

FRAMEWORK LOAN AGREEMENT

between

COUNCIL OF EUROPE DEVELOPMENT BANK

and

CITY OF KUOPIO

Municipal investments in the City of Kuopio
Public Sector Finance Facility (PFF)

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COUNCIL OF EUROPE DEVELOPMENT BANK, international organisation with its headquarters at 55, Avenue Kléber, F-75116 Paris (France) (hereinafter, the “**CEB**” or the “**Bank**”), on the one hand,

and

CITY OF KUOPIO, a city with municipality status under Finnish law with its headquarters at Tulliportinkatu 31, 70110, Kuopio (Finland) (hereinafter, the “**Borrower**” and together with the CEB, the “**Parties**” and each a “**Party**”), on the other hand,

WHEREAS

- (A) Having regard to the loan application submitted by Finland on **1 August** 2018, approved by the CEB’s Administrative Council on 28 September 2018,
- (B) Having regard to the Third Protocol to the General Agreement on Privileges and Immunities of the Council of Europe dated 6 March 1959,
- (C) Having regard to the CEB’s Loan Regulations, as adopted by the CEB’s Administrative Council Resolution 1587 (2016) (hereinafter, the “**Loan Regulations**”),
- (D) Having regard to the CEB’s Loan and Project Financing Policy, as adopted by the CEB’s Administrative Council Resolution 1587 (2016) (hereinafter, the “**Loan Policy**”),
- (E) Having regard to the CEB’s Environmental and Social Safeguards Policy, as adopted by the CEB’s Administrative Council Resolution 1588 (2016) (hereinafter, the “**Environmental and Social Safeguards Policy**”),
- (F) Having regard to the CEB’s Procurement Guidelines, as adopted by the CEB’s Administrative Council in September 2011 (hereinafter, the “**Procurement Guidelines**”),

HEREBY AGREE AS FOLLOWS:

1. INTERPRETATION

1.1 Definitions

The following terms shall have the meaning indicated below, except as the context requires otherwise:

“Agreement” means this framework loan agreement, including its appendices.

“Allocation” means the commitment of a Tranche by the Borrower to the eligible Sub-projects even if such Tranche has not yet been paid out under the Project.

“Allocation Period” has the meaning specified under Sub-clause 5.2.

“Business Day” means in relation to payments in Euro, any day on which TARGET 2 (the Trans European Automated Real-time Gross Settlement Express Transfer system) is operating.

“Closing Date” means the date specified under Appendix 1 hereto from which no further disbursements may be requested by the Borrower.

“Completion Report” has the meaning specified under Sub-clause 6.1.

“Components” means the eligible sectors of action defined under Appendix 1 hereto.

“Currency” means, for the purposes of the Agreement, Euro.

“Day Count Convention” means the convention for determining the number of days between two dates and the number of days in a year specified in the relevant Disbursement Notice.

“Debt Instrument” means (i) any loan or other form of financial indebtedness; (ii) an instrument, including any receipt or statement of account, evidencing or constituting an obligation to repay a loan, deposit, advance or similar extension of credit (including without limitation any extension of credit under a refinancing or rescheduling agreement), (iii) a bond, note, debt security, debenture or similar written evidence of financial indebtedness; or (iv) an instrument evidencing a guarantee of an obligation constituting financial indebtedness of another.

“Default Interest Rate” has the meaning specified under Sub-clause 4.9.

“Disbursement Date” means the date on which a Tranche is scheduled to be disbursed pursuant to the applicable Disbursement Notice.

“Disbursement Notice” has the meaning specified under **Sub-clause 0(b)**.

“Disbursement Request” has the meaning specified under **Sub-clause 0(a)**.

“Early Reimbursement Confirmation” has the meaning specified under Sub-clause 4.7.

“Early Reimbursement Costs” has the meaning specified under Sub-clause 4.7.

“Early Reimbursement Date” has the meaning specified under Sub-clause 4.7.

“Early Reimbursement Notice” has the meaning specified under Sub-clause 4.7.

“Effective Date” means the date of entry into force of the Agreement resulting from Clause 17.

“EU” means the European Union.

“EURIBOR” means the percentage rate *per annum* quoted on the page EURIBOR01 of the Thomson Reuters screen (or on a successor page which replaces the Thomson Reuters’ page EURIBOR01) at or about 11 a.m. Brussels time on the Interest Determination Date as the Euro interbank offered rate administrated by the European Money Market Institute (or any other entity which takes over the administration of that rate) for the same period as the relevant Interest Period.

If the relevant Interest Period is not the same as a period quoted by Thomson Reuters, the applicable EURIBOR shall be the percentage rate *per annum* resulting from a linear interpolation by reference to

two (2) EURIBOR rates for Euro term deposits, one of which is applicable for a period of whole months next shorter and the other for a period of whole months next longer than the length of the relevant Interest Period.

“**Euro**” and the sign “**EUR**” means the lawful currency of the Member States of the EU which from time to time adopt it as their currency in accordance with the relevant provisions of the Treaty of the EU and the Treaty on the Functioning of the EU or their succeeding treaties.

“**European Convention on Human Rights**” means the Convention for the Protection of Human Rights and Fundamental Freedoms dated 4 November 1950, CETS No. 5, as amended from time to time.

“**European Social Charter**” means the European Social Charter dated 3 May 1996, CETS No. 163, as amended from time to time.

“**Final Beneficiaries**” are specified under Appendix 1 hereto as the group benefitting from the social effects of the Project.

“**Fixed Interest Rate**” means the fixed interest rate *per annum* specified in the applicable Disbursement Notice.

“**Floating Interest Rate**” means the floating interest rate *per annum* determined by adding or subtracting the Spread specified in the applicable Disbursement Notice to or from, as the case may be, the Reference Rate.

For the avoidance of doubt, when the determination of the Floating Interest Rate results in a negative interest rate (due to a quoted negative Reference Rate, to the operation of a Spread that is subtracted from the Reference Rate or to any other circumstances), the interest to be paid by the Borrower for the relevant Interest Period shall be deemed to be zero.

“**Interest Determination Date**” means, for the purposes of determination of a Floating Interest Rate, the day falling two (2) Business Days prior to the first day of the Interest Period, unless otherwise specified in the relevant Disbursement Notice.

“**Interest Payment Dates**” means the dates for the payment of interest corresponding to the relevant Interest Period specified in the applicable Disbursement Notice.

“**Interest Period**” means the period commencing on an Interest Payment Date and ending on the day immediately prior to the following Interest Payment Date, provided that the first Interest Period applicable to each Tranche shall commence on the Disbursement Date and end on the day immediately prior to the next Interest Payment Date.

“**Loan**” means the loan granted to the Borrower by the CEB by means of the Agreement.

“**Loan Amount**” means the amount specified under Sub-clause 4.1.

“**Market Disruption Event**” has the meaning specified under Sub-clause 4.10.

“**Material Adverse Change**” means any event which, in CEB’s opinion, (i) materially impairs the Borrower’s ability to perform its financial obligations under the Agreement; or (ii) adversely affects any Security provided by the Borrower or a third-party to secure the due performance of the Borrower’s financial obligations under the Agreement.

