

The Beneficiary

Standard Chartered Bank
Structured Export Finance London
1 Basinghall Avenue
London, EC2V 5DD
United Kingdom
Attn.: Yoshi Ichikawa

EKF

Lautrupsgade 11
2100 København Ø
Denmark

T +45 35 46 26 00
F +45 35 46 26 11
ekf@ekf.dk
www.ekf.dk
CVR : 30763777
EAN : 5798000021662

Export Credit Guarantee

BUYER'S CREDIT

Journal-No. 2016-05.01/3231

Letter	No.	Date of Loan Agreement	Date of issue
KK-6	28642-53810 01-E	16 April 2018	7 September 2018

Amount of Loan	Guarantor for the Loan
EUR 246,559,445	

First draw down under the Loan	Starting point of credit
28 September 2018	16 August 2020

Terms of Repayment
See page 2 for payment schedule.

Exporter	Borrower
NEW HORIZONS IN INFRASTRUCTURE OF DENMARK NHID I/S 8260 Viby J	Ministry of Finance Angola Edifício do MinFin Largo da Mutamba Luanda

Description of Goods/Project:
Transmission system project from Laúca Hydro Power Plant

Guaranteed percentage	
Commercial risks	100.00 %
Political risks	100.00 %

The premium amounts to	EUR 25,962,710
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On the basis of the Beneficiary's/Beneficiaries' application(s) and any additional information received from the Beneficiary/Beneficiaries, and in accordance with the enclosed general terms and conditions, October 2016 Litra KK-6 and the special terms and provisions set out in Appendix 1, EKF Danmarks Eksportkredit undertakes to indemnify the guaranteed percentage of any loss incurred by the Beneficiary/Beneficiaries in connection with the transaction specified above.

EKF DANMARKS EKSPORTKREDIT


Anette Eberhard



Søren Juhl

Enclosed: Appendix 1 (Special Terms and Conditions) and general terms and conditions (Buyer Credit Guarantee – Terms and Conditions, October 2016, Litra KK-6).



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Riskprofile:

The insured has stated the following repayment schedule in EUR:

Rate	Type of Line	End date	Net Change	Balance
	Disbursement	15-08-20	0.00	246,559,445.00
1	Instalment	15-02-21	15,409,965.00	231,149,480.00
2	Instalment	15-08-21	15,409,965.00	215,739,515.00
3	Instalment	15-02-22	15,409,965.00	200,329,550.00
4	Instalment	15-08-22	15,409,965.00	184,919,585.00
5	Instalment	15-02-23	15,409,965.00	169,509,620.00
6	Instalment	15-08-23	15,409,965.00	154,099,655.00
7	Instalment	15-02-24	15,409,965.00	138,689,690.00
8	Instalment	15-08-24	15,409,965.00	123,279,725.00
9	Instalment	15-02-25	15,409,965.00	107,869,760.00
10	Instalment	15-08-25	15,409,965.00	92,459,795.00
11	Instalment	15-02-26	15,409,965.00	77,049,830.00
12	Instalment	15-08-26	15,409,965.00	61,639,865.00
13	Instalment	15-02-27	15,409,965.00	46,229,900.00
14	Instalment	15-08-27	15,409,965.00	30,819,935.00
15	Instalment	15-02-28	15,409,965.00	15,409,970.00
16	Instalment	15-08-28	15,409,970.00	0.00

Special Provisions:

Please see Appendix 1 (Special Terms and Conditions).



Appendix 1 to export credit guarantee: special terms and conditions

1. Introduction

This appendix 1 sets out the special terms and conditions (the "**Special Terms and Conditions**") which shall apply to the guarantee issued by EKF Denmark's Export Credit Agency (the "**EKF**") in favour of Standard Chartered Bank and DekaBank Deutsche Girozentrale as Beneficiaries under the Export Credit Guarantee – Buyer's Credit, guarantee number 28642-53810.

The Special Terms and Conditions shall supplement and modify, as applicable, the Guarantee Policy and the General Terms and Conditions (each as defined below). The Special Terms and Conditions, the Guarantee Policy and the General Terms and Conditions shall jointly be referred to as the "**Guarantee**".

In case of any discrepancy between, on the one hand, the Special Terms and Conditions and, on the other hand, the General Terms and Conditions or the Guarantee Policy, the Special Terms and Conditions shall prevail.

2. Definitions

Unless otherwise defined herein, words and expressions defined in the General Terms and Conditions shall have the same meaning when used herein, and in addition the following terms shall have the following meanings:

"Beneficiary" and "Beneficiaries"	DekaBank Deutsche Girozentrale, company number HRA 16068 in the commercial register A of the District Court of Frankfurt am Main and Standard Chartered Bank company registration number ZC 18 incorporated by a Royal Charter 1853, each a "Beneficiary" and together the "Beneficiaries"
Additional Local Costs	Means any costs (other than the Contractor's Local Costs) that have been locally incurred in Angola in relation to the Project.
"Beneficiary Agent"	Standard Chartered Bank, company registration number ZC 18 incorporated by a Royal Charter 1853.
"Borrower"	Republic of Angola acting by and through the Ministry of Finance of the Republic of Angola
"Buyer" or "Purchaser"	Ministry of Energy and Water of the Republic of Angola
"Commercial Contract"	The public works contract between the Buyer and the Contractor dated 2 August 2017 in connection with the Project.
"Commercial Contract Value"	The aggregate amount paid or to be paid by the Buyer to the Exporter under the terms of the Commercial Contract for goods and/or services, equal to



	EUR 220,588,235.
"Contractor's Local Costs"	Any costs referable to work conducted by the Exporter in Angola in connection with performance under the Commercial Contract.
"Date of Guarantee"	The date on which the final guarantee is issued as per the Guarantee Policy.
"Eligible Goods and Services"	The goods and services supplied or rendered (including the ones financed via the 15% down payment) under the Commercial Contract by the Exporter to the Buyer.
"EKF ESAP" and "ESAP"	Means the Environmental and Social Action Plan dated 21th of December 2017 (the "EKF ESAP"), in relation to the Project in the form acceptable to EKF and as updated from time to time on an on-going basis (the "ESAP").
"Euler Hermes"	Euler Hermes Aktiengesellschaft, acting on behalf and for the account of the Government of the federal Republic of Germany, D-22703 Hamburg, Germany
"Export Contract Value"	(a) the Commercial Contract Value; less (b) Contractor's Local Costs.
"Exporter" (as defined in the General Terms and Conditions)	New Horizons in Infrastructure of Denmark NHID I/S, 8260 Viby, Denmark
"Finance Documents"	The Loan Agreement, any Fee Letter, any Utilisation Request, any Assignment Agreement, any Transfer Certificate and any other document designated as such by the Agent and the Borrower.
"General Terms and Conditions"	The Buyer Credit Guarantee – Terms and Conditions, Commercial and Political Cover (October 2016, KK 6), enclosed to the Guarantee Policy.
"Loan"	Means a loan made or to be made under the Loan Facility or the principal amount outstanding for the time being of that loan.
"Loan Facility" (as defined in the General Terms and Conditions)	The loan facility in the aggregate amount of EUR 246,559,445 as referred to on page 1 of the Guarantee Policy and further described under Section 3 (<i>The covered loan facility</i>) below.
"Premium" (as defined in the General Terms and Conditions)	The premium calculated and payable in accordance with Section 4 (<i>Premium and fees</i>) below.

