Visibility Requirements

- (a) The Borrower agrees that it will use the Bank's logo, together with a statement highlighting the Bank's support to the Project (i.e., "supported by the EIB" or an equivalent language), in a visible way in its posts on its and/or Project's websites and social media accounts and, as applicable, in all press releases and communication materials, related to the financing of the Project.
- (b) The Borrower agrees that it will display durable plaques, billboards or similar displays clearly visible to the public, that present the Bank's logo and clearly recognise the Bank's support to the Project, in accordance with the technical characteristics agreed with the Bank.



SCHEDULE 5

Benchmark Rates

Part I – EURIBOR

"EURIBOR" means:

- (a) in respect of a relevant period of less than 1 (one) month, the Screen Rate (as defined below) for a term of 1 (one) month;
- (b) in respect of a relevant period of 1 (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 1 (one) month for which a Screen Rate is not available, the rate resulting from a linear interpolation by reference to 2 (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) 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) 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. The Bank shall inform the Borrower without delay of the quotations received by the Bank.

All percentages resulting from any calculations referred to in this Part I of Schedule 5 will be rounded, if necessary, to the nearest one thousandth of a percentage point, with halves being rounded up.

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 Loan based upon the then applicable internally generated Bank reference rate or an alternative rate determination method reasonably determined by the Bank.



Part II – PRIBOR

"PRIBOR" means, in respect of CZK:

- (a) in respect of a relevant period of less than 1 (one) month, the Screen Rate (as defined below) for a term of 1 (one) month;
- (b) in respect of a relevant period of 1 (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 1 (one) month for which a Screen Rate is not available, the rate resulting from a linear interpolation by reference to 2 (two) Screen Rates, one of which is applicable for a period next shorter and the other for a period next longer than the length of the relevant period,

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

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

- (i) "**available**" means the rates of interest that are commonly quoted for the relevant maturity; and
- (ii) "**Screen Rate**" means the rate of interest for deposits in CZK for the relevant period as published at 11:00 a.m., Prague time, or at a later time acceptable to the Bank on the day (the "**Reset Date**") which falls 2 (two) Prague Business Days prior to the first day of the relevant period, on Reuters page PRIBOR= 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 Prague offices of 4 (four) major banks in the Czech Crown interbank market, selected by the Bank, to quote the rate at which CZK deposits in a comparable amount are offered by each of them as at approximately 11:00 a.m., Prague time, on the Reset Date to prime banks in the Czech Crown interbank market for a period equal to the Representative Period. If at least 2 (two) quotations are provided, the rate for that Reset Date will be the arithmetic mean of the quotations.

If fewer than 2 (two) quotations are provided as requested, the rate for that Reset Date will be the arithmetic mean of the rates quoted by major banks in the Czech Crown interbank market, selected by the Bank, at approximately 11:00 a.m., Prague time, on the day which falls 2 (two) Prague Business Days after the Reset Date, for loans in CZK in a comparable amount to leading European Banks for a period equal to the Representative Period.

If no rate is available as provided above, PRIBOR 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 Loan based upon the then applicable internally generated Bank reference rate or an alternative rate determination method reasonably determined by the Bank.

For the purposes of the foregoing definitions:

- (a) "**Prague Business Day**" means a day on which banks are open for normal business in Prague.
- (b) All percentages resulting from any calculations referred to in this Part II of Schedule 5 will be rounded, if necessary, to the nearest one hundredth of a percentage point, with halves being rounded up.
- (c) 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 Czech Financial Benchmark Facility (CFBF) (or any successor to that function as determined by the Bank), the Bank may by notice to the Borrower amend the provision to bring it into line with such other provisions.



SCHEDULE 6

Form of Utilisation Offer and Acceptance

Utilisation Offer / Acceptance
Valid until: [time] CET on [date]

To: Severočeská vodárenská společnost a.s.

From: European Investment Bank
100 Boulevard Konrad Adenauer
L-2950 Luxembourg

Date: [•]

Subject: Utilisation Offer for the facility agreement between the European Investment Bank and Severočeská vodárenská společnost a.s. dated [•] (the "**Facility Agreement**")

Operation Number (Serapis N°): 2025-0333

Facility Number (FI N°): 99.388

Dear Sir/Madam,

We refer to the Facility Agreement. Terms defined in the Facility Agreement have the same meaning when used in this letter.