“**Maturity Date**” means the last Principal Repayment Date for each Tranche specified in the applicable Disbursement Notice.

“**Modified Following Business Day Convention**” means a convention whereby if a specified date would fall on a day which is not a Business Day, such date would be the first following day that is a Business Day unless that day falls in the next calendar month, in which case that date would be the first preceding day that is a Business Day.

“Principal Repayment Date(s)” means the date(s) for the repayment(s) of principal under each Tranche specified in the applicable Disbursement Notice.

“Principal Repayment Period” means with respect of each Tranche the period running from its Disbursement Date to its Maturity Date.

“Progress Report on the State of Allocation” has the meaning specified under Sub-clause 6.1.

“Project” means the programme of eligible Sub-projects set forth under Appendix 1 to be partially financed with the Loan approved by the CEB’s Administrative Council with ref. LD 1977 (2018).

“Project Implementing Entity” (hereinafter, the **“PIE”**) means the legal entity that, by delegation of the Borrower, is in charge of the implementation of the Project.

“Reference Rate” means EURIBOR for a Floating Interest Rate Tranche denominated in Euro.

“Security” means any agreement or arrangement creating a preferential rank, a preferential right of payment, a collateral or guarantee of any nature whatsoever which might confer enhanced rights upon third parties.

“Spread” means, in connection with a Floating Interest Rate Tranche, the fixed-spread to the Reference Rate (being either plus or minus) specified in basis points in the applicable Disbursement Notice.

“Sub-project” means an eligible investment scheme to be financed under the Project.

“Tranche” means an amount disbursed or to be disbursed under the Loan.

1.2 Construction

Unless the context otherwise requires, references to:

- (a) this Agreement shall be construed as references to this Agreement as supplemented, amended or restated from time to time;
- (b) “Clauses”, “Sub-clauses” and “Recitals” shall be construed as references to clauses, sub-clauses and recitals respectively of this Agreement; and
- (c) words importing the singular shall include the plural and vice-versa.

1.3 Headings

Headings in this Agreement have no legal significance and do not affect its interpretation.

1.4 Rounding

For the purposes of any calculations referred to in this Agreement:

- a) all percentages resulting from such calculations other than those determined through the use of interpolation will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (*e.g.*, 9.876541% (or .09876541) being rounded down to 9.87654% (or .0987654) and 9.876545% (or .09876545) being rounded up to 9.87655% (or .0987655));
- b) all percentages determined through the use of linear interpolation by reference to two (2) relevant Reference Rates will be rounded, if necessary, in accordance with the method set forth in subsection (a) above, but to the same degree of accuracy as the two (2) rates used to make the determination (except that such percentages will not be rounded to a lower degree of accuracy than the nearest one thousandth of a percentage point (0.001%)); and
- c) all currency amounts used in or resulting from the above calculations will be rounded, unless otherwise specified in the relevant Currency definition, to the nearest two decimal places in the relevant currency (with .005 being rounded upwards (*e.g.*, .674 being rounded down to .67 and .675 being rounded up to .68).

2. CONDITIONS

The Loan is granted under the general conditions of the Loan Regulations and under the special conditions of the Agreement.

3. PURPOSE

The CEB grants the Loan to the Borrower, who accepts it, solely for the purpose of financing the Project as described under Appendix 1 hereto.

Any change to the way the Loan is applied that has not received the CEB's approval would constitute an event in the terms of Article 3.3 (h) of the Loan Regulations and may give rise to the early reimbursement, suspension or cancellation of the Loan under the terms of Articles 3.3 (*Early reimbursement of disbursed loans*), 3.5 (*Suspension by the Bank of undisbursed loans*) and 3.6 (*Cancellation by the Bank of undisbursed loans*) of the Loan Regulations.

4. FINANCIAL CONDITIONS

4.1 Loan Amount

The Loan Amount is:

FIFTY MILLION EUROS

EUR 50,000,000

4.2 Disbursement Amount

The Loan shall be disbursed in a minimum of two (2) Tranches.

The amount of each Tranche shall be determined according to the absorption capacity of the Project. The amount of the first Tranche shall not exceed fifty per cent (50 %) of the Loan Amount.

4.3 Disbursement Procedure

The disbursement of each Tranche is determined through the following procedure:

(a) Disbursement Request

Prior to each disbursement, the Borrower shall submit to the CEB a disbursement request substantially in the form set out under Appendix 3 hereto (hereinafter, a **"Disbursement Request"**).

A Disbursement Request shall specify the proposed:

- (i) Currency(ies) and amount(s) for the Tranche;
- (ii) Disbursement Date; such Disbursement Date shall be a Business Day falling at least five (5) Business Days but not later than twenty (20) Business Days after the date of the Disbursement Request;
- (iii) Principal Repayment Date(s), including the Maturity Date, taking into account that the Principal Repayment Period for each Tranche shall not exceed fifteen (15) years including a grace period not greater than three (3) years;
- (iv) maximum Fixed Interest Rate or maximum Spread to the Reference Rate;
- (v) Interest Period and Interest Payment Dates;
- (vi) Day Count Convention and Business Days; and

(vii) Borrower's account for payments.

Each Disbursement Request delivered to the CEB shall be irrevocable, unless otherwise agreed in writing by the CEB.

(b) Disbursement Notice

If the CEB receives a Disbursement Request that complies with the Disbursement Request requirements set out **Sub-clause 0(a)** above, and if all other relevant Disbursement Conditions as defined in Sub-clause 4.5 (*Disbursement Conditions*) below have been fulfilled by the Borrower, the CEB shall deliver to the Borrower a disbursement notice substantially in the form set out under Appendix 3 hereto (hereinafter, a "**Disbursement Notice**"). Each Disbursement Notice shall be delivered at least two (2) Business Days before the proposed Disbursement Date.

A Disbursement Notice shall specify:

- (i) Currency(ies) and amount(s) for the Tranche;
- (ii) Disbursement Date;
- (iii) Principal Repayment Period and Principal Repayment Date(s), including the Maturity Date;
- (iv) Fixed Interest Rate or Spread to the Reference Rate;
- (v) Interest Period and Interest Payment Dates;
- (vi) Day Count Convention and Business Days; and
- (vii) Borrower's and CEB's accounts for payments.

If the Borrower has submitted to the CEB a Disbursement Request in which the Borrower has not proposed a Fixed Interest Rate or a Floating Interest Rate, the Borrower shall be deemed to agree in advance to the one subsequently specified by the CEB in the Disbursement Notice.

A Disbursement Notice matching the elements included in a Disbursement Request shall constitute an irrevocable and unconditional commitment on the part of the Borrower to borrow from the CEB and on the part of the CEB to disburse to the Borrower the Tranche under the terms and conditions specified in the Disbursement Notice.

Notwithstanding the above, if the CEB has not delivered a Disbursement Notice within twenty (20) Business Days following the receipt of a Disbursement Request, the relevant Disbursement Request shall be deemed cancelled.