<p>"Pfandbrief Clause"</p> <p>Applicable to DekaBank Deutsche Girozentrale only</p>	<p>a. It is agreed and understood that DekaBank Deutsche Girozentrale may utilise the guarantee together with the payment claims against the Borrower guaranteed thereunder as part of its cover pool (Deckungsstock) for the purposes of its refinancing via public covered bonds (Öffentliche Pfandbriefe) pursuant to Section 20 of the German Pfandbrief Act (§ 20 Pfandbriefgesetz), whereas the registration of these claims in the corresponding cover register (Deckungsregister) serves as evidence for such utilisation. The cover of this guarantee will in no way be affected or impaired by any such utilisation.</p> <p>b. Notwithstanding clauses 1.1.7 and 2.3.1 of the general conditions applicable to the guarantee, a Commercial Risk Event shall include, in addition to the events covered by the provisions referred to above, also the following event: The Borrower may not make payments with discharging effect under the Loan Agreement to DekaBank Deutsche Girozentrale due to legal actions or measures of and/or initiated by third parties (in particular, but not limited to, as a result of an attachment of covered claims in a state outside the European Union or an institution of partial insolvency proceedings over assets located in a state outside the European Union) following the institution of insolvency proceedings against DekaBank Deutsche Girozentrale.</p> <p>In this Pfandbrief clause, all German terms and all terms which are accompanied by German translations in parentheses shall be understood and construed in accordance with the German law on covered bonds (Pfandbriefgesetz) dated 2 May 2005, as amended from time to time.</p>
<p>"Project"</p>	<p>The construction of the transmission line to the Lauca hydroelectric dam project and upgrade of related substations as described in the Commercial Contract.</p>

3. The covered loan facility

On or about the Date of Guarantee, the Beneficiaries and the Borrower will enter into the Loan Agreement under which the Beneficiaries undertake to make available to the Borrower the Loan Facility, for the purpose of assisting the Borrower in financing the Project.

EKF has been informed that (i) the interest rate for the Loan Facility is EURIBOR and if the rate of interest so determined is below zero (0), it will be deemed zero (0), (ii) the margin is 1.20 per cent per annum, (iii) interest and margin shall be calculated on the basis of the actual number of days elapsed and a year of 360 days, and (iv) interest and margin shall accrue from day to day and shall be payable by the Borrower semi-annually. In addition, EKF has been informed that the disbursement period under the Loan Agreement is 34 months from the Date of the Loan Agreement.

The Guarantee is issued in connection with the above-mentioned finance transaction and for the purpose of guaranteeing the Borrower's obligations under the Loan Agreement in so far as such obligations relate to the financing of the Buyer's payment obligations (including for the down payment) under the Commercial Contract (Purpose of the Loan Agreement is the financing of Eligible Goods and Services and 100% of the EKF Premium). The total value of the Loan Facility is calculated as the sum of the following: (i) 85 % of the Export Contract Value, (ii) Contractor's Local Costs and Additional Local Costs up to an aggregate amount equal to 30 % of the Export Contract Value, (iii) 100% of the Premium and fees as set out in section 4 below. It is expected that the sum of (i) and (ii) is the same as the value of the Commercial Contract.

For the avoidance of doubt, the Guarantee covers 100% of the Borrower's payment obligations (interest and principal).

In addition to the above this Guarantee also covers DekaBank Deutsche Girozentrale's utilisation of this Guarantee for its cover pool (Deckungsstock) for the purposes of its refinancing via public covered bonds (Öffentliche Pfandbriefe) pursuant to Section 20 of the German Pfandbrief Act (§ 20 Pfandbriefgesetz) as defined under "**Pfandbrief Clause**".

4. Premium and fees

Notwithstanding anything to the contrary in the General Terms and Conditions, as a condition for the effectiveness of the Guarantee, the Beneficiaries shall pay to EKF the Premium as an up-front payment, which shall be calculated as 10.53 % of the Loan Facility equal to EUR 25,962,710 plus the costs of the Pfandbrief Clause equal to EUR 8,500 ("**Pfandbrief Clause Fees**") as an up-front payment.

The Premium is, inter alia, calculated on the basis of the starting point of credit ("SPOC") occurring 28 months from the date of the Loan Agreement (whilst availability period under the Loan Agreement is 34 months) and a repayment period of 8 years from the SPOC.

The Premium and the fees shall be paid by the Beneficiaries out of the proceeds of the first disbursement under the Loan Facility and is, thus, payable on the date of first disbursement.

The Guarantee will automatically terminate if the Premium and fees have not been received within 30 calendar days from the Date of Guarantee.

5. Conditions precedent

It is a condition for the issuance of the Guarantee that the following requirements are fulfilled:

Approval of environmental and social action plan	EKF has provided the Project with the EKF ESAP; and The Exporter, the Borrower or Buyer must provide the Lenders with an organizational chart showing the roles and responsibilities in respect to social and environmental matters – both during and after construction, if applicable.
Elapse of notification period	The notification period relating to the notification of the Guarantee in accordance with the OECD or EU requirements has elapsed without any objections.
Know-your-customer checks	EKF has received and approved all relevant information for the purpose of its conduct of the "know-your-customer" checks of all relevant parties.
Legal opinion	DekaBank Deutsche Girozentrale has provided EKF with a legal opinion confirming that i) the specific references to the German Pfandbrief Act law in the Recourse Agreement and this Appendix 1 are correct, ii) the enforceability of the Recourse Agreement, iii) the legal capacity of DekaBank Deutsche Girozentrale to enter into the Recourse Agreement (the "Legal Opinion").
Non-bribery and openness declarations	EKF has received (i) the EKF-Declaration on non-bribery and openness, duly completed and signed, from each of the Beneficiaries and the Exporter, and (ii) the EKF-Declaration on openness, duly completed and signed, from the Borrower.



Recourse agreement	<p>DekaBank Deutsche Girozentrale and EKF has entered into a recourse agreement (the "Recourse Agreement") which gives EKF recourse against DekaBank Deutsche Girozentrale, but not against any of the assets of DekaBank Deutsche Girozentrale's cover pool, if EKF pays a guaranteed amount under this guarantee as a result of the event described in section b) of the Pfandbrief Clause as described above.</p> <p>For avoidance of doubt, the Recourse Agreement will not have any effect on the <i>Pfandbriefbank mit beschränkter Geschäftstätigkeit</i> within the meaning of Section 30 German Pfandbrief Act (Pfandbriefgesetz).</p>
Reinsurance	EKF has obtained reinsurance commitment from Euler Hermes at the required level covering the risk associated with the Guarantee.

By its signature on the Guarantee Policy, EKF confirms that it is satisfied with the fulfilment of the above-mentioned requirements.

