

FI N° 86.136

Serapis N° 2016-0227

TAMPERE TRAMWAY

Guarantee Agreement

between the

European Investment Bank

and

City of Tampere

(as Guarantor)

Tampere, 29 September 2017



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THIS AGREEMENT IS MADE BETWEEN:

The European Investment Bank having its seat at 100 blvd Konrad Adenauer, Luxembourg, L-2950 Luxembourg, represented by Mr Alexander Stubb, Vice-President

(the "Bank")

of the first part, and

City of Tampere, a municipality under Finnish law with business identity code (in Finnish Y-tunnus) 0211675-2, represented by Mr Lauri Lyly, Mayor and Mr Juha Yli-Rajala, Chief Executive Officer

(the "Guarantor")

of the second part.

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WHEREAS:

- (A) By an agreement dated 29 September 2017, as amended from time to time, and made between the Bank and Tampereen Raitiotie Oy (a limited liability company incorporated in Finland with business identity code (in Finnish Y-tunnus) 2802791-8) (the "**Borrower**") (the "**Finance Contract**"), the Bank has agreed to grant to the Borrower credit in the amount of EUR 150,000,000 (one hundred and fifty million euros) to be used for the financing of the Project (as defined and described in more detail in the Finance Contract). The credit will be disbursed to the Borrower in no more than five (5) disbursements.
- (B) The obligations of the Bank under the Finance Contract are conditional, among other things, on the prior execution and delivery of a guarantee by the Guarantor on the due performance by the Borrower of its financial obligations under the Finance Contract.
- (C) The Guarantor is willing to provide a guarantee on the terms contained herein (the "**Guarantee**") and enter into this guarantee agreement (the "**Guarantee Agreement**").
- (D) Mr Lauri Lyly and Mr Juha Yli-Rajala are authorised to execute this Guarantee Agreement on behalf of the Guarantor (and documents evidencing such authority are attached hereto as Annex I).
- (E) The legal counsel of the Guarantor will issue a legal opinion regarding this Guarantee in form and set out in Annex II.

NOW THEREFORE it is hereby agreed as follows:

DEFINITIONS AND INTERPRETATION:

Terms defined or having constructions ascribed to them in the Finance Contract have the same meaning and constructions when used in this Guarantee Agreement unless otherwise defined or having constructions ascribed to them in this Guarantee Agreement.

Definitions

In this Guarantee Agreement:

"**Borrower**" has the meaning given to such term in recital (A) above.

"**Business Day**" means a day (other than a Saturday or Sunday) on which the Bank and commercial banks are open for general business in Luxembourg.

"**Change-of-Control Event**" has the meaning given to such term in the Finance Contract.

"**Finance Contract**" has the meaning given to such term in recital (A) above.

"**GAAP**" means generally accepted accounting principles in Finland, including IFRS.

"**Guarantee**" has the meaning given to such term in recital (C) above.

"**Guarantee Act**" means the Finnish Act on Guarantees and Third Party Pledges (361/1999, as amended).

"**Guarantee Agreement**" has the meaning given to such term in recital (C) above.

"**Guaranteed Liabilities**" mean of all actual, contingent, present and/or future obligations and liabilities of whatever nature of the Borrower towards the Bank under or in relation to the Finance Contract, including but not limited to all principal, interests, fees, commissions, indemnities, charges, expenses and other moneys as well as all costs, charges and expenses incurred by the Bank in connection with the protection, preservation or enforcement of its rights under the Finance Contract.

"**Guarantor Change-of-Law Event**" has the meaning given to such term in the Finance Contract.

"**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.

Interpretation

In this Guarantee Agreement, unless a contrary indication appears, references to:

- (a) Articles, Recitals, Schedules and Annexes are, save if explicitly stipulated otherwise, references respectively to articles of, and recitals, schedules and annexes to this Guarantee Agreement;
- (b) references to a provision of law are references to that provision as amended or re-enacted;
- (c) the headings are inserted for convenience of reference only and shall not affect the interpretation of this Guarantee Agreement;
- (d) the "**Guarantor**", the "**Bank**" and the "**Borrower**" shall be construed as to include its and any subsequent successors in title, permitted assigns and permitted transferees;
- (e) this "**Guarantee Agreement**", the "**Finance Contract**" or any other agreement or instrument is a reference to such agreement or instrument as amended, novated, supplemented, extended or restated from time to time; and
- (f) "**including**" and "**include**" shall be deemed to be followed by "**without limitation**" where not so followed.