4.4 Disbursement Period

Unless otherwise agreed in writing by the CEB, the Borrower shall not be entitled to:

- (i) the issue of a Disbursement Request for the first Tranche after: (A) the date falling twelve (12) months after the Effective Date; or (B) the date falling twenty-four (24) months after the approval of the Project by CEB's Administrative Council, whichever occurs earlier;
- (ii) the issue of any further Disbursement Request beyond eighteen (18) months after the last disbursement; or
- (iii) the issue of any further Disbursement Request beyond the Closing Date specified under Appendix 1 hereto.

4.5 Disbursement Conditions

(a) Conditions precedent to the Disbursement Request for the first Tranche:

- (i) Legal opinion in English issued by the Borrower's Chief Legal Officer confirming to the CEB's satisfaction, substantially in the form set out under Appendix 2 hereto, that the

Agreement has been duly executed by authorised representatives of the Borrower and that the Agreement is valid, binding and enforceable in accordance with its terms in the Borrower's jurisdiction.

- (ii) Evidence in English (e.g., Statute, By-laws, Board Resolution, Power of Attorney, etc.) to the CEB's satisfaction of the person(s) authorised to execute the Agreement and the Disbursement Requests on behalf of the Borrower, together with the authenticated specimen of the signature(s) of such person(s).
- (b) Conditions precedent to any further Disbursement Request:
- (i) In the event there has been a change regarding the person(s) authorised to execute Disbursement Requests on behalf of the Borrower, the Borrower shall provide CEB with updated evidence of the person(s) authorised to execute the corresponding Disbursement Requests on behalf of the Borrower, together with the authenticated specimen of the signature(s) of such person(s).
 - (ii) Progress Report on the State of Allocation confirming to the CEB's satisfaction the full Allocation of the previous Tranche.

4.6 Repayment

On any Principal Repayment Date, the Borrower shall repay the principal of each Tranche due on that Principal Repayment Date in accordance with the terms set forth in the applicable Disbursement Notice.

4.7 Early Reimbursement

(a) Mechanics

If in any event specified in this Agreement referring to this Sub-clause the Borrower ought to reimburse prior to maturity all or part of a Tranche, the Borrower shall give at least a one (1) month prior written notice to the CEB (hereinafter, the "**Early Reimbursement Notice**") specifying the amounts to be reimbursed, the date on which the reimbursement will take place (hereinafter, the "**Early Reimbursement Date**") and, upon prior consultation with the CEB, the maximum Early Reimbursement Costs. The Early Reimbursement Date shall fall on an Interest Payment Date, unless otherwise agreed in writing by the CEB.

Upon receipt of the Early Reimbursement Notice, the CEB shall send a written notice to the Borrower (hereinafter, the "**Early Reimbursement Confirmation**"), not later than five (5) Business Days prior to the Reimbursement Date, indicating the accrued interest due thereon and the Early Reimbursement Costs in accordance with Sub-clause 4.7(b).

An Early Reimbursement Confirmation matching the elements included in an Early Reimbursement Notice shall constitute an irrevocable and unconditional commitment on the part of the Borrower to reimburse the relevant amounts to the CEB under the terms and conditions specified in the Early Reimbursement Confirmation.

If the Borrower partially reimburses a Tranche, the reimbursed amount shall be applied pro rata to each outstanding principal repayment. In such an event, the Early Reimbursement Confirmation shall accordingly include an adjusted repayment schedule which shall be binding on the Borrower.

(b) Early Reimbursement Costs

The Early Reimbursement Costs resulting from early reimbursement in accordance with Sub-clause 4.7(a) shall be determined by the CEB on the basis of the costs to it of redeploying the amount to be reimbursed from the Early Reimbursement Date to the Maturity Date, including any related costs, such as unwinding any underlying hedging arrangements. The costs of redeployment will be established on the basis of the difference between the original rate and the redeployment rate,

which shall be determined by the CEB on the basis of market conditions on the date of the Early Reimbursement Notice.

4.8 Interest Determination

The Borrower shall pay interest on the principal of each Tranche from time to time outstanding during each Interest Period at the Fixed Interest Rate/Floating Interest Rate specified in the applicable Disbursement Notice.

Interest shall (i) accrue from and including the first day of the Interest Period to but excluding the last day of such Interest Period; and (ii) be due and payable on the Interest Payment Dates specified in the applicable Disbursement Notice. Interest shall be calculated on the basis of the Day Count Convention specified in the relevant Disbursement Notice.

In the case of Floating Interest Rate Tranches, the CEB shall determine on each Interest Determination Date the interest rate applicable during the relevant Interest Period in accordance with the Agreement and promptly give notice thereof to the Borrower. Each determination by the CEB shall be final, conclusive and binding upon the Borrower unless shown by the Borrower to the satisfaction of the CEB that any such determination has involved manifest error.

4.9 Default Interest Rate

In the event that the Borrower fails to pay, in full or in part, any amount under the Agreement, and notwithstanding any other recourse available to the CEB under the Agreement or otherwise, the Borrower shall pay interest on such unpaid amounts from the due date until the date of receipt of such payment by the CEB at the interest rate *per annum* equal to the one-month EURIBOR quoted on the due date plus two hundred and fifty basis points (250 bps) (hereinafter, the “**Default Interest Rate**”).

The applicable Default Interest Rate shall be updated every thirty (30) calendar days.

4.10 Market Disruption Event

The CEB shall promptly, upon becoming aware of it, notify to the Borrower that a Market Disruption Event has occurred.

For the purposes of the Agreement, “**Market Disruption Event**” refers to the following circumstances:

- (a) The Reuters page referred to under the EURIBOR definition does not indicate the required details or is not accessible.

Under such a Market Disruption Event, the applicable EURIBOR shall be the percentage rate *per annum* determined by the CEB to be the arithmetic mean of the rates at which loans in Euro, in an amount identical or nearest comparable to the Loan amount in question and for a period identical or nearest comparable to the ~~relative-relevant~~ Interest Period, are offered on the Interest Determination Date by three (3) leading banks in the EU interbank market selected by the CEB. If at least two (2) quotations are provided, the applicable EURIBOR for that Interest Determination Date shall be the arithmetic mean of all quotations provided.

If only one (1) or no quotation is provided, the applicable EURIBOR shall be the percentage rate *per annum* determined by the CEB to be the arithmetic mean of the rates at which loans in Euro, in an amount identical or nearest comparable to the Loan amount in question and for a period identical or nearest comparable to the ~~relative-relevant~~ Interest Period, are offered on the second Business Day after the beginning of the relevant Interest Period by major banks in the EU interbank market selected by the CEB.

- (b) The CEB determines that it is not possible to determine the applicable Reference Rate in accordance with paragraph (a) above.

Under such a Market Disruption Event, the applicable Floating Interest Rate shall be replaced by the rate that expresses as a percentage rate *per annum* the cost to the CEB of funding the Loan from whatever source the CEB may reasonably select.

- (c) At any time between the delivery of a Disbursement Notice and the Disbursement Date the CEB reasonably determines that there are exceptional and unexpected circumstances of an economic, financial, political or other external nature adversely affecting the CEB's access to its sources of funding.

Under such a Market Disruption Event, the CEB shall be entitled to cancel at no cost the scheduled disbursement.