6. Conditions Subsequent

It is a condition for the construction of the Project to begin (and thereby the 3rd drawdown to occur) that the following requirements are fulfilled no later than six (6) months after issuance of the Guarantee:

Approval of environmental and social impact	EKF has approved the required environmental and social impact actions, including Environmental and Social Impact Assessment and ESAP of the Project.
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7. Special conditions

It is a condition for cover under the Guarantee that the following requirements are met throughout the term of the Guarantee:

Bribery	EKF shall not be liable under the Guarantee, and any compensation paid out by EKF under the Guarantee (together with interest from the date of payment of such compensation) shall be repaid by the Beneficiaries to EKF, if the Beneficiaries, or any person acting on its behalf, has engaged in or engages in illegal bribery in connection with the Project (including in connection with the entry into or performance under any associated export contracts etc.).
Conditions relating to the first disbursement	The Beneficiaries shall ensure that the first disbursement under the Loan Agreement shall be used to pay the Premium and Pfandbrief Clause Fees only.
Conditions relating to the second disbursement	<p>The Beneficiaries shall ensure that the second disbursement under the Loan Agreement is subject to the following conditions which shall be fulfilled to the satisfaction of the Beneficiaries:</p> <ul style="list-style-type: none"> (i) the Beneficiaries have received written confirmation from the Borrower, or other relevant documentation, that the proceeds of the second disbursement shall be used towards financing of the down-payment of the Commercial Contract; (ii) The Beneficiaries have received written confirmation from the Borrower

	that the Borrower has already incurred Additional Local Costs (outside the Commercial Contract) related to the Project in an amount equal to at least EUR 29,270,363 .
Conditions precedent for third disbursement	<p>The Beneficiaries shall ensure that the third disbursement under the Loan Agreement is subject to the following conditions which shall be fulfilled to the satisfaction of the Beneficiaries:</p> <ul style="list-style-type: none"> (i) all insurances, permits, governmental and regulatory approvals, third party consents, authorisations, licenses and similar arrangements required to be obtained by the Exporter in accordance with the Commercial Contract has been obtained; and (ii) the Beneficiaries have received written confirmation from the Borrower, or other relevant documentation, that the proceeds of the Loan Facility shall be used towards financing of the Eligible Goods and Services; and (iii) EKF and the Lenders have approved the Environmental and Social Management Plan (ESMP) and any applicable changes to the EKF ESAP.
General standard of the Loan Agreement	The Loan Agreement shall fulfil the requirements to a market standard loan agreement for this type of transaction and shall include, among others, customary events of default clauses.
No change of interest rate and margin	The interest rate and margin in respect of the Loan Facility and the calculation and payment of the interest rate and margin as described in Section 3 (<i>The covered loan facility</i>) above, cannot be changed without EKF's prior written consent. The interest rate and the Premium (as well as the calculation and payment terms) shall be reflected in the Loan Agreement.
Ranking of debt	With the exception of obligations which are mandatorily preferred by law, the Loan Facility shall rank at least pari passu with all other present and future unsecured and unsubordinated indebtedness of the Borrower.
Reinsurance	<p>EKF may, at its sole discretion reinsure its obligations under the Guarantee in whole or in part.</p> <p>Confidential information regarding the Finance Documents, the Guarantee and the Project may be disclosed by EKF to EKF's existing and potential reinsurance brokers and reinsurers, subject to such reinsurance brokers' or reinsurers' (as the case may be) written confirmation to maintain such information confidential.</p>
Subrogation in rights	<p>The Beneficiaries shall ensure that EKF subrogates into, or shall at the request have transferred, all of the Beneficiaries' rights under the Finance Documents, to the extent that EKF makes any payment under the Guarantee.</p> <p>The Beneficiaries shall make sure that the Borrower acknowledges such right of subrogation and shall take all other required or appropriate actions to ensure</p>

	that such right of subrogation is effective.
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In addition to the above, the following shall apply:

Validation of the Guarantee	Notwithstanding any provisions in the General Terms and Conditions to the contrary, the failure by one Beneficiary to comply with any of its obligations under the Guarantee will not in any way affect the other Beneficiary's coverage under the Guarantee.				
Amendments to the General Terms and Conditions:	<p>The General Terms and Conditions shall be amended as follows (and with reference to Clause 8.3 a of the Loan Agreement):</p> <p>CL 5.1.2, b.) is replaced with the following text: "in respect of Default Interest, be limited to 90 (ninety) days of default interest accrued under the Loan Agreement with the addition of up to 30 (thirty) days of default interest until payment by the Guarantor has been made, see sub-clause 4.2.1. The interest rate cannot exceed 2.00 % p.a. plus the rate which would have been payable if the overdue amount had, during the period of non-payment, constituted a Loan in the currency of the overdue amount for successive Interest Periods as agreed under the Loan Agreement. For the avoidance of doubt, any additional default interest agreed to under the Loan Agreement is not covered"; and</p> <p>CL 1.1.6, b.) is replaced with the following text: 7.1. "Commercial Contract" shall mean the commercial contract between the Exporter and the Buyer."</p>				
Multiple Beneficiaries	<p>The Guarantee shall be shared between the Beneficiaries so that each of the Beneficiaries shall be entitled to cover under the Guarantee only up to its Relevant Share of the Guaranteed Amount.</p> <p>For the purpose of this Section, "Relevant Share" shall mean, in respect of each Beneficiary, (i) at any relevant time prior to such Beneficiary's disbursement under the Loan Facility, the proportion between such Beneficiary's commitment in respect of the Loan Facility and the aggregate commitments of all Beneficiaries in respect of the Loan Facility, and (ii) at any relevant time after such Beneficiary's disbursement under the Loan Facility, the proportion between such Beneficiary's share of the outstanding amounts under the Loan Facility and the aggregate of all Beneficiaries' shares of the outstanding amounts under the Loan Facility, in each case expressed as a percentage.</p> <p>As at the Date of Guarantee, the Beneficiaries' Relevant Shares are as follows:</p> <table> <tr> <td>DekaBank Deutsche Girozentrale:</td><td>68.9489 %</td></tr> <tr> <td>Standard Chartered:</td><td>31.0511 %</td></tr> </table> <p>Each Beneficiary's aggregate claims under the Guarantee cannot exceed its Relevant Share of the Guaranteed Amount (subject to the maximum liability limitation set out in the General Terms and Conditions). The maximum liability of EKF under the Guarantee towards all Beneficiaries shall be calculated in accordance</p>	DekaBank Deutsche Girozentrale:	68.9489 %	Standard Chartered:	31.0511 %
DekaBank Deutsche Girozentrale:	68.9489 %				
Standard Chartered:	31.0511 %				

	<p>with Clause 5.1.2 of the General Terms and Conditions.</p> <p>A claim under the Guarantee can be made by each Beneficiary to the extent that it covers the Relevant Share of that Beneficiary at the relevant time. Claims resulting from the Pfandbrief Clause can be made only by the <i>Pfandbriefbank mit beschränkter Geschäftstätigkeit</i> within the meaning of Section 30 German Pfandbrief Act (Pfandbriefgesetz).</p> <p>Any payment by EKF under the Guarantee shall be made to the Beneficiary Agent, however, direct payment to another Beneficiary shall be made if requested by that other Beneficiary. In any case, payments related to claims resulting from the Pfandbrief Clause shall be made only to the relevant <i>Pfandbriefbank mit beschränkter Geschäftstätigkeit</i> within the meaning of Section 30 of the Pfandbriefgesetz.</p>
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8. Requirements to the Loan Agreement

The Beneficiaries shall ensure that the following minimum requirements are appropriately incorporated in the Loan Agreement and continue to be in full force and effect:

