

Европейска инвестиционна банка
 Evropská investiční banka
 Den Europæiske Investeringsbank
 Europäische Investitionsbank
 Euroopa Investeeringispank
 Ευρωπαϊκή Τράπεζα Επενδύσεων
 European Investment Bank
 Banco Europeo de Inversiones
 Banque européenne d'investissement
 An Banc Eorpach Infheistíochta
 Europska investicijska banka
 Banca europea per gli investimenti

Eiropas Investīciju banka
 Europos investicijų bankas
 Európai Beruházási Bank
 Bank Ewropew tal-Investment
 Europese Investeringsbank
 Europejski Bank Inwestycyjny
 Banco Europeu de Investimento
 Banca Europeană de Investiții
 Európska investičná banka
 Evropska investicijska banka
 Euroopan investointipankki
 Europeiska investeringsbanken

BY COURIER

Municipality of Budapest
 Finance Department
 Városház u. 9-11.
 1052 Budapest
 Hungary

For the attention of the Treasury Department

EXP BEI-EIB
 B 007101 01.FEB 19

Luxembourg, 31 January 2019

JU OPS 1/CE /MK/zb/2019-0243

EIB -- Corporate Use

Reference: **Budapest Urban Transport A**
 (Serapis 2014 0173 / FI 83.564)

Finance Contract dated 29 December 2015 between the European Investment Bank and the Municipality of Budapest (the "**Finance Contract**")

Amendment Nr. 1

Dear Sirs,

Capitalised terms used but not defined in this amendment letter (the "**Amendment Letter**") have the meanings given to them in the Finance Contract.

We refer to your request dated 26 April 2018 whereby you requested us to extend the Final Availability Date. We agree to amend the Finance Contract subject to the terms and conditions set out herein.

1. Amendment

The Finance Contract is hereby amended as follows:

- (a) The definition of the **Final Availability Date** in the **Definitions** section of the Finance Contract shall read as follows:

"Final Availability Date" means 29 December 2019.

- (b) Article 12.01 (Notices to either party) and Article 12.02 (Form of Notice) the Finance Contract shall read as follows:

"12.01 Form of Notice"

- (a) Any notice or other communication given under this Contract must be in writing and, unless otherwise stated, may be made by letter, electronic mail and facsimile.
- (b) 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, facsimile or by electronic mail. Such notices and communications shall be deemed to have been received by the other party:
- (i) on the date of delivery in relation to a hand-delivered or registered letter;
- (ii) on receipt of transmission in relation to a facsimile;

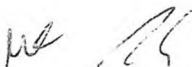
- (iii) *in the case of any electronic mail sent by the Borrower to the Bank, only when actually received in readable form and only if it is addressed in such a manner as the Bank shall specify for this purpose, or*
- (iv) *in the case of any electronic mail sent by the Bank to the Borrower, when the electronic mail is sent.*
- (c) *Any notice provided by the Borrower to the Bank by electronic mail shall:*
- (i) *mention the Contract Number in the subject line; and*
- (ii) *be in the form of a non-editable electronic image (pdf, tif or other common non-editable file format agreed between the parties) of the notice signed by an authorised signatory with individual representation right or by two or more authorised signatories with joint representation right of the Borrower, attached to the electronic mail.*
- (d) *Notices issued by the Borrower 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 Borrower and the authenticated specimen signature of such person or persons.*
- (e) *Without affecting the validity of electronic mail or facsimile notices or communication made in accordance with this Article 12.01, the following notices, communications and documents shall also be sent by registered letter to the relevant party at the latest on the immediately following Business Day:*
- (i) *Disbursement Request;*
- (ii) *Revocation of a Disbursement Request according to Article 1.02C(b);*
- (iii) *any notices and communication in respect of the deferment, cancellation and suspension of a disbursement of any Tranche, interest revision or conversion of any Tranche, Market Disruption Event, Prepayment Request, Prepayment Notice, Event of Default, any demand for prepayment, and*
- (iv) *any other notice, communication or document required by the Bank.*
- (f) *The parties agree that any above communication (including via electronic mail) is an accepted form of communication, shall constitute admissible evidence in court and shall have the same evidential value as an agreement under hand (sous seing privé).*