In the case of the Market Disruption Events set forth under items (a) and (b) above:

- (i) If the Borrower so requires, the Parties, acting in good faith, shall enter into negotiations for a period of not more than thirty (30) calendar days in order to agree on an alternative to the applicable EURIBOR. If no agreement is reached, the Borrower may proceed with early reimbursement on the next Interest Payment Date in the terms provided under Sub-clause 4.7.
- (ii) The CEB shall have the right, acting in good faith and in consultation with the Borrower to the extent reasonably practicable, to change the duration of any subsequent Interest Period to thirty (30) calendar days or less by sending to the Borrower a notice thereof. Any such change to an Interest Period shall take effect on the date specified by the CEB in such notice.

If the CEB determines that the relevant Market Disruption Event no longer exists, then, subject to any further Market Disruption Event occurring or existing, the Floating Interest Rate and/or Interest Period applicable to any relevant Tranche shall revert, from the first day of the following Interest Period to being calculated in accordance with the Floating Interest Rate and Interest Period specified in the relevant Disbursement Notice.

4.11 Payments

All the amounts due by the Borrower under this Agreement are payable in the Currency of each Tranche to the CEB's account indicated in the applicable Disbursement Notice. Any payment under this Agreement shall be made on a Business Day subject to the Modified Following Business Day Convention. Any payment shall be deemed paid when the CEB has received the amount on its account.

The Borrower or the bank instructed by the Borrower, as the case may be, shall send a written payment notice to the CEB at least five (5) Business Days before payment of any amounts due under this Agreement.

5. PROJECT IMPLEMENTATION

The Borrower shall implement the Project in accordance with the Agreement.

The Borrower designates Business and Administration Unit as the PIE.

In any event, the Borrower remains solely liable to comply with its obligations under the Agreement.

Failure to comply with the Project implementation undertakings set forth hereby under Clause 5 would constitute, irrespective of any other applicable provision of the Loan Regulations, an event in the terms of Article 3.3 (h) of the Loan Regulations and may give rise to (i) the relevant Sub-project declared ineligible for Allocation under the Project; and/or (ii) the early reimbursement, suspension or cancellation of the Loan, in whole or in part, under the terms of Articles 3.3 (*Early reimbursement of disbursed loans*), 3.5 (*Suspension by the Bank of undisbursed loans*) and 3.6 (*Cancellation by the Bank of undisbursed loans*) of the Loan Regulations.

5.1 Duty of Care

The Borrower shall apply all care and diligence, and shall exercise all typically used means (including, but not limited to, legal, financial, managerial and technical) required for the proper implementation of the Project.

5.2 Allocation Period

The Borrower shall allocate each Tranche to the Project within twelve (12) months after the relevant Disbursement Date (the “Allocation Period”).

If a Tranche disbursed by the CEB is not allocated to the Project or is only partially allocated to it within the Allocation Period, the Borrower shall reimburse the unallocated amounts to the CEB in accordance with Sub-clause 4.7.

5.3 Project Costs

The Tranches disbursed under the Loan shall not exceed fifty per cent (50%) of the total eligible costs of the Project. If the Tranches disbursed under the Loan exceed the above fifty per cent (50%) (by reduction of the total eligible costs or otherwise), the Borrower shall reimburse the surplus to the CEB in accordance with Sub-clause 4.7.

Should the total eligible costs of the Project increase or be revised for whatever reason, the Borrower shall ensure that the additional financial resources for the completion of the Project are available without recourse to the CEB. The plans to finance the increased costs shall be communicated to the CEB without delay.

5.4 Project Specific Undertakings

The Borrower shall ensure that:

- (i) all the land, real property rights and permits required for the implementation of the Project are timely available;
- (ii) all assets and plants under the Project are permanently insured and maintained in accordance with international best practices; and
- (iii) any other requirement specified in Appendix 1 (“Specific Conditions”) hereto is complied with.

5.5 Procurement

Procurement of supplies, works and services to be financed under the Project shall comply with the Procurement Guidelines.

5.6 Environmental and Social Safeguards

The Borrower shall implement the Project in conformity with the requirements set forth in the Environmental and Social Safeguards Policy. In particular, should any Sub-project require an Environmental Impact Assessment (EIA) in accordance with the Environmental and Social Safeguards Policy, the Borrower shall require the CEB’s prior approval before proposing the Allocation of the Loan to such a Sub-project.

5.7 Human Rights

The Borrower shall ensure that the implementation of the Project will not give rise to a violation of (i) the European Convention on Human Rights; or (ii) the European Social Charter.

5.8 Integrity

The Borrower shall ensure that the implementation of the Project will not give rise to a violation of the applicable laws on fraud, corruption or any other unlawful use of funds.

5.9 Visibility

The Borrower shall inform the Final Beneficiaries that the Project is partly financed by the CEB through appropriate means of communication such as dedicated notices in relevant websites, press releases, brochures or the exhibit of billboards/plates on relevant Project sites/facilities. In any case, information given to the Final Beneficiaries shall display in an appropriate way the CEB's name and logo.

6. MONITORING

6.1 Reporting

(a) Progress Report on the State of Allocation

After any disbursement of a Tranche by the CEB, the Borrower shall send to the CEB for approval a form identifying each Sub-project to which a Tranche has been allocated (hereinafter, a **"Progress Report on the State of Allocation"**). The Borrower shall send to the CEB a Progress Report on the State of Allocation for each Tranche (i) within the Allocation Period; or (ii) prior to any further Disbursement Request, whichever comes earlier.

Appendix 4 hereto provides a template specifying the minimum information required by the CEB to verify the eligibility of the Sub-project in accordance with criteria set forth under Appendix 1. Alternative formats containing the same information may also be used.

In case any Sub-project to which the Tranche has been allocated does not comply with the eligibility criteria set forth under Appendix 1, the Borrower shall timely allocate the relevant amounts to other eligible Sub-projects or otherwise reimburse the unallocated amounts to the CEB in accordance with Sub-clause 4.7

(b) Completion Report

Upon full Allocation of the Tranches, the Borrower shall submit a completion report (hereinafter, a **"Completion Report"**) including aggregate indicators.

Appendix 4 hereto provides a template specifying the minimum information required by the CEB. Alternative formats containing the same information may also be used.

6.2 Visits

The Borrower undertakes to favourably receive any monitoring/technical/evaluation visits, including by facilitating access to relevant Sub-project sites/contractors, carried out by the CEB's staff members or designated third parties.

6.3 Audit

Should the Borrower fail to comply with any of its undertakings under the Agreement, the Borrower undertakes to favourably receive any on-site audit, carried out by the CEB's staff members or designated third parties, which shall be at the Borrower's expense.

6.4 Project Information

The Borrower shall keep accounting records concerning the Project, which shall be in conformity with international standards, showing, at any point in time, the Project's state of progress, and which shall record all operations made and identify the assets and services partially financed with the Loan.

The Borrower shall deliver to the CEB in a timely manner any information or document concerning the financing or the implementation (including in particular environmental and procurement issues) of the Project as the CEB may reasonably require.