Application of funds	<p>The Loan Agreement shall provide that the proceeds of the Loan Facility shall be applied by the Borrower only towards financing of the Premium and the Eligible Goods and Services. For the avoidance of doubt, the first drawdown should be for the payment of the Premium and Pfandbrief Clause Fees, and the second drawdown shall be for the payment of the 15 % down-payment of the Commercial Contract</p>
Compliance with environmental and social matters	<p>The Loan Agreement shall include the following (or wording with the same effect):</p> <p>DEFINITIONS:</p> <p>"Environmental and Social Claim" means, with respect to any person: any written notice, claim, administrative, regulatory, judicial, or equitable action, suit, lien, judgment, or demand by any other person; or any other written communication by any Governmental Authority, in either case alleging or asserting such person's liability for investigatory costs, cleanup costs, consultants' fees, governmental response costs, damages to natural resources (including wetlands, wildlife, aquatic and terrestrial species and vegetation) or other property, property damages, personal injuries, fines, or penalties arising out of, based on, or resulting from: the presence, or Release into the Environment, of any Hazardous Material at any location, whether or not owned by such person; or circumstances forming the basis of any violation, or alleged violation, of any Environmental and Social Laws or Authorisation issued under any Environmental and Social Laws.</p> <p>"Environmental and Social Law" means any and all laws, now or hereafter in effect, and any judicial or administrative interpretation thereof, including any judicial or administrative order, consent decree, or judgment, relating to the Environment, human health or safety, or to emissions, discharges, releases, or</p>



threatened releases of Hazardous Materials into the Environment, including ambient air, surface water, groundwater, or land, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of Hazardous Materials.

"Environmental and Social Standards" means (a) IFC's Performance Standards on Social and Environmental Sustainability, dated January 2012, and (b) IFC's Environmental, Health and Safety General Guidelines, dated April 30, 2007.

"Environmental Permits" means any permit, licence, consent, approval and other authorisation and the filing of any notification, report or assessment issued under Environmental and Social Laws or under the Environmental and Social Standards in respect of the Project.

"Environment" means flora and fauna, living organisms including humans and the ecological systems of which they form part and the following media:
(a) air and climate (including air within natural or man-made structures, whether above or below ground);
(b) water (including territorial, coastal and inland waters, water under or within land and water in drains and sewers);
(c) land and soil (including landscape, land under water, flora and fauna);
(d) cultural heritage; and
(e) matters relating to community and worker health and safety, and architectural and cultural heritage.

"Hazardous Material" means any substance that is regulated or could lead to liability under any Environmental and Social Law or the Environmental and Social Standards, including any petroleum or petroleum product, asbestos in any form that is or could become friable, transformers or other equipment that contain or contains dielectric fluid containing levels of polychlorinated biphenyls (PCBs), hazardous waste, hazardous material, hazardous substance, toxic substance, contaminant, or pollutant, as defined or regulated as such under, any applicable Environmental and Social Laws or the Environmental and Social Standards.

REPRESENTATIONS:

Environmental Compliance

- (a) The Borrower and, to the best of the Borrower's knowledge, the Purchaser, are in compliance in all respects with (i) all Environmental and Social Laws, (ii) the requirements of any Environmental Permit, and (iii) the Environmental and Social Standards, in each case in relation to the Project (and in the case of the Environmental and Social Standards, as such standards apply on and after commencement of construction works in respect of the Project).
- (b) There are no facts, circumstances, conditions or occurrences that could result in any breach by the Borrower of Environmental and Social Laws or Environmental Permits.
- (c) The Borrower has procured an acknowledgment from the Purchaser that the Purchaser will not approve or instruct any physical construction works or activity by the Contractor or any sub-contractor with respect to the Project or under the Commercial Contract until the Environmental and Social Action Plan and the Environmental and Social Management Plan

have been approved by the Lenders and EKF.

INFORMATION COVENANT:

Environmental information covenants

- (a) The Borrower:
- (i) shall;
 - (ii) will procure that the Purchaser shall; and/or
 - (iii) will use reasonable endeavours to ensure that the Contractor shall,

within ten (10) Business Days after its occurrence, notify the Agent of any significant health, safety, security or environmental incident, Emergency, accident, circumstance or any violent labour unrest or dispute with local communities specifying in each case the nature of the incident, Emergency, accident, circumstance or dispute and any effect resulting or likely to result therefrom, and the measures the Purchaser, the Contractor or such other applicable party take or plan to take to address them and to prevent any future similar event; to keep the Agent informed of the on-going implementation of those measures and plans; and promptly submit to the Agent copies of correspondence about such incidents, accidents, other circumstances or disputes with the relevant regulatory agencies of Angola.

- (b) The Borrower shall, or shall procure the Purchaser or the Contractor, to submit to the Agent by e-mail:
- (i) up to the Starting Point of Credit, semi-annually (with the first such report delivered 6 calendar months after the date of this Agreement); and
 - (ii) thereafter on each anniversary of the date of first commercial operation of the Project for the first three (3) years,

an environmental and social monitoring report prepared by the Contractor's environmental and social consultant (and reviewed and confirmed by the IESC) by reference to the Environmental and Social Standards detailing:

- (A) results of any environmental and social monitoring or sampling activity;
- (B) accidents having an impact on the Environment or resulting in serious personal injury or the loss of life,
- (C) environmental compliance deficiencies identified by any Governmental Entity, including any actual or threatened claims or investigations relating to impacts on the Environment or notices for revocation or alteration of Environmental Permits;
- (D) any non-compliance with Environmental and Social Laws and Environmental and Social Standards and description in sufficient detail of any remedial actions taken with respect thereto, and
- (E) any other reasonable requirements of the Lenders and EKF.

ACCESS:**Access for the Agent and EKF**

The Borrower shall, subject to applicable safety requirements:

- (a) permit; and
- (b) use all reasonable endeavours to cause the Purchaser to permit,

(subject to any confidentiality undertakings according to law or contractual agreement with third parties (other than with the Borrower)), the Agent, EKF or the accountants or other professional advisers (including, but not limited to, the IESC) and contractors of the Agent and/or EKF, free access at all reasonable times and on reasonable prior notice at the reasonable cost of the Borrower or the Purchaser, as applicable, to any property relating to the Project, the location of premises, assets, books, accounts, records, officers, employees, representatives or other agents of the Borrower, Contractor or the Purchaser, as applicable, in connection with the Commercial Contract or (as the case may be) to the extent reasonably necessary to verify compliance with, the Environmental and Social Action Plan and the Environmental and Social Monitoring Report.

UNDERTAKING (WILL BECOME AN EOD OVER TIME UNLESS REMEDIED):**Environmental Compliance**

- (a) The Borrower shall (and shall use reasonable endeavours to procure that the Purchaser and the Contractor will) comply in all respects with applicable (i) the Environmental and Social Standards, (ii) all applicable Environmental and Social Laws, (iii) the requirements of any Environmental Permits in connection with the preparation, construction, operation and decommissioning of the Project and (iv) requirements of the Environmental and Social Action Plan and the Environmental and Social Management Plan.
- (b) The Borrower shall use reasonable endeavours to procure the Contractor's compliance with the Contractor's Undertaking.
- (c) The Borrower shall ensure that the Purchaser shall not approve or instruct any physical construction works or activity by the Contractor or any sub-contractor with respect to the Project or under the Commercial Contract until the Environmental and Social Action Plan and the Environmental and Social Management Plan has been approved by the Lenders and EKF.