ARTICLE 1
Finance Contract

The Guarantor acknowledges the provisions of the Finance Contract, a copy of which has been delivered to it.

For the purposes of the Finance Contract, this Guarantee Agreement constitutes a Guarantee as defined in Recital (f) of the Finance Contract.

ARTICLE 2
Guarantee

2.1 Guarantee

The Guarantor hereby irrevocably and unconditionally:

- (a) guarantees to the Bank as for its own debt (in Finnish "omavelkainen takaus") the due and punctual payment and performance by the Borrower to the Bank of all the Guaranteed Liabilities of the Borrower as any such liability becomes due from time to time (whether because of maturity, default, mandatory prepayment, demand, acceleration or otherwise) under the Finance Contract; and
- (b) undertakes with the Bank that whenever the Borrower does not pay any amount of the Guaranteed Liabilities when due under or in connection with the Finance Contract, the Guarantor shall immediately pay that amount as if it was the principal obligor in respect of such amount.

2.2 Waiver of defences

- (a) The obligations of the Guarantor under this Guarantee shall not be discharged, impaired or otherwise affected by:
 - (i) any time, waiver or consent granted to, or composition with, the Borrower or any other person;
 - (ii) any arrangement entered into or composition accepted by the Bank modifying (by operation of law or otherwise) the rights and remedies of the Bank against the Borrower under the Finance Contract or any other person under any security arrangement;
 - (iii) the taking, variation, exchange or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of the Borrower or any other person or any non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
 - (iv) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Borrower or any other person;
 - (v) subject to Article 8 (Modification of the Finance Contract), any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of the Finance Contract or any other document or security including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under the Finance Contract or other document or security;
 - (vi) any unenforceability, illegality or invalidity of any obligation of any person under the Finance Contract or any other document or security; or

- (vii) any circumstance relating to or resulting from any bankruptcy, insolvency, liquidation, winding-up, dissolution, reorganisation, administration or other similar proceedings (on a statutory or voluntary basis), including, without limitation, any discharge, reduction or other similar circumstance affecting any obligation of the Borrower under the Finance Contract resulting from such proceedings or any law or regulation.
- (b) The Guarantor waives its rights and defences under the Guarantee Act.

2.3 Independent and Continuing Guarantee

- (a) The Guarantee hereby created is in addition to and independent of any other guarantee or security, which the Bank may at any time hold in respect of any of the Borrower's obligations under the Finance Contract or in respect of any obligations of any other person and is not in any way prejudiced by any other guarantee or security now or subsequently held by the Bank. The Bank's rights hereunder are in addition to and not exclusive of those provided by law.
- (b) The Guarantee hereby created shall continue and remain in full force and effect until the Guaranteed Liabilities have been irrevocably paid or discharged in full, provided, however, that this Guarantee may in any event be called following its expiry in respect of any Guaranteed Liability paid by the Borrower to the Bank but which the Bank is obliged to repay to the Borrower or a liquidator or receiver by virtue of the insolvency laws of Finland or any other applicable insolvency legislation. Notwithstanding any other provision of this Guarantee Agreement, no payment or discharge which may be avoided under any enactment relating to insolvency, no payment or discharge made or given which is subsequently avoided and no release, return, cancellation, termination or any such discharge of this Guarantee given or made on the faith of such payment or discharge shall constitute discharge of the Guarantor under this Guarantee or prejudice or affect the Bank's right to recover from the Guarantor to the full extent of this Guarantee.
- (c) The Guarantor undertakes promptly to execute such deeds, documents or instruments and take any action that the Bank may require for the purpose of protecting and perfecting the interests conferred upon it by this Guarantee.