The Borrower shall inform the CEB immediately of any event that may have a material adverse impact on the implementation of the Project, including but not limited to:

- (i) any action or protest initiated or any objection raised by any third party or any genuine complaint received by the Borrower or any material litigation that is commenced or threatened against it with regard to procurement or environmental or other matters affecting the project; and
- (ii) any enactment of or any amendment to any law, rule or regulation (or in the application or official interpretation of any law, rule or regulation).

Any event that may have a material adverse impact on the implementation of the Project would constitute an event in the terms of Article 3.3 (h) of the Loan Regulations and may give rise to the early reimbursement, suspension or cancellation of the Loan under the terms of Articles 3.3 (*Early reimbursement of disbursed loans*), 3.5 (*Suspension by the Bank of undisbursed loans*) and 3.6 (*Cancellation by the Bank of undisbursed loans*) of the Loan Regulations.

6.5 Borrower Information

(a) Financial information

The Borrower shall deliver to the CEB, in form and substance satisfactory to the CEB:

- (i) as soon as the same becomes available, but in any event within 120 days after the end of each of its financial years, its summary of the financial year in English;
- (ii) within four (4) weeks following CEB's request, the financial information according to the CEB's template and
- (iii) any information on its general financial situation as the CEB may reasonably require from time to time.

Appendix 5 hereto provides a template specifying the information required by the CEB.

The Borrower shall inform the CEB immediately of any Material Adverse Change. Any Material Adverse Change would constitute an event in the terms of Article 3.3 (h) of the Loan Regulations and may give rise to the early reimbursement, suspension or cancellation of the Loan under the terms of Articles 3.3 (*Early reimbursement of disbursed loans*), 3.5 (*Suspension by the Bank of undisbursed loans*) and 3.6 (*Cancellation by the Bank of undisbursed loans*) of the Loan Regulations.

(b) Cross-Default

The fact that, following any default in relation thereto, the Borrower is required or is capable of being required or will, following expiry of any applicable contractual grace period, be required or be capable of being required to prepay, repay or terminate ahead of maturity any Debt Instrument or any commitment in connection with a Debt Instrument is cancelled or suspended, would constitute an event in the terms of Article 3.3 (h) of the Loan Regulations and may give rise to the suspension, cancellation or early reimbursement of the Loan under the terms of Articles 3.3 (*Early reimbursement of disbursed loans*), 3.5 (*Suspension by the Bank of undisbursed loans*) and 3.6 (*Cancellation by the Bank of undisbursed loans*) of the Loan Regulations.

7. PARI PASSU

Failure to comply with the provisions set forth hereby under Clause 7 would constitute an event in the terms of Article 3.3(h) of the Loan Regulations and may give rise to the early reimbursement, suspension or cancellation of the Loan under the terms of Articles 3.3 (*Early reimbursement of*

disbursed loans), 3.5 (*Suspension by the Bank of undisbursed loans*) and 3.6 (*Cancellation by the Bank of undisbursed loans*) of the Loan Regulations.

7.1 Ranking

The Borrower shall ensure that its payment obligations under this Agreement rank, and will rank, not less than *pari passu* in right of payment with all other present and future unsecured and unsubordinated obligations under its Debt Instruments except for obligations mandatorily preferred by law.

7.2 Security

Should a Security be granted for the performance of any Borrower's Debt Instrument, the Borrower shall timely inform the CEB of its intentions and shall, if so required by the CEB, provide to the CEB, within the deadline set forth in CEB's notice, identical or equivalent Security for the performance of its financial obligations under this Agreement.

This provision shall not apply to a Security:

- (a) created on property at the time of purchase solely as security for the payment of the purchase price or for the payment of debt incurred for the purpose of financing the purchase of such property;
- (b) securing a Debt Instrument maturing not more than one (1) year after the date on which it is originally incurred; or
- (c) previously approved by the CEB.

7.3 Clause by Inclusion

Should any Borrower's Debt Instrument include clauses regarding a loss-of-rating, financial ratios or *pari passu* that are stricter than any equivalent provision of this Agreement, the Borrower shall so inform the CEB and shall, at the request of the CEB by means of a written notice, execute within the period indicated in the CEB's notice, an amendment to this Agreement to provide an equivalent provision in favour of the CEB.

7.4 Prepayment to Third Parties

Should the Borrower prepay in whole or in part, voluntarily or otherwise, any Debt Instrument, the Borrower shall so inform the CEB.

In such an event, and upon CEB's request, the Borrower shall reimburse to the CEB the amounts disbursed under the Loan in accordance with Sub-clause 4.7 in such proportion as the prepaid amount bears to the corresponding Debt Instrument. The aforementioned does not concern prepayments to revolving credit facilities which remain open for drawing on the same terms after such prepayment.

For the purposes of the Agreement, "**Prepayment**" means a repayment in advance of maturity.

8. REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants that:

- (a) its competent bodies have authorised it to enter into the Agreement and have given the signatory(ies) the authorisation therefor, in accordance with the laws, decrees, regulations, articles of association and other texts applicable to it;
- (b) the execution and delivery of, the performance of its obligations under and compliance with the provisions of this Agreement do not:

- (i) contravene or conflict with any applicable law, statute, rule or regulation, or any judgement, decree or permit to which it is subject;
- (ii) contravene or conflict with any agreement or other Debt Instrument binding upon it which might reasonably be expected to give rise to a Material Adverse Change;
- (c) no event or circumstance is outstanding that constitutes a default under any other agreement or Debt Instrument, which is binding on it or to which its assets are subject, which might reasonably be expected to give rise to a Material Adverse Change;
- (d) no Security has been granted to a third party in breach of Sub-clause 7.2;
- (e) no litigation, arbitration or administrative proceedings of or before any court, arbitral tribunal or agency which might reasonably be expected to give rise to a Material Adverse Change have (to the best of its knowledge and belief) been started or threatened against it;
- (f) it has received a copy of the Loan Regulations, the Loan Policy, the Environmental and Social Safeguards Policy and the Procurement Guidelines and has taken note thereof.

The above representations and warranties are deemed repeated on the date of signature of each Disbursement Request. Any change in relation to the above representations and warranties must, for the entire Loan period, be notified and any supporting documents provided to the CEB immediately.

If any of the above representations and warranties is or proves to have been incorrect or misleading in any respect, this would constitute an event in the terms of Article 3.3 (h) of the Loan Regulations and may give rise to the suspension, cancellation or early reimbursement of the Loan under the terms of Articles 3.3 (*Early reimbursement of disbursed loans*), 3.5 (*Suspension by the Bank of undisbursed loans*) and 3.6 (*Cancellation by the Bank of undisbursed loans*) of the Loan Regulations.

9. THIRD PARTIES

The Borrower may not raise any fact relating, within the scope of the use of the Loan, to its relations with third parties in order to avoid fulfilling, either totally or partially, the obligations resulting from the Agreement.

The CEB may not be involved in disputes which might arise between the Borrower and third parties and the costs, whatever their nature, incurred by the CEB due to any claims, and in particular all legal or court costs, shall be at the expense of the Borrower.