Following your request for a Utilisation Offer from the Bank [and the live pricing call held on [date]], in accordance with the relevant provisions of the Facility Agreement, and otherwise subject to its terms, we hereby offer to make available to you the following Loan:

GENERAL

Scheduled Utilisation Date:

Currency of the Loan:

Amount of the Loan:

CZK equivalent:

PRINCIPAL

Repayment periodicity:

Terms for repayment of principal:

First Repayment Date:

Last Repayment Date:

Repayment Dates:

INTEREST

Interest payment periodicity:

First Interest Payment Date:

Interest Payment Dates:

Interest Revision / Conversion Date:



COMMENTS:

APPLICABLE RATE

Interest rate basis:
Rate applicable until:
Fixed Rate:
Spread:
Benchmark Rate:

We hereby accept the terms and conditions as set out in the above Utilisation Offer for and on behalf of the Borrower and confirm that the latest List of Accounts and the latest List of Signatories delivered to the Bank and confirmed as being in form and substance satisfactory to the Bank remains accurate and complete and can be relied upon for the purposes of this Utilisation Acceptance.

Name(s) of the Borrower's Authorised Signatory(ies) (as defined in the Facility Agreement):

We

Signature(s) of the Borrower's Authorised Signatory(ies) (as defined in the Facility Agreement):

Date:

Please return the signed Utilisation Acceptance to the following e-mail address: [•]

Utilisation Account to be credited:

Utilisation Account N°

Utilisation Account holder/beneficiary

Bank name and address

Bank identification code (BIC)

Payment details to be provided

**SCHEDULE 7****Form of Utilisation Certificate**

From: Severočeská vodárenská společnost a.s.

To: European Investment Bank

Date: [•]

Subject: Facility agreement between the European Investment Bank and Severočeská vodárenská společnost a.s. dated [•]
(the "**Facility Agreement**")

Operation Number (Serapis N°): 2025-0333

Facility Number (FI N°): 99.388

Dear Sir/Madam,

We refer to the Facility Agreement. This is a Utilisation Certificate. Terms defined in the Facility Agreement have the same meaning when used in this Utilisation Certificate.

We hereby confirm that:

- (a) no Default is continuing;
- (b) no Mandatory Prepayment Drawstop Event has occurred and is continuing;
- (c) the Repeating Representations are true in all material respects;
- (d) the latest List of Accounts and the latest List of Signatories delivered to the Bank and confirmed as being in form and substance satisfactory to the Bank remains accurate and complete and can be relied upon for the purposes of this Utilisation Acceptance;
- (e) no Project Cost Reduction Event is likely to occur as a result of the Utilisation of the Loan proposed in the Utilisation Offer; and
- (f) the present Utilisation [is/is not]¹ for any Project component aimed at the expansion of groundwater production capacity within the Borrower's service area.

We undertake to immediately notify the Bank if any the above fails to be true or correct as of the Utilisation Date for the Accepted Loan.

Yours faithfully,

For and on behalf of Severočeská vodárenská společnost a.s.

¹ Please select as appropriate. If the selected response is positive, provide also all Environmental and Social Approvals of the competent environmental authority.



SCHEDULE 8

Interest Rate Revision and Conversion

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

1.1 Definitions of Interest Revision/Conversion

In this Agreement:

"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 Loan or until the next Interest Revision/Conversion Date, if any:

- (a) in respect of any Loan denominated in EUR or CZK; and
- (b) for Loans denominated in any other currency, for an amount which, at the proposed Interest Revision/Conversion Date, is not less than an equivalent in the currency of the relevant Loan of the amount of [REDACTED]

"Interest Revision/Conversion Date" means the date, which shall be an Interest Payment Date, specified in the Utilisation Offer by the Bank pursuant to Schedule 2 (*Utilisation procedure*).

"Interest Revision/Conversion Proposal" means a proposal made by the Bank under Schedule 8 (*Interest Rate Revision and Conversion*).

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

- (a) the Interest Payment Dates chosen in accordance with the provisions of Clause 8.2 (*Calculation of interest*) paragraph (c) (*Revision or Conversion of Loans*);
- (b) the amount of the Loan for which the Interest Revision/Conversion shall apply; and
- (c) any further Interest Revision/Conversion Date chosen in accordance with Clause 8.2 (*Calculation of interest*) paragraph (c) (*Revision or Conversion of Loans*).

