

Amendment Agreement N°1
to the Framework Loan Agreement dated 18 January 2019 (ref. LD 1903 Add.1 (2018))

Between:

COUNCIL OF EUROPE DEVELOPMENT BANK, International Organisation with its headquarters at 55, avenue Kléber – 75116 Paris, France (hereinafter, the “**CEB**” or the “**Bank**”), on the one hand,

and

CITY OF TAMPERE, a city with county status under Finnish law with its headquarters at Aleksis Kiven katu 14-16C, Tampere (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 Framework Loan Agreement between the Parties dated 18 January 2019 ref. LD 1903 Add.1 (2018) (hereinafter the “**Existing Framework Loan Agreement**”),
- B. Having regard to the loan application submitted by Finland on 23 February 2021, where-by the Borrower requested to increase the Loan Amount by sixty million euros (EUR 60,000,000), for the partial financing of municipal investments,
- C. The CEB’s Administrative Council approved the loan application on 18 March 2021, increasing the Loan Amount in order to part-finance investments similar to those included in the Project, under the sectors of action “Education and vocational training” and” and “Improving living conditions in urban and rural areas”,
- D. Having regard to the CEB’s Loan and Project Financing Policy (hereinafter, the “**Loan Policy**”), as adopted by the CEB’s Administrative Council Resolution 1587 (2016), which includes a new list of activities excluded from CEB’s financing,
- E. Following the Borrower’s request, the Parties have agreed to amend the Existing Framework Loan Agreement in accordance with the terms of this Amendment Agreement (hereinafter the “**Amended Framework Loan Agreement**”).

NOW IT IS HEREBY AGREED:

1. Definitions

Terms defined in the Existing Framework Loan Agreement shall have the same meaning when used in this Amendment Agreement, unless otherwise specified herein.

2. Amendments

2.1 The Parties hereto agree that with effect from and including the date of entry into force of this Amendment Agreement, the Existing Framework Loan Agreement is modified and amended by the amendments hereunder so that the rights and obligations of the Parties under the Existing Framework Loan Agreement shall be governed by, and construed in accordance with, the terms of the Amended Framework Loan Agreement.

2.2 The following definitions are added in Clause 1.1 (*Definitions*) of the Existing Framework Loan Agreement, immediately after the definition of “**Allocation Period**”:

*“**Amendment Agreement N°1**” means the amendment agreement n°1 to this Agreement dated [] entered into between the Parties hereto.*

*“**Amendment Agreement N°1 Effective Date**” means the date of entry into force of the Amendment Agreement N°1 in accordance with the provisions of clause 5 (Entry into force) of the Amendment Agreement N°1.”*

2.3 The definition of “**Project**” in Clause 1.1 (*Definitions*) of the Existing Framework Loan Agreement is deleted and replaced as follows:

*“**Project**” means the programme of eligible Sub-projects set forth under Appendix 1 to be partially financed with the Loans approved by the CEB’s Administrative Council with ref. LD 1903 Add1 and LD 1903 Add2 (2021).”*

2.4 Clause 4.1 (*Loan Amount*) of the Existing Framework Loan Agreement is deleted and replaced as follows:

“The Loan Amount is:

**ONE HUNDRED TWENTY MILLION EUROS
EUR 120,000,000”**

The EUR 60,000,000 initial Loan amount has been disbursed in two (2) Tranches. The amount of each such Tranche has been determined according to the absorption capacity of the Project. The amount of the first Tranche has not exceeded fifty per cent (50 %) of the initial Loan Amount.

The EUR 60,000,000 additional Loan Amount will be disbursed in a minimum of two (2) additional Tranches to be drawdown as from the Amendment Agreement N°1 Effective Date. The amount of each such additional Tranche shall be determined according to the absorption capacity of the Project. The amount of the third additional Tranche referred to above shall not exceed thirty million euros (EUR 30,000,000).

2.5 Clause 4.3 (a) (iii) (*Disbursement Procedure*) of the Existing Framework Loan Agreement is deleted and replaced as follows:

“Principal Repayment Date(s), including the Maturity Date, taking into account that the Principal Repayment Period for each Tranche shall not exceed twenty (20) years including a grace period not greater than three-five (5) years”.