10. NON-WAIVER

In no case, including delay or partial exercise, shall it be presumed that the CEB has tacitly waived any right granted to it by the Agreement.

11. ASSIGNMENT

The Borrower may not assign or transfer any of its rights or obligations under the Agreement without the prior written consent of the CEB.

The CEB may assign all or part of its rights and benefits or transfer all or part of its rights, benefits and obligations under the Agreement.

12. GOVERNING LAW

The Agreement shall be governed by the rules of the CEB as specified in the provisions of Article 1, paragraph 3, of the Third Protocol (dated 6 March 1959) to the General Agreement on Privileges and Immunities of the Council of Europe (dated 2 September 1949) and, secondarily, if necessary, by French law.

13. DISPUTES

Disputes between the parties to the Agreement shall be subject to arbitration under the conditions laid down in Chapter 4 of the Loan Regulations.

The Parties agree not to take advantage of any privilege, immunity or legislation before any jurisdictional or other authority, whether domestic or international, in order to object to the enforcement of an award handed down under the conditions laid down in Chapter 4 of the Loan Regulations.

In any legal action arising from this Agreement, the CEB's certificate as to any amount due or interest rate applicable under the Agreement shall, in the absence of manifest error, be prima facie evidence of such amount or interest rate.

14. NOTICES

Any notice or other communication to be given or made under this Agreement to the CEB or the Borrower shall be in writing and shall be deemed to have been duly given or made when it is delivered by registered mail or facsimile by one Party to the other Party's address or fax number specified below:

For the Borrower:

City of Kuopio

Suokatu 42 A,

Kuopio, FI-70111

Finland

Attention: Chief Finance Officer

Fax: +XXXX

For the CEB:

Council of Europe Development Bank

55 Avenue Kléber

75116 Paris

France

Attention: Director, Projects Department

Fax: + 33 1 47 55 37 52

All notices or other communications to be given or made under the Agreement shall be in English or French or, if in another language, shall be accompanied by an English or French certified translation thereof, when so required by the CEB.

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

Notices issued by the Borrower pursuant to any provision of this Agreement shall, where required by the CEB, be delivered to the CEB together with satisfactory evidence of the authority of the person or persons authorised to sign such notice on behalf of the Borrower and the authenticated specimen signature of such person or persons.

15. TAXES AND EXPENSES

The Borrower shall pay, to the extent applicable, all taxes, duties, fees and other impositions of whatsoever nature, including stamp duty and registration fees, arising out of the execution, registration or implementation of the Agreement or any related document as well as of the creation, perfection, registration or enforcement of any Security required under the Agreement.

The Borrower shall bear all charges and expenses (including legal, professional, banking or exchange costs) incurred in connection with (i) the preparation, execution, perfection, implementation and termination of this Agreement or any related document; (ii) any amendment, supplement or waiver in respect of this Agreement or any related document; and (iii) the preparation, execution, perfection, management and enforcement of any Security required under the Loan.

Notwithstanding the above, Article 4.7 (*Cost of arbitration*) of the Loan Regulations shall apply regarding the costs of the arbitration set forth under Clause 13.

16. DISCHARGE

After repayment of all outstanding principal under the Loan as well as payment of all interests and other expenses resulting from the Agreement, including in particular those amounts under Sub-clause 4.9 and Clause 15, the Borrower shall be fully released from its obligations towards the CEB, with the exception of those set out in Clause 6 above for the purposes of a possible evaluation of the Project, which shall not take place later than four (4) years following the repayment of all outstanding principal under the Loan.

17. ENTRY INTO FORCE

The Agreement shall enter into force upon execution by the Parties.

IN WITNESS THEREOF the Parties have caused the Agreement to be executed in two (2) originals, each of which is equally valid. One (1) original is kept by each of the Parties.

Kuopio, on

For the Borrower

Paris, on

For the CEB

APPENDIX 1
Project Description

I.	LD	1977 (2018)
	Borrower	City of Kuopio
	Loan Type	Public Sector Finance Facility (PFF)
	Loan Amount	EUR 50,000,000
	Approval by the CEB's Administrative Council	28 September, 2018
II.	Sector(s) of action	Improving living conditions in urban and rural areas
	Planned Works/Sub-projects	<p>Sub-projects related to municipal infrastructure of the City of Kuopio.</p> <p>The Loan is aimed at the partial financing of municipality investments comprising the construction of new structures as well as the restoration, renovation or extension of existing facilities.</p> <p>The planned activities are in line with the City's commitment to implement its Strategy 2030 and the main goals and targets. All investments respect the strategy's key principles – "growing Kuopio", "happy and healthy Kuopio", "resource-wise Kuopio" and "continuously developing Kuopio".</p> <p>As example, planned sub-projects can involve such activities as day-cares, renovations of schools, music centres, ice rings, museums etc.</p>
	Location	City of Kuopio (Finland)
	Final Beneficiaries	Wide range of the population of the City of Kuopio: day-care children, pupils, staff, young families, inhabitants attending cultural events and libraries, persons practising sports etc.
	Project Total Cost	EUR 350,000,000
	Financing Plan	CEB Loan will finance a maximum 50% of the annual budgetary allocations for eligible Sub-projects under this Project. The remaining necessary funding for the Project is ensured by the City's budget, IFI funding and/or other resources.
	Schedule of Works/Eligible Budgetary Years	2018-2021
	Closing Date	31 March 2022
III.	Eligibility Criteria	All investments approved under the budgetary procedure, which includes a multiannual investment list, will be considered eligible under this proposed PFF. CEB co-financed cost items will be based on the eligibility criteria set in the CEB's Loan and Project Financing Policy

	<p>for the “Improving living conditions in urban and rural areas” sector of action.</p> <p>The CEB finances projects involving the construction or rehabilitation of infrastructure aimed at urban or rural modernisation. Only those infrastructure investments included in the national, regional or municipal budget will be considered as eligible, such as:</p> <ul style="list-style-type: none"> - utilities such as water mains, electricity and gas supplies, sewers, treatment of solid and liquid waste; - local road network infrastructure and maintenance; - local public transportation infrastructure, equipment and maintenance; - public lighting; - district heating; - community services, educational and medical facilities; - temporary shelters and social housing; - socio-cultural or sports facilities such as playgrounds, green spaces, exhibition sites, theatres and libraries; - development of industrial estates; - irrigation networks in rural areas; - administrative buildings and public housing. <p>The projects can be carried out by public or private entities.</p> <p>Irrigation projects involving the building of water-retaining dikes, dams and related infrastructure are eligible as long as the criteria detailed by the CEB's Environmental and Social Safeguards Policy are met.</p>
<p>Eligible Costs</p>	<p>The PFF covers expenditures approved in the budget corresponding to the years of PFF implementation. Eligible expenditures under the PFF include on-going investment contracts and maintenance costs excluding personnel costs (wages/salaries and other related benefits such as pension payments, except as permitted below), financial costs, taxes or non-cash items such as depreciation. On an exceptional basis, the PFF may cover not only the above-mentioned investment and maintenance costs but also the expenditures needed to maintain the viability and sustainability of public services.</p> <p>Eligible costs may include:</p> <ol style="list-style-type: none"> i. The cost of surveys or studies (technical, economic or

commercial, engineering) as well as the cost of technical supervision of the project. These costs should not exceed 5% of the total cost of the project, unless justified;

ii. The cost of acquiring land directly linked to a project, at its purchase price, unless it has been donated or granted;

iii. Preparation of the land;

iv. Construction/renovation/modernization or purchase of buildings directly linked to a project;

v. The installation of basic infrastructure such as sewerage, water supply, electricity and telecommunications networks, waste disposal and waste water treatment, roads, etc.;

vi. The purchase of materials, equipment and machinery, as well as the related costs linked to the training of staff.