Environmental and Social Claims and corruption claims

The Borrower shall (and shall use reasonable endeavours to procure that the Purchaser will) inform the Agent in writing as soon as reasonably practicable upon becoming aware of:

- (b) any Environmental and Social Claim that has been commenced or (to the best of its knowledge and belief) is threatened against it, the Purchaser or in respect of the Project; and
- (b) any claim in respect of corruption that has been commenced or (to the best of its knowledge and belief) is threatened or alleged in respect of the Project.

Commercial Contract	The Exporter shall represent on each utilization that the Commercial Contract has not been amended in a material way.
Events of default	<p>The following events shall constitute events of default under the Loan Agreement, which shall give the Beneficiaries the right to accelerate all amounts outstanding under the Finance Documents and cancel the Loan Facility:</p> <p>(A) The occurrence of an event that has or is reasonably likely to have a Material Adverse Effect.</p> <p>For the purpose of such provision in the Loan Agreement, "Material Adverse Effect" shall mean a material adverse effect on:</p> <ul style="list-style-type: none"> a) the assets, operations or financial condition of the Borrower; b) the ability of the Borrower to perform its obligations under the Finance Documents; or c) the validity, legality or enforceability of the Finance Documents and/or the EKF Guarantee, and/or the rights or remedies of the Beneficiaries thereunder.
Mandatory pre-payment event	<p>The following event shall constitute a mandatory pre-payment event under the Loan Agreement:</p> <p>(A) It becomes illegal or contrary to any applicable sanctions for one or both of the Beneficiaries or EKF to participate in the transactions contemplated under the Loan Agreement or the Guarantee.</p>

BUYER CREDIT GUARANTEE – TERMS AND CONDITIONS

COMMERCIAL AND POLITICAL COVER

TERMS AND CONDITIONS

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1 DEFINITIONS

- 1.1 Unless the context otherwise requires words, expressions and terms in these terms and conditions of the Guarantee shall have the following meanings:
- 1.1.1 "Banking Day" shall mean a day on which banks are open for general business in Copenhagen and London;
 - 1.1.2 "Beneficiary" shall mean the entity to which this Guarantee is issued and whose name is set out in the Guarantee Policy;
 - 1.1.3 "Borrower" shall mean the borrowing party under the Loan Facility. If any other person or other entity is liable for the Borrower's non-payment, "Borrower" shall also mean such person or other entity;
 - 1.1.4 "Borrower's Country" shall mean the country of the Borrower. If the Borrower is a corporate entity it shall mean the country where the entity has its seat;
 - 1.1.5 "Central Bank" shall mean the principal monetary authority of a nation;
 - 1.1.6 "Commercial Contract" shall mean the commercial contract between the Exporter and the Borrower.
 - 1.1.7 "Commercial Risk Event" shall mean the Borrower's non-payment or non-transfer as the result of Insolvency or that the Borrower has failed to pay or transfer a payment under the Loan Agreement within a period of 90 (ninety) days of its stipulated due date;
 - 1.1.8 "Commitment Fee" shall be the commitment fee to be paid by the Beneficiary upon request from the Guarantor, as set out in sub-clause 6.1.2;
 - 1.1.9 "Contract Currency" shall mean the currency in which the Loan Facility under the Loan Agreement is made available to the Borrower and in which any Guaranteed Amount is covered by this Guarantee and is payable to the Beneficiary by the Guarantor under this Guarantee;
 - 1.1.10 "Covered Commercial Risk Percentage" shall mean the percentage covered by the Guarantor, as set out in the Guarantee Policy, of the Guaranteed Amount, when the event of default is attributable to a Commercial Risk Event;
 - 1.1.11 "Covered Political Risk Percentage" shall mean the percentage covered by the Guarantor, as set out in the Guarantee Policy, of the Guaranteed Amount when the event of default is attributable to a Political Risk Event;
 - 1.1.12 "Day" shall mean any day of the year;
 - 1.1.13 "Default Interest" shall mean the default interest payable by the Borrower under the Loan Agreement at the default interest rate set out therein following a non-payment by the Borrower;
 - 1.1.14 "Document Risk" shall mean the risk that the Loan Agreement and all securities and documents relating to the Loan Agreement are duly established and binding upon the Parties;
 - 1.1.15 "The Exporter" shall mean the party who is the supplier of goods and/or services under the contract financed in whole or in part by the Loan Facility;
 - 1.1.16 "Guarantee" shall mean this Buyer Credit Guarantee, including all Schedules and the Guarantee Policy;

- 1.1.17 "Guaranteed Amount" shall mean the principal, interest, fees and commission, if any, as set out and calculated in accordance with clause 5, which are payable from time to time by the Borrower to the Beneficiary, but no other party, in respect of the Loan Facility under, or pursuant to, the Loan Agreement;
- 1.1.18 "Guarantee Policy" shall mean the guarantee policy issued by the Guarantor to the Beneficiary setting the term, the Guaranteed Percentage, the risk profile and special provisions for the Guarantee;
- 1.1.19 "Guarantor" shall mean EKF, Lautrupsgade 11, 2100 Copenhagen, Denmark, as set out in the Guarantee Policy;
- 1.1.20 "Insolvent" or "Insolvency" shall mean the Borrower's non-payment or non-transfer of any amount due under the Loan Agreement, when this is the result of:
- a. that the Borrower has been declared bankrupt, or
 - b. that the Borrower has suspended payments, or
 - c. that the Beneficiary has taken steps to collect outstanding amounts owed under the Loan Agreement by levying execution or by taking other compulsory enforcement measures against the Borrower without these steps having resulted in the satisfaction of the debt in full;
- 1.1.21 "Loan Agreement" shall mean the loan agreement between the Beneficiary and the Borrower setting out the terms and conditions for the Loan Facility;
- 1.1.22 "Loan Facility" shall mean the maximum amount as set out in the Guarantee Policy made available in the Contract Currency by the Beneficiary to the Borrower in accordance with the terms and conditions of the Loan Agreement and guaranteed by the Guarantor in accordance with this Guarantee;
- 1.1.23 "Local Currency" shall mean the local currency of the Borrower's Country;
- 1.1.24 "Local Government or other Local Authority" shall mean the government of Borrower's Country or any of its ministries, departments or agencies, a regional or local authority or a nationalised undertaking;
- 1.1.25 "Party" shall mean a party to this Guarantee;
- 1.1.26 "Political Risk Event" shall mean the Borrower's non-payment or non-transfer of any amount due under the Loan Agreement, when this is a result of:
- a. Transfer hindrances in Borrower's Country meaning that payment has been made to a bank or Central Bank or other relevant institution and the transfer hereafter is contingent upon permission being granted by the Local Government or other Local Authority. The Guarantor's liability is contingent upon the Borrower irrevocably having paid to a bank or the Central Bank of the Borrower's Country or other relevant institution the amount due or an amount in Local Currency equal to the amount due not later than 30 (thirty) days after due date, and the Borrower irrevocably having requested the amount to be transferred;
 - b. A general moratorium of payments decreed by the Local Government or other Local Authority or by the local government or other local authority of a third country through which payment is to be effected;
 - c. Legal provisions adopted in the Borrower's Country declaring payments made by the Borrower in Local Currency to be a valid discharge of the debt, notwithstanding that, as a result of fluctuations in exchange rates, these payments, when converted into the Contract Currency, no longer cover the amount of the debt at the date of transfer of funds;
 - d. Any other acts and/or omissions and/or decisions by a foreign public authority which can be proved to have prevented the transfer of payments under the Loan Agreement;