2.6 The paragraph titled *Loan Amount* in Section I of Appendix 1 (*Project Description*) of the Existing Framework Loan Agreement is deleted and replaced as follows:

Loan Amount	EUR 120,000,000
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2.7 The paragraph titled *Approval by the CEB's Administrative Council* in Section I of Appendix 1 (*Project Description*) of the Existing Framework Loan Agreement is deleted and replaced as follows:

Approvals by the CEB's Administrative Council	15 -16 November, 2018 (for the initial EUR 60,000,000 Loan Amount) 18 March 2021 (for the additional EUR 60,000,000 Loan Amount)
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2.8 The paragraph titled *Project Total Costs* in Section II of Appendix 1 (*Project Description*) of the Existing Framework Loan Agreement is deleted and replaced as follows:

Project Total Cost	EUR 434,000,000
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2.9 The paragraph titled *Schedule of Works / Eligible budgetary years* in Section II of Appendix 1 (*Project Description*) of the Existing Framework Loan Agreement is deleted and replaced as follows:

Schedule of Works/ Eligible Budgetary Years	2018-2020 (for the initial EUR 60,000,000 Loan Amount) 2021-2022 (for the additional EUR 60,000,000 Loan Amount)
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2.10 The paragraph titled *Closing Date* in Section II of Appendix 1 (*Project Description*) of the Existing Framework Loan Agreement is deleted and replaced as follows:

Closing Date	30 March 2023
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2.11 The Appendix 4 *Progress/Completion Report* is supplemented by additional table as follows:

Table of Indicators based on the Tampere City Strategy 2030 and the three main areas benefitting of CEB financing, namely: Education, Sport and Culture		Target end of the project
Collaborative and humane		
Increased level of physical activity among Tampere residents	Recreational exercise among the adult population	
	Recreational exercise among school children (school health survey)	
	The MOVE indicators of the Finnish National Board of Education	
Leadership in education and know-how		
The effectiveness of education has improved	National comparisons of learning outcomes between major cities	
An education and employment path has been secured for every young resident of Tampere	Educational placement for young people who finish basic education	
	Negative interruptions at different levels of education	
Creative and Innovative		
Tampere's attractiveness as a city of world-class culture, tourism, conferences, events and sports has been increased	Number of overnight stays by domestic visitors	
	Number of overnight stays by international visitors	
	Number of international conferences and conference visitors	

3. No novation – Reservation of rights

3.1. As of the date hereof, references in the Existing Framework Loan Agreement to “the agreement”, “hereunder”, “herein” and like terms or to any provision of the Existing Framework Loan Agreement shall be construed as a reference to the Amended Framework Loan Agreement. This Amendment Agreement shall in no way be deemed to be a novation of the Existing Framework Loan Agreement.

3.2. All other terms and conditions of the Existing Framework Loan Agreement that are not hereby amended shall remain in full force and effect and the amendments made by this Amendment Agreement are strictly on the basis of the terms herein. Nothing in this Amendment Agreement shall adversely affect, jeopardize, or otherwise limit or impair any right, power or remedy of CEB against the Borrower or in respect of any past, present or future infringement of the Borrower’s undertakings under the Existing Framework Loan Agreement, unless such infringements were explicitly waived by the CEB, nor may the Amendment Agreement be construed to be a waiver thereof or an acquiescence therein under any applicable law and all of CEB’s rights howsoever arising remain fully reserved.

4. Incorporation of terms

The provisions of Clauses 1.2 (*Construction*), 1.3 (*Headings*), 8 (*Representations and Warranties*), 9 (*Third Parties*), 11 (*Assignment*), 12 (*Governing Law*), 13 (*Disputes*), 14 (*Notices*) and 15 (*Taxes and Expenses*) of the Existing Framework Loan Agreement shall be incorporated into this Amendment Agreement as if set out in full herein and as if references therein to the “Agreement” and like terms are references to this Amendment Agreement.

5. Entry into force

Once duly signed by the Parties hereto, this Amendment Agreement shall entry into force upon delivery to the CEB of the following documents, to be in form and substance satisfactory to the CEB:

- (i) Legal opinion in English issued by the Borrower’s Chief Legal Officer, substantially in the form set out under Appendix 2 to the Existing Framework Loan Agreement *mutatis mutandis*, covering the issues of capacity, power and authority of the Borrower and confirming, that the Amendment Agreement has been duly executed by authorized representatives of the Borrower and that the Amendment Agreement is valid, binding and enforceable in accordance with its terms in the Borrower’s jurisdiction; and
- (ii) Evidence in English (*e.g.*, Statute, By-laws, Board Resolution, Power of Attorney, etc.) to the CEB’s satisfaction of the person(s) authorized to execute the Amendment Agreement and the Disbursement Requests under the Amended Framework Loan Agreement on behalf of the Borrower, together with the authenticated specimen of the signature(s) of such person(s).

This Amendment Agreement is made in two (2) original copies, each of which is equally valid. One original is kept by each of the Parties.

Tampere, on _____

For the **City of Tampere**

Paris, on _____

For the **Council of Europe Development Bank**

By:

By: Mr. Rolf Wenzel, Governor