Contingencies for unanticipated costs (technical and/or price increases) can be financed by CEB. These represent financial coverage in respect of possible changes in the quantity of work required, or of unit prices, in the type and quantity of equipment to be purchased or in the method of carrying out the project. Depending on the sector of activity and the various components of the project, these contingencies may represent up to 10% of the total cost of the project.

Costs related to professional/vocational training and public awareness-raising campaigns may be eligible for CEB financing taking into account their objectives within the framework of the projects.

Eligible expenditures under the PFF include on-going investment contracts and maintenance costs excluding personnel costs (wages/salaries and other related benefits such as pension payments).

CEB loans cannot cover staff costs (wages/salaries and other related benefits such as pension payments), financial charges and non-cash elements such as depreciation. Such costs may however be considered eligible when they relate to project management or technical assistance required for project preparation and implementation.

Financial costs or investments (payment of debts, refinancing, interest charges, acquisition of interest in the capital of an enterprise, etc.) cannot be included in the estimated costs of the Project and cannot be financed by the CEB.

Non-deductible and non-refundable VAT and other tax-related costs non-deductible and non-refundable can be considered as eligible costs.

<p>IV. Social impact</p>	<p>The PFF will contribute to the implementation of municipality investments by the City of Kuopio, in line with their Strategy and budgetary plans. The PFF responds to the need to improve municipal infrastructure and to the requirements for higher standards of municipal services.</p> <p>The social impact of the PFF will cover the following areas:</p> <ul style="list-style-type: none"> - additional places in day-care centres to respond to demographic situation changes needs; - newly built and modernised wide-range municipality infrastructure; - introduction of modern technologies in municipal buildings; - efficient use of municipal buildings in a cost-saving way; <p>facilitated access to municipal services.</p>
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APPENDIX 2
Form of Legal Opinion

Council of Europe Development Bank
55, avenue Kléber
F-75116 Paris

Attn: Projects Department
Cc: Office of the General Counsel

[INSERT DATE]

Re: Framework Loan Agreement between the Council of Europe Development Bank and [●]

Dear Sir or Madam,

I, [●], in my condition of [INSERT TITLE (*e.g.*, Minister of Justice, Head of Legal Services)], have acted as legal advisor as to matters of [INSERT JURISDICTION] law to [●] (the “**Borrower**”) in relation to the Framework Loan Agreement between the Council of Europe Development Bank (the “**CEB**”) and the Borrower dated [●] and effective as of [●] (the “**Agreement**”) and deliver this opinion pursuant to Article [●] of the Agreement.

For the purposes of this opinion, we have examined an original copy of the Agreement and such other documents, acts or treaties as we have considered necessary or desirable to examine in order to give this opinion.

Terms defined in the Agreement shall have the same meaning herein, unless otherwise specified.

Based on the foregoing, I am of the opinion that:

1. **Capacity, power and authority.** The Borrower has the legal capacity, power and authority to enter into the Agreement and perform its obligations thereunder.
2. **Internal authorisations.** All action required from the Borrower for the execution, delivery and performance of the Agreement, including any required authorisation from its competent bodies, has been duly and effectively taken. In particular, no further action is required from the Borrower, apart from execution by a duly empowered representative of the Borrower, in order to issue a Disbursement Request under the Agreement.
3. **Due execution and validity.** The Agreement was duly executed by [INSERT NAME OF THE SIGNATORY]) as duly empowered representative(s) of the Borrower and gives rise to legally valid, binding and enforceable undertakings for the Borrower.
4. **External authorisations, public consents and filings.** No authorisations, consents, licences, exemptions, filings, notarisations or registrations are required in [INSERT JURISDICTION] in connection with the execution, delivery or performance of the Agreement in order to give rise to legally valid, binding and enforceable undertakings for the Borrower and for the Agreement to be admissible in evidence in [INSERT JURISDICTION].

5. **Tax/Stamp duties.** The execution of the Agreement is not subject to any tax or stamp duties in [INSERT JURISDICTION].
6. **Choice of law.** The submission by the Borrower to the rules of the CEB as specified in the provisions of Article 1, paragraph 3, of the Third Protocol (dated 6 March 1959) to the General Agreement on Privileges and Immunities of the Council of Europe (dated 2 September 1949) and secondarily to the laws of the France is legally valid and binding on the Borrower under the laws of [INSERT JURISDICTION].
7. **Arbitration.** The submission by the Borrower to the Arbitral Tribunal set forth under Chapter 4 of the CEB's Loan Regulations with respect to any dispute arising out of the Agreement is legally valid and binding on the Borrower. Any award of such Arbitral Tribunal is enforceable in [INSERT JURISDICTION] in accordance with the terms of Article 3 of the Third Protocol (dated 6 March 1959) to the General Agreement on Privileges and Immunities of the Council of Europe (dated 2 September 1949).

Yours faithfully,

[•]

[INSERT NAME AND TITLE]

APPENDIX 3

DISBURSEMENT REQUEST (TEMPLATE)

LD [●] – [●] Tranche

With reference the Framework Loan Agreement dated [●] (hereinafter, the “**Agreement**”) between the Council of Europe Development Bank (hereinafter, the CEB) and [BORROWER] (hereinafter, the “**Borrower**”), [BORROWER] hereby requests the CEB, in accordance with Sub-clause 0(a) of the Agreement, to proceed with the disbursement of a Tranche under the specific terms and conditions set out below.

Terms defined in the Agreement shall have the same meaning herein, unless otherwise specified.

Currency/Amount ¹	[●]		
Disbursement Date	[●]		
Principal Repayment Period	[●] years [including a grace period of [●] years]		
Principal Repayment Date(s)	[●]		
Maturity Date	[●]		
Interest Rate	Fixed	Maximum [●] <i>per annum</i>	
	Floating	Reference Rate:	[[●]-month EURIBOR/INSERT ANY OTHER REFERENCE RATE] <i>per annum</i>
		Spread	Maximum [●] basis points
Interest Period	[Quarterly] [Semi-annually] in arrears		
Interest Payment Dates	The interest payment will take place on [●] every year and for the first time on [●]		
Day Count Convention	Modified Following Business Day Convention		
Business Day	[●]		
Borrower's Account	Beneficiary's Name	[●]	
	Beneficiary's Bank	Name	[●]
		City	[●]
		SWIFT	[●]
		IBAN	[●]
		Reference	[●]
	Correspondent Bank (if applicable)	Name	[●]
		City	[●]
		SWIFT	[●]
IBAN		[●]	

[●], on [●].