- e. Acts of war, civil war, insurrection or similar disturbances. Terrorism/terror activities are not covered by this Guarantee, unless they are of the same comprehensive nature as the events mentioned in this sub-clause.
- 1.1.27 "Premium" shall be the premium payable by the Beneficiary to the Guarantor in accordance with sub-clause 6.1;
- 1.1.28 "Schedule" shall mean any schedule attached to this Guarantee forming part of the Guarantee;
- 1.1.29 "Schedule of Repayment" shall mean the schedule of repayment under the Loan Agreement;
- 1.1.30 "Uninsured Percentage" shall mean the percentage of the Loan Facility in respect of the Loan Agreement which is not covered under this Guarantee. The covered percentage is set out in the Guarantee Policy as a Covered Commercial Risk Percentage and/or a Covered Political Risk Percentage. The Uninsured Percentage is the balance and shall be borne by the Beneficiary;
- 1.2 If in this Agreement, unless the contrary intention is evident, a reference is made to a day and if that numerically corresponding day is not a Banking Day, the period will end on the following Banking Day.
- 1.3 In this Agreement, unless the contrary intention is evident, a reference to a clause or a Schedule is a reference to a clause in or a Schedule to this Guarantee.
- 1.4 In this Agreement, unless the contrary intention is evident, a reference to a person or other entity includes the permitted successors, transferees and assignees.
- 1.5 In this Agreement, unless the contrary intention is evident, a reference to words importing the singular shall include the plural and vice versa.
- 1.6 Headings are for the purpose of reference only and shall not be taken into account in the interpretation of the provisions of this Guarantee.

2 GUARANTEE

2.1 GUARANTEE

- 2.1.1 The Guarantor hereby guarantees the payment of the Guaranteed Amount. The Guarantor undertakes that, if the Borrower should fail to pay any Guaranteed Amount to the Beneficiary, whether upon the normal due date, upon demand for early repayment, upon acceleration or otherwise, all in accordance with the Loan Agreement, the Guarantor shall pay the Guaranteed Amount to the Beneficiary in accordance with this Guarantee.
- 2.1.2 The Guarantor's payment of the Guaranteed Amounts shall be made in the Contract Currency.
- 2.1.3 The payment by the Guarantor of any Guaranteed Amount in accordance with this Guarantee shall be without prejudice to the Guarantor's right of recourse against the Beneficiary for the Guaranteed Amount.

2.2 THE COMMENCEMENT OF THE GUARANTEE

- 2.2.1 This Guarantee commences on the date of its issue. Cover under the Guarantee takes effect when the conditions for disbursement of payments under the Loan Agreement have been fulfilled.

2.3 RISKS COVERED BY THE GUARANTEE

- 2.3.1 This Guarantee covers the risk of non-payment or non-transfer by the Borrower of any amount due under the Loan Agreement if the non-payment or non-transfer by the Borrower is the result of the occurrence of a Commercial Risk Event or a Political Risk Event.
- 2.3.2 The Guarantor shall not be liable for the non-payment or non-transfer by the Borrower under the Loan Agreement, when this non-payment or non-transfer is the result of any act, omission and/or error and/or negligence on the part of the Beneficiary.
- 2.3.3 The Document Risk is not covered by this Guarantee and rests with the Beneficiary.
- 2.3.4 The liability of the Guarantor regarding Political Risk Event is contingent upon that the Political Risk Events, causing or having caused default with respect to a payment falling due after the event has occurred.

2.4 THE UNINSURED PERCENTAGE

- 2.4.1 The Beneficiary may not assign the Uninsured Percentage, wholly or partly, or apply for a guarantee or insurance elsewhere without the prior written consent of the Guarantor. Nor may the Beneficiary take recourse against the Exporter for the Uninsured Percentage without the Guarantor's prior written consent.
- 2.4.2 The Guarantor's right of instruction under sub-clause 3.3.5, shall also apply to the Uninsured Percentage.
- 2.4.3 The Beneficiary shall accept an offer from the Guarantor to purchase the Uninsured Percentage, when the claims covered by the Guarantee are restructured under an intergovernmental debt consolidation agreement and/or debt reduction agreement, see sub-clause 3.5, within 30 (thirty) days of receipt of the offer from the Guarantor. The purchase shall be made at market value, and the Guarantor undertakes to obtain an independent assessment of the market value before a purchase offer is submitted. If a dispute arises in respect of the market value this shall be settled in accordance with clause 7. Further, the Beneficiary has a duty to cancel debt under the Uninsured Percentage, see sub-clause 3.5.2.

3 Obligations of the Beneficiary

3.1 NOTIFICATION OF DISBURSEMENTS

- 3.1.1 The Beneficiary shall notify the Guarantor in writing if the schedule of disbursements under the Loan Agreement is deviated from by more than 30 (thirty) days.
- 3.1.2 If the duration of the guaranteed transaction under the Loan Agreement exceeds 12 (twelve) months, the Beneficiary shall give the Guarantor notice in writing thereof no later than at the last disbursement of the Loan Facility.
- 3.1.3 The Beneficiary shall notify the Guarantor in writing of any deviations from the Schedule of Repayment.

3.2 NOTIFICATION OF NON-PAYMENT

- 3.2.1 The Beneficiary shall notify the Guarantor in writing if the Beneficiary has not received payment of any amount due within a period of 30 (thirty) days of its stipulated due date.
- 3.2.2 Notification by the Beneficiary shall be made no later than 14 (fourteen) days after expiry of the 30 (thirty) day period under sub-clause 3.2.1, and shall state the amount and due date. For the avoidance of doubt this notice shall also be given when no demand for payment has been made under the Guarantee.
- 3.2.3 When it is anticipated that future payments under the Loan Agreement will be made later than 30 (thirty) days from their stipulated due dates the Guarantor may, at its discretion, waive the notification requirement set out in sub-clause 3.2.1.

3.3 NOTIFICATION AND STANDARD OF CARE

- 3.3.1 The Beneficiary shall notify the Guarantor and obtain prior written consent from the Guarantor to amend the Loan Agreement and/or the Schedule of Repayment, this consent shall not be unreasonably withheld.
- 3.3.2 The Beneficiary shall not make disbursements under the Loan Agreement and the Guarantor shall always be notified immediately irrespective of whether or not the Loan Facility has been disbursed in full, if one or more of the following events occur:
 - a. The Borrower defaults under the Loan Agreement;
 - b. The Loan Facility has been called in or can be called in by the Beneficiary at its discretion;
 - c. The Borrower gives notice to the Beneficiary that no disbursements must be made under the Loan Facility.
- 3.3.3 The Beneficiary shall take all reasonable and appropriate measures to avoid or minimise loss.
- 3.3.4 Upon request the Beneficiary shall provide the Guarantor with copies of reports, financial information and other relevant data. The Beneficiary shall upon request also provide the Guarantor with certified translations into English or Danish of any of the documents requested. For the avoidance of doubt, the expense of certified translations incurred in connection with the collection of distressed debt is considered to be a cost under sub-clause 3.4.4.
- 3.3.5 In the administration and enforcement of the Loan Agreement and its obligations under this Guarantee, including collection of debts, the Beneficiary shall at all times comply with all instructions given by the Guarantor. This shall also apply when the Guarantor has paid indemnification. However, the obligation to comply with the Guarantor's instructions shall never extend beyond the point, where compliance would result in breach by the Beneficiary of any obligation binding upon the Beneficiary under the Loan Agreement.