12.02 Addresses

The address, fax number and electronic mail address (and the department or officer, if any, for whose attention the communication is to be made) of each party for any communication to be made or document to be delivered under or in connection with this Contract is:

For the Bank

*Attention: OPS / Public Sector Division,
Czech Republic, Hungary and Slovakia
100 boulevard Konrad Adenauer
L-2950 Luxembourg
E-mail address: contactline-
83564@eib.org
Facsimile no: +352 4379 69394*





For the Borrower

*Attention: Municipality of Budapest/
Financial Department*

Városház utca 9-11., Budapest

1052 Hungary

E-mail address: treasury@budapest.hu

Facsimile no.: +36-1-327-1932

Notification of communication details

The Bank and the Borrower shall promptly notify the other party in writing of any change in their respective communication details."

- (c) Schedule B (Definitions of EURIBOR and BUBOR) of the Finance Contract shall be replaced by the wording set out in the Annex to this Amendment Letter.*

For avoidance of doubt, all other provisions of the Finance Contract:

- (a) remain in full force and effect and valid; and
- (b) apply, without any reservations, waivers or limitations despite the amendments set out herein.

2. Representations

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

3. General

This Amendment Letter and its formation, construction and validity shall be governed the laws of Luxembourg.

Notwithstanding anything herein to the contrary, nothing in this Amendment Letter or in the agreement constituted by the Borrower's acceptance of it constitutes a waiver, renunciation or other modification of any immunities, privileges or exemptions of the Bank.

No consents, waivers or amendments are given under this Amendment Letter in respect of any breach of, or default (howsoever defined) under the Finance Contract which might result from any other circumstance at any time other than in respect of the issues as specifically set out herein.

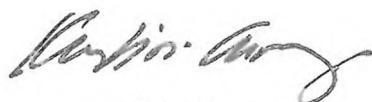
The agreement of the parties contained in this Amendment Letter shall only apply to the matters specifically referred to herein. Such agreement shall be without prejudice to any rights which the Bank or the Borrower may now or hereafter have in relation to any other circumstances or matters other than the issues as specifically referred to herein (and whether subsisting on the date hereof or otherwise).

No commitment or amendment fees will be charged by the Bank for the aforementioned proposed change.

Please indicate your agreement to the above by initialling all pages of this Amendment Letter, and signing and dating each of the three (3) originals of this Amendment Letter. Please then arrange for the return of two duly signed originals to the Bank by registered mail or courier, together with copies of the authorisations and signing authorities of those persons signing on behalf of the Borrower, marked for the attention of Mr Miroslav Kapinaj.

The amendments set out in this Amendment Letter shall become effective on the date the Bank receives such duly signed originals. From such date the references in the Finance Contract to "this Contract", and similar references shall be read and construed as references to the Finance Contract as amended by the provisions of this Amendment Letter. However, any references in the Finance Contract and in this Amendment Letter to the "date of this Contract" and similar references shall refer to the date of execution of the Finance Contract, i.e. 29 December 2015.

Yours faithfully,
EUROPEAN INVESTMENT BANK



K. Lang
Head of Division



D. Ellerkmann
Head of Division

Agreed to for and on behalf of the Municipality of Budapest

Name: DR. GÁBOR BAGDY

Title: VICE MAYOR

Date: 28. FEBRUARY 2019.



Pénzügyi ellenjegyzés végezte:

2019. FEBRUÁR 11. B.

Vere Tibor
főosztályvezető

Szignálta:

dr. Bagdy Gábor

2019. FEBRUÁR 27. főpolgármester-helyettes



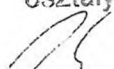
2019. FEBRUÁR 27.

Szignálta:

Nágel Ilona
aljegyző



Sáradi Kálmánné dr.
főjegyző



Annex

Schedule B

Definitions of EURIBOR and BUBOR

A. EURIBOR

"EURIBOR" means:

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

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

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

- (i) "**available**" means the rates, for given maturities, that are calculated and published by Global Rate Set Systems Ltd (GRSS), or such other service provider selected by the European Money Markets Institute (EMMI), under the sponsorship of EMMI and EURIBOR ACI, or any successor to that function of EMMI and EURIBOR ACI as determined by the Bank, and
- (ii) "**Screen Rate**" means the rate of interest for deposits in EUR for the relevant period as published at 11h00, Brussels time, or at a later time acceptable to the Bank on the day (the "**Reset Date**") which falls 2 (two) Relevant Business Days prior to the first day of the relevant period, on Reuters page EURIBOR 01 or its successor page or, failing which, by any other means of publication chosen for this purpose by the Bank.