ARTICLE 3

Undertakings and Covenants

3.1 Negative Pledge

The Guarantor shall not, without the prior written consent of the Bank, create or permit to subsist any Security on, or with respect to, any of its present or future business, undertaking, assets or revenues (including any uncalled capital).

3.2 Non-disposal of Assets

- (a) The Guarantor shall not either in a single transaction or in a series of transactions whether related or not and whether voluntarily or involuntarily dispose of any part of its assets.
- (b) Paragraph (a) above does not apply to any disposal of assets for fair market value and at arm's length (i) made in exchange for other assets comparable or superior as to type, value and quality or (ii) made with the prior written consent of the Bank.

For the purposes of this Article, "dispose" and "disposal" includes any act effecting sale, transfer, lease or other disposal.

3.3 Financial ratios

- (a) The Guarantor shall ensure that the Guarantor's:
- (i) total Consolidated Interest bearing Debt to total Consolidated Revenues may not exceed 1.0 to 1.0; and
 - (ii) annual net repayments of Capital and Interest to total Consolidated Revenues may not exceed 15.0%.
- (b) The financial covenants set out above shall be tested by reference to each Measurement Period on the basis of the relevant consolidated audited annual accounts of the Guarantor and the relevant Compliance Certificate delivered pursuant to Article 7.1(a) for such Measurement Period.

For the purpose of this Guarantee Agreement:

"Accounting Date" means 31 December.

"Measurement Period" shall mean a period of 12 (twelve) months starting on 1 January of a calendar year and ending on the Accounting Date in that calendar year.

"Consolidated Interest bearing Debt" means at any time the aggregate of the following liabilities calculated at the nominal, principal or other amount at which the liabilities would be carried in the consolidated annual balance sheet of the Guarantor drawn up at that time:

- (i) any moneys borrowed;
- (ii) any amount raised by acceptance under any acceptance credit (including any dematerialised equivalent);
- (iii) any issue of bond, note, debenture, loan stock or other similar instrument;
- (iv) any amount of any liability under a finance or capital lease;
- (v) any moneys owing in connection with the sale or discounting of receivables (except to the extent that there is no recourse);
- (vi) any amount attributable to any redeemable preference shares;
- (vii) any amount arising from any deferred payment agreements arranged primarily as a method of raising finance or financing the acquisition of an asset; and
- (viii) any amount arising in connection with any other transaction (including any forward sale or purchase agreement) which has the commercial effect of a borrowing.

"Interest" means in respect of Consolidated Interest bearing Debt all interest and other financing charges (whether, in each case, paid, payable or capitalised) incurred during a Measurement Period.

"Consolidated Revenues" means the income, tax revenues and state grants generated in the consolidated annual profit and loss account of the Guarantor during a Measurement Period.

"Capital" means in respect of Consolidated Interest bearing Debt all principal sums repaid during a Measurement Period.

All expressions used in this Article 3.3 and not otherwise defined above, shall be construed in accordance with GAAP.

- (c) The Guarantor represents and warrants to the Bank that no loss of rating clause or financial covenants concluded with any other creditor of the Guarantor are more restrictive than the ones contained in this Guarantee Agreement.

3.4 Pari passu

The Guarantor undertakes that the obligations under this Guarantee are direct and unconditional obligations of the Guarantor and rank and will rank at least *pari passu* with all other unsecured and unsubordinated contingent obligations of the Guarantor other than those obligations of the Guarantor to its unsecured creditors which would, on a winding-up of the Guarantor, be preferred by operation of law.

3.5 Clauses by inclusion

If the Guarantor concludes with any other financial creditor a financing agreement that includes a loss-of-rating clause or a covenant or other provision regarding its financial ratios or any undertakings, mandatory prepayment events, events of default and/or other restrictive terms and conditions, that is/are not provided for in this Guarantee Agreement or is more favourable to the relevant financial creditor than any equivalent provision of this Guarantee Agreement is to the Bank, the Guarantor shall promptly inform the Bank and shall provide a copy of the more favourable provision to the Bank.