1.2 Mechanics of Interest Revision/Conversion

- (a) Upon receiving an Interest Revision/Conversion Request the Bank shall, subject to paragraph (b) below, 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:
 - (i) the Fixed Rate and/or Spread that would apply to the Loan, or the part of the Loan indicated in the Interest Revision/Conversion Request, pursuant to Clause 8.2 (*Calculation of interest*); and
 - (ii) 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 or semi-annually, in accordance with Clause 8.2 (*Calculation of interest*), in arrear on designated Interest Payment Dates.
- (b) Any amendment to this Agreement requested by the Bank in this connection shall be effected by an agreement to be concluded and effective not later than 1 (one) Business Day prior to (i) sending by the Bank of an Interest Revision/Conversion Proposal, or (ii) having a live pricing call pursuant to the paragraph (c) below.
- (c) The Borrower may accept an Interest Revision/Conversion Proposal by the deadline specified therein. At the Bank's discretion, an Interest Revision/Conversion Proposal may be subject to live pricing in line with Paragraph 1.2 (*Sending of a Utilisation Offer*) in Part I (*Utilisation*) of Schedule 2 (*Utilisation procedure*)
- (d) Fixed Rates and Spread are available for periods of not less than [REDACTED] years or, in the absence of a repayment of principal during that period, not less than [REDACTED] years.



1.3 **Effects of Interest Revision/Conversion**

- (a) If the Borrower duly accepts 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 Interest Payment Dates.
- (b) Prior to the Interest Revision/Conversion Date, the relevant provisions of this Agreement and Utilisation Offer and Utilisation Acceptance shall apply to the Loan in its entirety. From and including the Interest Revision/Conversion Date onwards, the provisions contained in the Interest Revision/Conversion Proposal relating to the new Fixed Rate or Spread shall apply to the Loan (or any part thereof, as indicated in the Interest Revision/Conversion Request) until the new Interest Revision/Conversion Date, if any, or until the Maturity Date.

1.4 **Partial or no Interest Revision/Conversion**

- (a) In case of a partial Interest Revision/Conversion, the Borrower shall repay, without Break Costs, on the Interest Revision/Conversion Date, the part of the Loan that is not covered by the Interest Revision/Conversion Request and that is therefore not subject to the Interest Revision/Conversion.
- (b) If the Borrower does not submit an Interest Revision/Conversion Request or does not accept the Interest Revision/Conversion Proposal for the Loan or if the Parties fail to effect an amendment requested by the Bank pursuant to Paragraph 1.2(b) above, the Borrower shall repay the Loan in full on the Interest Revision/Conversion Date, without Break Costs.

**SCHEDULE 9****Form of Compliance Certificate**

From: Severočeská vodárenská společnost a.s.

To: European Investment Bank

Date: [•]

Subject: Facility agreement between the European Investment Bank and Severočeská vodárenská společnost a.s. dated [•]
(the "**Facility Agreement**")

Operation Number (Serapis N°): 2025-0333

Facility Number (FI N°): 99.388

Dear Sir/Madam,

We refer to the Facility Agreement. This is a Compliance Certificate. Terms defined in the Facility Agreement have the same meaning when used in this Compliance Certificate.

We hereby confirm:

- (a) on *[insert the date of calculation of the financial covenants]*, *[insert financial covenant name and repeat for every financial covenant]* amounts to *[insert number]* compared to *[minimum/maximum]* level of *[insert number]*; and
- (b) no Default or no Mandatory Prepayment Drawstop Event has occurred and is continuing unremedied or unwaived. *[If this statement cannot be made, this certificate should identify any potential Mandatory Prepayment Event or Default that is continuing and the steps, if any, being taken to remedy it.]*

Yours faithfully,

For and on behalf of Severočeská vodárenská společnost a.s.



Signature Page to Facility Agreement

The Parties have caused this Agreement to be executed by having their authorised representatives apply their respective Qualified Electronic Signature on their behalf.

Signed for and on behalf of **EUROPEAN INVESTMENT BANK**:



Hanna Steffen
Head of Division
European Investment Bank

Digitally signed.

Date: 2026-06-16

13:00:52 UTC

Digitally signed by:

ANDERS TORBJOERN RISBERG

Date: 2026-06-16 16:45:35 UTC

Signed for and on behalf of **SEVEROČESKÁ VODÁRENSKÁ SPOLEČNOST A.S.:**



Digitálně podepsal

Ing. Bronislav

Špičák

Datum: 2026.06.15

18:34:35 +02'00'