If such Screen Rate is not so published, the Bank shall request the principal euro-zone offices of four major banks in the euro-zone, selected by the Bank, to quote the rate at which EUR deposits in a comparable amount are offered by each of them as at approximately 11h00, Brussels time, on the Reset Date to prime banks in the euro-zone interbank market for a period equal to the Representative Period. If at least 2 (two) quotations are provided, the rate for that Reset Date will be the arithmetic mean of the quotations.

If fewer than 2 (two) quotations are provided as requested, the rate for that Reset Date will be the arithmetic mean of the rates quoted by major banks in the euro-zone, selected by the Bank, at approximately 11h00, Brussels time, on the day which falls 2 (two) Relevant Business Days after the Reset Date, for loans in EUR in a comparable amount to leading European banks for a period equal to the Representative Period.

If no rate is available as provided above, EURIBOR shall be the rate (expressed as a percentage rate per annum) which is determined by the Bank to be the all-inclusive cost to the Bank for the funding of the relevant Tranche based upon the then applicable internally generated Bank reference rate or an alternative rate determination method reasonably determined by the Bank.

B. BUBOR

"BUBOR" means:

- (a) in respect of a relevant period of less than one month, the rate of interest for deposits in HUF for a term of one month;
- (b) in respect of any relevant period or any other period of time, of more than one month:
 - (i) if it corresponds to any period for which rates of interest for deposits in HUF are commonly quoted, the rate of interest for deposits in HUF for a period corresponding to the term of such relevant period; or
 - (ii) if it does not correspond to any period for which rates of interest for deposits in HUF are commonly quoted, the rate resulting from a linear interpolation by reference to two rates of interest for deposits in HUF, one of which shall be a rate commonly quoted for a period next shorter than a relevant period and the other for a period next longer than the relevant period;

(the period, or periods, for which the rate is taken or based on which the rate is interpolated being hereafter referred to as the "**Representative Period**") as published at 11:00 a.m. Budapest time or at a later time acceptable to the Bank on the day (the "**Reset Date**") which falls 2 (two) Budapest Business Days prior to the first day of the relevant period, on Reuters page BUBOR= or its successor page or, failing which, by any other means of publication chosen for this purpose by the Bank. If such rate is not so published, the Bank shall request the principal Budapest offices of 4 (four) major banks operating in the HUF interbank market, selected by the Bank, to quote the rate at which HUF deposits in a comparable amount are offered by each of them as at approximately 11:00 a.m. Budapest time, on the Reset Date, for loans in HUF in a comparable amount to leading European banks for a period equal to the Representative Period. If at least 2 (two) such quotations are provided, the rate will be the arithmetic mean of the quotations provided.


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

If no rate is available as provided above, BUBOR shall be the rate (expressed as a percentage rate per annum) which is determined by the Bank to be the all-inclusive cost to the Bank for the funding of the relevant Tranche based upon the then applicable internally generated Bank reference rate or an alternative rate determination method reasonably determined by the Bank.

C. GENERAL

For the purposes of the foregoing definitions:

- (a) "**Budapest Business Day**" means a day on which banks are open for normal business in Budapest.
- (b) All percentages resulting from any calculations referred to in this Schedule will be rounded, if necessary, to the nearest to the nearest one hundredth (in respect of BUBOR) or one thousandth (in respect of EURIBOR) of a percentage point, with halves being rounded up.
- (c) The Bank shall inform the Borrower without delay of the quotations received by the Bank.
- (d) If any of the foregoing provisions becomes inconsistent with provisions adopted under the aegis of:
 - (i) EMMI and EURIBOR ACI (or any successor to that function of EMMI and EURIBOR ACI as determined by the Bank) in respect of EURIBOR, or



(ii) the National Bank of Hungary (or any successor to that function of the National Bank of Hungary as determined by the Bank) in respect of BUBOR,

the Bank may by notice to the Borrower amend the provision to bring it into line with such other provisions.