Upon receipt by the Bank of a notice of more favourable provisions, the Bank shall, within a reasonable period of time, notify the Guarantor if it wishes to incorporate the relevant more favourable provision(s) into this Guarantee Agreement or, in case of urgency, the Guarantor shall upon written request from the Bank grant the same rights to the Bank as are available to the other financial creditors.

If the Bank wishes to incorporate the more favourable provision(s) into this Guarantee Agreement, then such provision(s) shall be deemed incorporated by reference in to this Guarantee Agreement as if set forth fully herein, *mutatis mutandis*. Upon the Bank's request, the Guarantor shall execute an agreement to amend this Guarantee Agreement to further evidence the incorporation of such incorporated provision(s).

3.6 Change in business

The Guarantor shall procure that no substantial change is made to the general nature of the business of the Borrower from that carried on at the date of the Finance Contract.

3.7 Compliance with laws

The Guarantor shall comply with all laws and regulations to which it is subject, including any laws of the European Union on state aid.

3.8 Obligations

The Guarantor shall at all times ensure that this Guarantee Agreement constitutes its legally valid, binding and enforceable obligations.

3.9 Change of law

The Guarantor shall promptly inform the Bank if a Guarantor Change-of-Law Event has occurred or is likely to occur. In such case, or if the Bank has reasonable cause to believe that a Guarantor Change-of-Law Event has occurred or is about to occur, the Bank may request the Guarantor and the Borrower (and upon such request the Guarantor and the Borrower shall) consult with it in accordance with the Finance Contract.

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ARTICLE 4
Enforcement of Guarantee

4.1 Immediate recourse

- (a) This Guarantee shall be immediately enforceable whenever the Borrower fails to perform any of the Guaranteed Liabilities. A written demand for the payment may be made by the Bank for less than the full amount due at the time of such demand and more than one demand may be made by the Bank.
- (b) The Guarantor waives any right it may have of first requiring the Bank to proceed against or enforce any other rights or security or claim payment from any other person or any other security before claiming from the Guarantor under this Guarantee and agrees that the Bank may enforce this Guarantee against the Guarantor without proceeding against or enforcing any other rights or security or claiming payment from any person, other guarantors or any other security, in which case the Guarantor shall immediately pay to the Bank in the currency specified in the Finance Contract all due Guaranteed Liabilities.
- (c) Until all Guaranteed Liabilities which are or may be or become payable by the Borrower under or in relation to the Finance Contract have been irrevocably paid in full, the Bank may (i) refrain from applying or enforcing any other moneys, security or rights held or received by the Bank in respect of those amounts, or apply and enforce the same in such manner and order as the Bank sees fit, and (ii) hold in an interest-bearing suspense account any moneys received from the Guarantor or otherwise for the purposes of discharging the Guarantor's liabilities under this Guarantee.

4.2 Payment

- (a) Any payment by the Guarantor shall be made on the Business Day set out by the Bank in a demand for such payment. The Guarantor agrees that (i) any amount of the Guaranteed Liabilities demanded by the Bank shall bear interest in accordance with the Finance Contract until the payment is made, and (ii) any amount which has not been credited to the Bank's account by the date set out in the Bank's demand shall bear interest as from such due date until the date of receipt of the demanded sum by the Bank at a default interest rate equal to the rate specified in Article 3.2 (Interest on overdue sums) of the Finance Contract.
- (b) All amounts payable by the Guarantor hereunder shall be paid without set-off, deduction for any commissions, conditions, bank expenses, cost of remittance of any nature or counterclaim whatsoever.
- (c) Article 5 (Payments) of the Finance Contract shall apply to this Guarantee and the Guarantor as though references in that Article (i) to the Finance Contract were to this Guarantee, and (ii) to a party to the Finance Contract were to the Bank or the Guarantor (as the case may be), respectively, mutatis mutandis.
- (d) In the event of the Bank enforcing this Guarantee with respect to a part but not the whole of the Guaranteed Liabilities, the Guarantor shall have the right to discharge immediately the full amount of the Guaranteed Liabilities which is outstanding at the time of such discharge. The date of the payment and discharge under this Article 4.2 shall be agreed with the Bank. If the payment of the Guaranteed Liabilities under this Article 4.2 shall be made on a date other than a Payment Date under the Finance Contract, the Guarantor shall indemnify the Bank in such amount as the Bank shall certify is required to compensate it for receipt of funds otherwise than on a Payment Date under the Finance Contract.