For the Borrower
[INSERT NAME(S)/TITLE(S)]

¹ [In case of Sub-Tranches, a separate table shall indicate the Amount, Principal Repayment Period, Principal Repayment Date(s), Interest Rate, Interest Period, Interest Payment Dates for each Sub-Tranche.]

DISBURSEMENT NOTICE (TEMPLATE)

LD [●] – [●] Tranche

In response to your Loan Disbursement Request dated [●] with reference the Framework Loan Agreement dated [●] (hereinafter, the “**Agreement**”) between the Council of Europe Development Bank (hereinafter, the CEB) and [BORROWER] (hereinafter, the “Borrower”), the CEB hereby notifies to the Borrower, in accordance with Sub-clause 0(b) of the Agreement, the terms and conditions of the disbursement of the relevant Tranche.

Terms defined in the Agreement shall have the same meaning herein, unless otherwise specified.

Currency/Amount ²	[●]			
Disbursement Date	[●]			
Principal Repayment Period	[●] years [including a grace period of [●] years]			
Principal Repayment Date(s)	[●]			
Maturity Date	[●]			
Interest Rate	Fixed	[●] <i>per annum</i>		
	Floating	Reference Rate:	[[●]-month EURIBOR/INSERT ANY OTHER REFERENCE RATE] <i>per annum</i>	
		Spread	[●] basis points	
Interest Period	[Quarterly] [Semi-annually] in arrears			
Interest Payment Dates	The interest payment will take place on [●] every year and for the first time on [●]			
Day Count Convention	Modified Following Business Day Convention			
Business Day	[●]			
Borrower’s Account	Beneficiary’s Name	[●]		
	Beneficiary’s Bank	Name	[●]	
		City	[●]	
		SWIFT	[●]	
		IBAN	[●]	
		Reference	[●]	
	Correspondent Bank (if applicable)	Name	[●]	
		City	[●]	
		SWIFT	[●]	
		IBAN	[●]	
CEB’s account	Beneficiary’s Name	Council of Europe Development Bank		
	Beneficiary’s SWIFT	CEFPFRPP		
	Beneficiary’s Bank	Name	Deutsche Bank	
		City	Frankfurt (Germany)	
		SWIFT	DEUTDEFF	
		IBAN	DE44 5007 0010 0928 7384 00	

Paris, on [●]

For the CEB

[INSERT NAME(S)/TITLE(S)]

² [In case of Sub-Tranches, a separate table shall indicate the Amount, Principal Repayment Period, Principal Repayment Date(s), Interest Rate, Interest Period, Interest Payment Dates for each Sub-Tranche.]

APPENDIX 4

Progress Report on State of Allocation/Completion Report

Progress Report on the State of Allocation / Completion Report																			
Date of Progress Report: DD/MM/YYYY																			
Costs and Financing																			
Name of the Task	Brief Description of the Investment	Type of Beneficiary ¹	Location		Estimated work schedule		Project Subject to EIA (Y for Yes, N for No)	Total Planned Costs of Investment	Committed budget for 2018-2020	Budgeted Year 1	Budgeted Year 2	Budgeted Year 3	Total	Spent Year 1	Spent Year 2	Spent Year 3	Total Spent	Indicators ²	
			Name	Postal Code	Start (MM/YY)	End (MM/YY)													EUR
1																			
2																			
3																			
4																			
5																			
6																			
7																			
8																			
9																			
10																			
11																			
12																			
13																			
14																			
15																			
16																			
17																			
TOTAL																			
TOTAL SPENT																			
Financed by:																			
Borrower's own funds (excluding CEB loan)																			
CEB loan																			

(1) Type of Beneficiary: Public, Private, Association, etc.

(2) For Progress Reports, please provide indicators for each sub-project. For Completion Report, please provide aggregated indicators (grand total) for all sub-projects financed by CEB.

LIST OF INDICATORS FOR THE PROGRESS/COMPLETION REPORT

FIP 1977 (2018) - Finland - City of Kuopio

* For Progress Reports, please provide indicators for each sub-project

* For Completion Report, please provide aggregated indicators (grand total) for all sub-projects financed by CEB

ü Cultural Facilities (i.e. museums, cultural center, music centre, sport facilities, outdoor ice rink)			
	Indicators	Unit	Grand Total for All Sub-Projects Financed by CEB (At Completion)
	Number and type of facility rehabilitated, expanded or newly built	Number and type	
	Total surface rehabilitated, expanded or newly built	m ²	
	Maximum users capacity at design	Number of persons	
	Number of beneficiaries / "users" per year	Number	
	Expected reduction in greenhouse gases emissions or energy consumption	t CO2 eq or kWh/m2/year	
ü Urban Development and Infrastructure (i.e. water supply, municipal roads, public municipal buildings and facilities)			
	Indicators	Unit	Grand Total for All Sub-Projects Financed by CEB (At Completion)
	Type of infrastructure/facility rehabilitated, expanded or newly built	Number and type	
	Area rehabilitated, constructed or newly built	m2 or Km	
	Number of population benefiting from the infrastructure/facility	Households/persons	
	Expected reduction in greenhouse gases emissions or energy consumption	t CO2 eq or kWh/m2/year	
ü Education (kindergartens, day care, primary schools)			
	Indicators	Unit	Grand Total for All Sub-Projects Financed by CEB (At Completion)
	Number and type of facilities rehabilitated, expanded or newly built	Number and type	
	Total surface rehabilitated, expanded or newly built	m ²	
	Type & number of equipment provided	Number and type	
	Total number of children enrolled benefitting from the investment by age group per year	Number by level	
	Maximum number of children at full capacity	Number	
	Expected reduction in greenhouse gases emissions or energy consumption	t CO2 eq or kWh/m2/year	

APPENDIX 5

Borrower information

LRG Name						
LRG Country						
Regional Economy						
	LY-5	LY-4	LY-3	LY-2	LY-1	LY
Regional GDP (MM €)						
Regional Population (million)						
Regional GDP per capita (€)						
Regional Budget and Debt						
	LY-5	LY-4	LY-3	LY-2	LY-1	LY
Local currency/€	1,00	1,00	1,00	1,00	1,00	1,00
Operating Revenues						
- Operating Expenditure (excl. interest expenses)						
= Primary Operating Balance	0	0	0	0	0	0
- Interests expenses						
= Gross Operating Balance (I)	0	0	0	0	0	0
Capital Revenues						
- Capital Expenditure						
= Capital Investment Balance (II)	0	0	0	0	0	0
Budget Balance (I + II)	0	0	0	0	0	0
memo: Total Revenues	0	0	0	0	0	0
Debt Movements						
Gross new borrowings						
Debt repayments						
Change in debt						
Debt Service						
Interests expenses	0	0	0	0	0	0
Debt repayments	0	0	0	0	0	0
Total Consolidated Debt						
Long Term Debt	0	0	0	0	0	0
Short Term Debt	0	0	0	0	0	0
National Economy						
National						
GDP (MM €)						
Real GDP growth (%)						
Population (million)						
GDP per capita (€)						