3.4 COLLECTION OF DISTRESSED DEBTS

- 3.4.1 The Beneficiary shall undertake the collection of distressed debts, always with due regard to the interests of the Guarantor. The Beneficiary shall take all steps necessary to secure and collect debts together with corresponding securities, if any. Furthermore, the Beneficiary shall keep the Guarantor continuously informed of the collection proceedings. The Guarantor's right of instruction, under sub-clauses 2.4.2 and 3.3.5, shall apply in connection with the collection of distressed debt.

- 3.4.2 The Guarantor has the right to take control of the collection of distressed debt at its discretion.
- 3.4.3 If the Guarantor exercises its right according to sub-clause 3.4.2, the Beneficiary shall provide the Guarantor with written proof of authority to recover the distressed debt. The Guarantor may require the Beneficiary to assign the distressed debt to it.
- 3.4.4 Costs of collection are subject to the prior written approval of the Guarantor and shall be borne between the Beneficiary and the Guarantor in the same proportions in which the total loss is divided between them.

3.5 INTERGOVERNMENTAL DEBT CONSOLIDATION AGREEMENTS

- 3.5.1 The Beneficiary shall respect any intergovernmental debt consolidation agreement and/or debt reduction agreement at the full nominal value of the outstanding debt comprised by any such agreements. The Beneficiary shall transfer to the Guarantor the Uninsured Percentage, see sub-clause 2.4.3, and shall comply with any instructions given by the Guarantor at all times under the provisions of sub-clauses 2.4.2 and 3.3.5. The Beneficiary shall render any assistance the Guarantor considers necessary for the implementation of the agreement. For the avoidance of doubt, this shall not result in any postponement of the date upon which indemnification under the Guarantee falls due.
- 3.5.2 IF, AS PART OF A INTERGOVERNMENTAL DEBT CONSOLIDATION AGREEMENT AND/OR DEBT REDUCTION AGREEMENT, THE GUARANTOR HAS AGREED TO CANCEL A COUNTRY'S DEBT (EITHER IN WHOLE OR IN PART), THE BENEFICIARY SHALL CANCEL AN EQUAL PROPORTION OF THE UNINSURED PERCENTAGE IN RETURN FOR PAYMENT OF ITS MARKET VALUE, IF ANY, IMMEDIATELY PRIOR TO THE CANCELLATION OF THE DEBT, SEE SUB-CLAUSE 2.4.3.

3.6 STANDARD OF THE LOAN AGREEMENT

- 3.6.1 The Loan Agreement must contain provisions enabling the Beneficiary to stop for further disbursements under the Loan Facility in case of the Borrower's breach of contract.
- 3.6.2 The Borrower's obligation to pay must be, according to the Loan Agreement, unconditional, irrevocable and independent of the Commercial Contract.

4 Claims under the Guarantee

4.1 REQUEST FOR PAYMENT OF INDEMNIFICATION

- 4.1.1 In the event of the occurrence of a Commercial Risk Event the Beneficiary can make a request for indemnification under this Guarantee at the earliest, when:
 - a. the Borrower's Insolvency has been established and the debt has fallen due, or;
 - b. the 90 (ninety) days period set out in Commercial Risk Event.
- 4.1.2 In the event of the occurrence of a Political Risk Event the Beneficiary can make a request for indemnification under this Guarantee:
 - a. 90 (ninety) days after the stipulated due date, or;
 - b. in the event of a prior bilateral governmental moratorium on the due date. However, the Guarantor shall be entitled to require a request for payment at any earlier time.

- 4.1.3 The Beneficiary shall make any request for indemnification under this Guarantee in writing and the request shall specify the amount claimed and be accompanied by documentation, acceptable to the Guarantor, evidencing the cause of the non-payment or non-transfer by the Borrower under the Loan Agreement.
- 4.1.4 The request for payment must reach the Guarantor no later than 12 (twelve) months after the Beneficiary's right to make a request for payment under sub-clause 4.1 has arisen.

4.2 PAYMENT OF CLAIM

- 4.2.1 Payment by the Guarantor of any Guaranteed Amount under this Guarantee shall be made within 30 (thirty) days of receipt of the request for payment from the Beneficiary under the provisions of sub-clause 4.1.
- 4.2.2 Upon the Beneficiary's request for payment under sub-clauses 4.1, the Guarantor shall pay as and when the individual payments under the Loan Agreement fall due. This shall also apply, where the total balance under the Loan Facility is due.
- 4.2.3 In the event that the Beneficiary makes a request for payment under this Guarantee, the Guarantor may at its option and in lieu of complying with the request, in accordance with sub-clause 4.2.2, pay part or all of the Guaranteed Amount at the present value to the Beneficiary in full and final settlement of all of the Guarantor's obligations under this Guarantee. If the Guarantor makes such a payment, the Beneficiary shall upon request assign to the Guarantor all of the Beneficiary's rights as set out in sub-clause 3.4.3.
- 4.2.4 The Beneficiary is entitled to reject advance payment of claims under sub-clause 4.2.3, if the Beneficiary can verify that the Beneficiary will thereby incur significant costs owing to the type of financing involved. The claim shall then be settled in accordance with sub-clause 4.2.2.
- 4.2.5 The Guarantor's payments of any Guaranteed Amount shall be made in the Contract Currency.
- 4.2.6 Where the payment of a claim is made in a currency other than the Contract Currency the Guarantor shall only be liable for fees payable by the Guarantor to its own bank. Other fees shall not be covered.
- 4.2.7 Any amounts paid by the Guarantor under this Guarantee shall be applied by the Beneficiary in or towards satisfaction of the Guaranteed Amounts.
- 4.2.8 Indemnification shall be paid for Commercial Risk Events unless the Beneficiary in its written request for payment under sub-clause 4.1, has verified that the non-payment or non-transfer is the result of a Political Risk Event.
- 4.2.9 If the Beneficiary has been compensated for Commercial Risk Events with the Covered Commercial Risk Percentage, the Beneficiary may later apply to the Guarantor for indemnification for the Covered Political Risk Percentage. The Beneficiary must provide documentation demonstrating that the Political Risk Events were in fact the cause of the loss. The documentation must be received by the Guarantor no later than 12 (twelve) months after payment of the claim for Commercial Risk Events. Unless application and documentation is submitted within the 12 (twelve) months the Guarantor's payment of indemnification will be final.
- 4.2.10 The Guarantor shall pay interest on the additional indemnification, see sub-clause 4.2.9, at a rate equal to that for ordinary interest under the Loan

Agreement from the date of the first payment of the claim until the date of payment of the additional indemnification for Political Risk Events.