ARTICLE 5

Subrogation

5.1 Deferral of Guarantor's right

- (a) Until all Guaranteed Liabilities have been irrevocably paid in full and unless the Bank otherwise directs, the Guarantor shall not exercise any rights which it may have by reason of performance of its obligations under this Guarantee or by reason of any amount being or becoming payable or liability arising under this Guarantee:
- (i) to be indemnified in any way by the Borrower or to receive any collateral from the Borrower;
 - (ii) to claim any contribution from any other guarantor of the Borrower's obligations under the Finance Contract;
 - (iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Bank under the Finance Contract or of any other guarantee or security taken pursuant to, or in connection with, the Finance Contract by the Bank;
 - (iv) to bring legal or other proceedings for an order requiring the Borrower to make any payment, or perform any obligation, in respect of which the Guarantor has given a guarantee, undertaking or indemnity under this Guarantee Agreement;
 - (v) to exercise any right of set-off against the Borrower; and/or
 - (vi) to claim or prove as a creditor of the Borrower in competition with the Bank.
- (b) If the Guarantor receives any benefit, payment or distribution in relation to any of the items referred to in Article 5.1(i)–(vi), it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Bank by the Borrower under or in relation to the Finance Contract to be repaid in full to be held by the Bank and shall promptly pay or transfer the same to the Bank or as the Bank may direct for application in accordance with Article 5.5 (Application of sums received) of the Finance Contract.
- (c) The Guarantor shall not be discharged of any of its obligations hereunder by reason of any act or omission by the Bank. Furthermore, the Guarantor is not and may not be subrogated to any of the rights, remedies or privileges of the Bank relating to any payment.

ARTICLE 6

Information by the Bank

6.1 Independent Assessment

The Guarantor acknowledges that:

- (a) it has entered into this Guarantee Agreement on the basis of its own assessment of the Borrower and any security provided (if any); and
- (b) it has not been induced to enter into this Guarantee by any representation made by the Bank.

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6.2 Information by the Bank

- (a) The Bank at its discretion may, but is not obligated to, inform the Guarantor of the facts and circumstances coming to its knowledge and likely to affect the repayment of, or the payment of interest on, the sums hereby guaranteed. However, the Bank is not under an obligation to seek out such information and it shall not be liable in respect of information supplied or not supplied. The Bank shall have no obligation to provide the Guarantor with any information nor is the Guarantor entitled to receive information as set forth in the Guarantee Act.
- (b) Upon the Guarantor's request, the Bank shall confirm to the Guarantor the disbursement of principal amounts and any prepayment of any Guaranteed Liabilities under the Finance Contract.

ARTICLE 7

Information by the Guarantor

7.1 Financial Statements and know your customer

The Guarantor shall deliver to the Bank:

- (a) each year as soon as they become available but in any event not later than 30 June, a copy of its consolidated and unconsolidated annual report including but not limited to its balance sheet, profit and loss account and auditors statement for that financial year together with other relevant documentation as set forth in Finnish law applicable to the Guarantor and together with a Compliance Certificate as set out in Annex III signed by two authorised signatories confirming compliance by the Guarantor with the financial covenants pursuant to Article 3.3 and with evidence of such compliance and related calculations;
- (b) immediately any information on its financial position likely to have a detrimental effect on its ability to perform the obligations expressed to be assumed by it under this Guarantee Agreement and, from time to time, such further information on its financial position, business and operations as the Bank may request; and
- (c) any such information or further document concerning customer due diligence matters of or for the Guarantor as the Bank may reasonable require within a reasonable time.

7.2 Other Information

- (a) The Guarantor shall inform the Bank immediately of:
 - (i) any material alteration to its by-laws (such as Standing Order (FI: *johtosääntö*) and similar);
 - (ii) any fact which obliges it to prepay any financial indebtedness or any European Union funding and any fact which obliges it or any member of the Borrower's Group or the Borrower to prepay any other financial indebtedness;
 - (iii) any Change-of-Law Event or Guarantor Change-of-Law Event and any proposal or decision known to it which envisages the introduction of a Change-of-Law Event or a Guarantor Change-of-Law Event;
 - (iv) any disposal of assets as referred to in Article 3.2;
 - (v) any breach of the financial covenants as referred to in Article 3.3;
 - (vi) any intention on its part or on the part of any member of the Group to grant any security over any of its assets in favour of a third party save as permitted under this Guarantee and the Finance Contract;
 - (vii) any Change-of-Control Event having occurred or being reasonably likely to occur in relation to the Borrower;

- (viii) any fact or event, which might jeopardise or prevent the fulfilment of any obligation of the Guarantor under this Guarantee;
 - (ix) any substantial alteration to its regulations or modification of the legal prescriptions directly relating to its activities where such alteration or modification could affect the Guarantor's ability to fulfil its obligations hereunder; and
 - (x) any default by it in the performance of any obligation in respect of any other agreement entered into by it with the Bank.
- (b) The Guarantor represents and warrants to the Bank that delivery and performance by the Guarantor of this Guarantee Agreement will not cause any breach of any agreement or undertaking by which the Guarantor is bound.

ARTICLE 8

Modification of the Finance Contract

8.1 Modification of the Finance Contract

- (a) The Bank may not amend or vary the terms of the Finance Contract without prior written consent of the Guarantor, save as provided in paragraph (b) below.
- (b) The Bank may at any time:
 - (i) agree to any amendment to the Finance Contract which does not increase the amounts payable by the Borrower thereunder; or
 - (ii) grant the Borrower, in respect of the due date of any payment of any Guaranteed Liabilities, an extension of time of up to 3 (three) months.
- (c) The Bank shall notify the Guarantor of each such amendment or extension, and the Guarantor agrees that any such amendment or extension shall be transposed into this Guarantee and that this Guarantee is deemed amended accordingly in order to give effect to the provisions of the Finance Contract (as amended, extended, novated, replaced, restated or supplemented from time to time).

ARTICLE 9

Taxes, charges and expenses

Any taxes and fiscal charges and any costs and expenses incurred in connection with the making, the performance or the enforcement of this Guarantee shall be borne by the Guarantor.

The Guarantor shall pay all principal, interest, commission and other amounts due under this Guarantee gross without deduction of any national or local impositions whatsoever. If any amount in respect of any applicable taxes, charges, duties, fees or any other expenses or impositions must be deducted, withheld or retained from any amount due under this Guarantee Agreement, the Guarantor undertakes to pay such additional amount as may be necessary to ensure that the Bank receives a net amount equal to the full amount to which it is entitled under this Guarantee Agreement.

ARTICLE 10

Law and jurisdiction

10.1 Governin Law

This Guarantee, its formation and its validity shall be governed by and construed in all respects in accordance with the laws of Finland. Notwithstanding such choice of law, the Guarantee Act shall not be applied to this Guarantee Agreement.

10.2 Jurisdiction

- (a) Any dispute which may arise between the parties hereto arising from, relating to or in connection with this Guarantee Agreement shall be subject to the jurisdiction of the Finnish courts with the Helsinki District Court (in Finnish *Helsingin käräjäoikeus*) as the court of first instance.
- (b) This Article 10.2 is for the benefit of the Bank only. As a result and notwithstanding Article 10.2(a), it does not prevent the Bank from taking proceedings relating to a dispute (including a dispute relating to the existence, validity or termination hereof) in any other courts with jurisdiction. To the extent allowed by law, the Bank may take concurrent proceedings in any number of jurisdictions.

10.3 Place of Performance

The place of performance of this Guarantee is the head office of the Bank.

10.4 Evidence of sums due

Any certificate of the Bank as to any amount due to the Bank under this Guarantee and any record of the Bank of any such amount shall, in the absence of manifest error, each constitute prima facie evidence of that amount.