5 Calculation of Claim and Payments Received

5.1 CALCULATION OF CLAIM

- 5.1.1 The claim is the Guaranteed Amount due.
- 5.1.2 The maximum liability of the Guarantor under this Guarantee in respect of any amount claimed by the Beneficiary shall;
 - a. in respect of interest, be limited to interest accrued under the Loan Agreement up to the due date and only on the Guaranteed Amount that has fallen due;
 - b. in respect of Default Interest, be limited to 90 (ninety) days of default interest accrued under the Loan Agreement with the addition of up to 30 (thirty) days of default interest until payment by the Guarantor has been made, see sub-clause 4.2.1. The interest rate cannot exceed the ordinary rate of interest agreed under the Loan Agreement. For the avoidance of doubt, any additional default interest agreed to under the Loan Agreement is not covered; and
 - c. with regards to costs, be limited to any costs accepted by the Guarantor in accordance with sub-clauses 3.4.4 and 5.1.3.
- 5.1.3 The Guarantor's indemnification of costs is subject to the prior written approval by the Guarantor. Approved costs shall be borne between the Beneficiary and the Guarantor in the same proportion in which the total amount of the loss is divided between them.

5.2 ALLOCATION OF PAYMENTS RECEIVED

- 5.2.1 After a claim has been paid all and any amount received in respect of the Guaranteed Amount shall, irrespective of the size of the amount and whether the amount exceeds the claim paid by the Guarantor and irrespective of whether the payer is the Borrower or another party, be distributed between the Beneficiary and the Guarantor in proportion to the total amount of the loss as borne between the Parties. Before this distribution is made costs approved by the Guarantor are to be deducted from the amounts received. If the costs exceed the amounts received the costs shall be distributed in the same proportion.
- 5.2.2 Any amount received in another currency than the Contract Currency shall be converted to the Contract Currency. This conversion shall be made at the exchange rate quoted by the National Bank of Denmark (Danmarks Nationalbank) on the day the Beneficiary received payment.
- 5.2.3 The Beneficiary shall immediately pay to the Guarantor the Guarantor's proportion of any amount received under sub-clauses 5.2.1 and 5.2.2. The Guarantor shall receive payment of this amount within 3 (three) Banking Days of the receipt by the Beneficiary. If the Beneficiary fails to make the payment, the Guarantor shall have the right to demand payment of default interest in accordance with the Danish Act on Interest (Renteloven).

6 Other Conditions

6.1 PREMIUM AND COMMITMENT FEE

- 6.1.1 The Beneficiary shall pay the Premium for the total period of this Guarantee to the Guarantor no later than the day upon which cover under the Guarantee takes effect in accordance with sub-clause 2.2.1.
- 6.1.2 The Guarantor can require payment of a Commitment Fee for the period from the issue of the Guarantee until the cover takes effect. If the Guarantor has required payment of a Commitment Fee the fee is due on the day when the Guarantee is issued, see sub-clause 2.2.1. For the avoidance of doubt, a Commitment Fee once paid is not refundable.
- 6.1.3 The Commitment Fee and Premium shall be paid promptly in accordance with sub-clauses 6.1.1 and 6.1.2, and in the Contract Currency. The Beneficiary's failure to do so shall result in the Guarantee being automatically cancelled *ab initio*.
- 6.1.4 If the Beneficiary applies to the Guarantor for an extension of the cover period of the Guarantee, the Guarantor shall have the right to charge further premium. The Guarantor may also charge an administration fee for changes to or for an extension of the Guarantee.
- 6.1.5 Unless expressly agreed otherwise, if the Guarantee is terminated by the Beneficiary after cover under the Guarantee has taken effect in accordance with sub-clause 2.2.1, the Premium, Commitment Fee etc. will not be refundable. This also applies to any unutilised part of the Guarantee. The Guarantee can never be prematurely terminated if there is a potential loss under the Guarantee or a breach of the Loan Agreement has occurred or if the Guarantor has made payments under the Guarantee.

6.2 SUSPENSION OF THE GUARANTEE

- 6.2.1 The Guarantee is automatically suspended for any part of the Loan Facility which the Beneficiary has not yet undertaken irrevocably to disburse, if circumstances occur which under the Loan Agreement cause:
 - a. the balance of the Loan Facility to fall due, and/or;
 - b. the Loan Facility to be deemed called in or which would otherwise entitle the Beneficiary to call in the Loan Facility, and/or;
 - c. the Beneficiary to be entitled to suspend further disbursement under the Loan Facility.
- 6.2.2 A suspension, under sub-clause 6.2.1, shall be effective until the Beneficiary has informed the Guarantor about the Beneficiary's position on the suspension and the Guarantor has reviewed the suspension. The Guarantor shall be entitled to revoke the Guarantee for the part of the Loan Facility referred to in sub-clause 6.2.1, within a period of 5 (five) Banking Days, otherwise the suspension will be lifted.

6.3 INVALIDATION OF THE GUARANTEE

- 6.3.1 The liability of the Guarantor under this Guarantee shall cease and any claim paid shall, with the addition of interest in accordance with the Danish Act on Interest (Renteloven) accrued from the date of payment, be repaid, if:
 - a. the Beneficiary defaults on its obligations under this Guarantee and/or the declarations issued in connection with this guarantee, and/or;

- b. the Beneficiary or anyone acting on its behalf in the application form or otherwise has provided incorrect information which is material to this Guarantee or fails or has failed to disclose information regarding facts that the Beneficiary knows or ought to know to be material to this Guarantee.
- 6.3.2 The Guarantor shall not be liable for any loss sustained as a result of the Beneficiary's default under the Loan Agreement or as a result of errors and/or negligence on the part of the Beneficiary or anyone acting on behalf of the Beneficiary.

6.4 DECLARATION OF NON-BRIBERY

- 6.4.1 It is a condition of the issue and validity of this Guarantee that the Beneficiary and the Exporter both have signed a declaration of non-bribery in the form set forth in the Schedule attached to this Guarantee and thereby making it part of the Guarantee.

7 Governing Law and Arbitration

7.1 GOVERNING LAW

- 7.1.1 This Guarantee shall be governed by and construed in accordance with Danish law.

7.2 SETTLEMENT IN GOOD FAITH

- 7.2.1 The Parties agree to meet in good faith and attempt to settle any dispute between the Parties arising out of or in connection with this Guarantee or a breach, invalidity or termination thereof. If the Parties have not been able to find an amicable solution within 30 (thirty) days from the date on which a Party first wrote to the other Party attempting to settle the dispute, either Party may commence proceedings pursuant to sub-clause 7.3.

7.3 ARBITRATION

- 7.3.1 Any dispute between the Parties arising out of or in connection with this Guarantee or a breach, invalidity or termination thereof, shall be finally settled by arbitration in accordance with the Rules of Procedure of the Danish Institute of Arbitration (Danish Arbitration).
- 7.3.2 The Court of Arbitration shall consist of 1 (one) arbitrator to be appointed by the Parties. If the Parties cannot agree upon the appointment of the single Arbitrator within 30 days, the dispute shall be settled by 3 (three) arbitrators, each Party appointing one. If the arbitrators so-appointed by the Parties have not jointly appointed the third arbitrator within 30 days of their appointment, the Institute shall appoint the third arbitrator, who shall be the chairman of the Court of Arbitration. If a Party has not appointed an arbitrator within 30 days of having requested or received notice of arbitration, the Institute shall appoint such arbitrator.
- 7.3.3 The place of arbitration shall be Copenhagen, Denmark, and unless the Parties agree otherwise the language of the arbitration shall be English.

8 Miscellaneous

8.1 ASSIGNMENT

- 8.1.1 The Beneficiary can not assign its rights under this Guarantee, including the right to payment of any Guaranteed Amount, without the Guarantor's prior written approval.