ARTICLE 11

Final clauses

11.1 Notices

Any notice or other communication given under this Contract must be in writing.

Notices and other communications given under this Guarantee Agreement addressed to either party to this Guarantee Agreement shall be made to the address or email address as set out below, or to such other address or email address as a party previously notifies to the other in writing:

For the Bank

Attention: Operations
100 boulevard Konrad Adenauer
L-2950 Luxembourg
Email: contractline-86136@eib.org

For the Guarantor

Attention: Janne Salonen
Tampereen kaupunki, Finance Manager
PL 487
33101 Tampere, Finland
Email: kirjanpito@tampere.fi

Provided however that any notice or communication to the Bank which arises out of or is preparatory to litigation shall be addressed to the following address where the Bank elects domicile:

Bank of Finland
Legal Affairs Unit
Snellmaninaukio
FI-00170 Helsinki

No alteration to such addresses shall be valid until it has been communicated in writing by one party to this Guarantee to the other.

Notices and other communications, for which fixed periods are laid down in this Contract or which themselves fix periods binding on the addressee, may be made by hand delivery, registered letter or by email. Such notices and communications shall be deemed to have been received by the other party on the date of delivery in relation to a hand-delivered or registered letter or on the date when the email is sent in relation to an email message from the Bank to the Guarantor or when confirmed by return email by an authorised officer of the Bank to have been received in readable form, in the case of an email sent by the Guarantor to the Bank.

Other notices and communications may be made by hand delivery, registered letter or, to the extent agreed by the parties by written agreement, by email or other electronic communication.

Any notice or communication issued by the Guarantor and addressed to the Bank shall refer to the number identifying this Contract at the Bank and indicated on the cover page of this Contract after letters "FIN".

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

11.2 Recitals and Annexes

The Recitals form part of this Guarantee. The following Annexes are attached hereto:

Annex I: Authority of Signatories for the Guarantor

Annex II: Form of Legal Opinion

Annex III: Compliance Certificate

11.3 No assignment or transfer

The Guarantor shall neither assign nor transfer all or any part of its rights, benefits or obligations under this Guarantee without the prior written consent of the Bank.

11.4 Benefit of this Guarantee

This Guarantee shall be binding upon the Guarantor and its successors in title and benefit the Bank and its successors in title and permitted assignees under the Finance Contract.

11.5 Severability

If any provision of this Guarantee is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect the legality, validity or enforceability in that jurisdiction of any other provision of this Guarantee or the legality, validity or enforceability in other jurisdictions of that or any other provision of this Guarantee.

11.6 No implied waivers, remedies cumulative

No failure to exercise nor any delay in exercising, on the part of the Bank, any right or remedy under the Finance Contract or this Guarantee shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies of the Bank provided in this Guarantee are cumulative and not exclusive of any rights or remedies provided by law. The Bank shall have no liability for granting or disbursing the Loan, for cancelling or not cancelling the Credit or for demanding or not demanding prepayment or repayment under the Finance Contract.

Any waiver by the Bank of any of the terms of this Guarantee or any consent given by the Bank under this Guarantee shall only be effective if given in writing and then only for the purpose for which and upon the terms under which it was given.



Subject to Article 8 (Modification of the Finance Contract), any amendment to this Guarantee shall be in writing and signed by or on behalf of the Guarantor and the Bank.

11.7 Set-off

The Bank may set off any matured obligation due from the Guarantor under this Guarantee (to the extent beneficially owned by the Bank) against any obligation (whether or not matured) owed by the Bank to the Guarantor regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Bank may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off. If either obligation is unliquidated or unascertained, the Bank may set off in an amount estimated by it in good faith to be the amount of that obligation.

IN WITNESS WHEREOF the parties hereto have caused this Guarantee Agreement to be executed in 3 (three) originals in the English language.

At Tampere, this 29 September 2017

Signed for and on behalf of
EUROPEAN INVESTMENT BANK

Alexander Stubb
Vice-President

Signed for and on behalf of
CITY OF TAMPERE

Lauri Lyly
Mayor

Juha Yli-Rajala
Chief Executive
Officer