

GUARANTEE AGREEMENT

between

Hands-on B.V.

as Arranger

(for itself and for and on behalf of the Guarantee Beneficiaries)

and

The Swedish International Development Cooperation Agency (Sida)

as Guarantor

Relating to certain green energy renewable investments in the Relevant Jurisdictions

Guarantee Agreement Sida Reference No.: 18/001287

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This **GUARANTEE AGREEMENT** (this “**Guarantee Agreement**”) is dated [**] 2018 and made between:

- (1) The Swedish International Development Cooperation Agency (“**Sida**” or the “**Guarantor**”); and
 - (2) Hands-on B.V., a private company with limited liability incorporated under the laws of the Netherlands, with its registered office at Amsterdam, and its principal place of business at Conradstraat 38 – D1.150, 3013 AP Rotterdam, The Netherlands operating under the name ‘Lendahand’, acting for itself and as security agent for and on behalf of the Guarantee Beneficiary (as defined below) (“**Lendahand**” or the “**Arranger**”),
- together referred to as the “**Parties**”, and each a “**Party**”.

WHEREAS:-

- (A) The Government of Sweden has authorised Sida to furnish guarantees as part of Sida’s international development cooperation program, which is implemented to assist developing countries, and thereby Sida aims to increase generation and access to electricity based on renewable energy sources for residents in the Relevant Jurisdictions (as defined below).
- (B) For the purpose of this Guarantee Agreement, Lendahand is a platform functioning as an intermediary between the Qualified Lenders and the Qualified Borrowers (each as defined below). Lendahand is registered at the Dutch Authority for the Financial Markets (AFM) as a licensed investment firm. Lendahand will act for itself and as arranger for and on behalf of the Guarantee Beneficiaries (the Qualified Lenders thereby being indirectly covered pursuant to this Guarantee Agreement) to guarantee certain amounts under certain Qualified Loans (as defined below) in the Relevant Jurisdictions, subject to the terms and conditions of this Guarantee Agreement.
- (C) The Qualified Loans will be made through the Lendahand platform which, in each case, is governed by loan note agreements between each relevant Qualified Lender and the relevant Qualified Borrower and administrated by Lendahand. The different projects are to be carried out by companies incorporated in and governed by the laws of the Relevant Jurisdictions (as defined below as Project Leading Entities). The Qualified Borrowers do not have to be incorporated in and governed by the laws of the Relevant Jurisdictions. The project leading entity and the Qualified Borrower can be the same legal entity. The purpose of issuing the Guarantee (as defined below) under this Guarantee Agreement is primarily to lower the risk of the Qualified Loans for the Qualified Lenders and thereby enable the Qualified Borrowers’ access to finance.
- (D) In connection with each Qualified Loan, Lendahand will procure that the funds of the Qualified Loans are transferred to a Separate Account administered by an independent PSP (each as defined below). The repayment of Qualified Loans is also effected by such PSP, entailing that Lendahand has under no period of time access to the funds of any Qualified Loan. Lendahand shall, in connection with each Qualified Loan, set

aside a portion of its own funds in an amount equal to the Arranger's Loan (as defined below).

- (E) Sida has agreed to guarantee to Lendahand, acting for itself and as arranger for and on behalf of the Guarantee Beneficiaries (being the lenders under Qualified Loans), for non-payment of a portion of principal repayments under Qualified Loans as a result of failure by the Qualified Borrowers of their payment obligations to the Guarantee Beneficiaries under the Qualified Loans (the Qualified Loans thereby being indirectly covered by this Guarantee Agreement), in accordance with the terms and conditions of this Guarantee Agreement.

NOW, THEREFORE the Parties agree as follows:-

1. Definitions and Construction

- 1.1 Words importing the plural shall include the singular and vice versa and references to a person shall include any individual, firm, company, corporation, unincorporated body of persons or any state or any agency thereof. A reference to a Clause or Sub-Clause is a reference to a clause or sub-clause of this Guarantee Agreement. References to any document shall be referenced to the same as amended, varied, supplemented, replaced and restated in any manner from time to time. References to “**include**”, “**including**” and “**includes**” shall be construed without limitation.
- 1.2 The Schedules hereto shall form part of this Guarantee Agreement to the extent particularly made for this Guarantee Agreement.
- 1.3 The following terms shall have the meanings given to them below.

“ Annual Party Meeting ”	means the meeting in accordance with Clause 9.7;
“ Annual Results Report ”	means the report to be delivered to the Guarantor in accordance with Clause 9.5, the form and substance of which to be agreed between the Parties from time to time;
“ Separate Account ”	means an account, separate from the Arranger's own accounts, held and administered by the PSP for and on behalf of the relevant Guarantee Beneficiaries, in each case as set out in the relevant Claim Request;
“ Arranger's Loan ”	means two (2) percent of the total principal amount of each Qualified Loan to be invested by the Arranger as a subordinated loan (which, for the avoidance of doubt, is not covered by the Guarantee);
“ Auditor's Certificate ”	means each certificate substantially in the form and substance set out in Schedule 4 (<i>Auditor's Certificate</i>);
“ Authorisation ”	means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration;

“Average Outstanding Guaranteed Amount”	means an amount equal to fifty (50) percent of the average of the total principal amount outstanding of the Guaranteed Amount calculated on the last date of the two (2) most recent Guarantee Fee Periods. An example is set out in Schedule 11 ;
“Business Day”	means a day (other than a Saturday or Sunday) on which banks are open for general business in Stockholm or, in respect of any other currency than SEK and EUR also in such places abroad for such transactions as are required by this Guarantee Agreement;
“Claim Request”	means each claim request to be delivered to the Guarantor in relation to each payment request by the Arranger under the Guarantee, substantially in the form set out in Schedule 3 (<i>Form of Claim Request</i>) (including all appendices relating thereto);
“Coverage Expiration Date”	means the date falling six (6) years after the date that this Guarantee Agreement was duly executed by each Party;
“Declared Triggering Event”	means the occurrence of a Triggering Event which has resulted in notice being served by the Arranger on behalf of the relevant Guarantee Beneficiaries to the relevant Qualified Borrower and, following which a period of ninety (90) Business Days after the due date of the payment obligation has elapsed during which time period: <ul style="list-style-type: none"> (a) the Guarantor, in its sole discretion, has not determined that the Triggering Event was inaccurate; (b) the relevant Guarantee Beneficiaries has accelerated the relevant Qualified Loan; and (c) the failure to comply is otherwise not remedied by the Qualified Borrower;
“Due Diligence and Anti- Money Laundering Process”	means the loan due diligence process, including the credit assessment, and anti-money laundering control process, including the know your customer assessment, by the Arranger, the PSP and when applicable the Qualified Lenders) in respect of Qualified Loans (including credit approvals), which shall correspond to international banking credit collection standards and the local legal provisions which are applicable to the Arranger (i.e. the Netherlands) applied from time to time;
“Effective Date”	means the date on which the Guarantor gives the notification referred to in Clause 3.1 (<i>Conditions Precedent for the occurrence of the Effective Date</i>);
“EUR”	means the single currency of any member state of the European Union that has the euro as its lawful currency in accordance with legislation of the European Union relating to the Economic and Monetary Union;

“Fee Notice”	means each written notice delivered to the Arranger in accordance with Clause 7 (<i>Fees</i>) specifying the amount of the Guarantee Fees that are then due and payable under this Guarantee Agreement, and the date (not less than twenty (20) calendar days) by which such payment must be received in full by the Guarantor to avoid termination or suspension of this Guarantee Agreement;
“Guarantee”	means the guarantee made by the Guarantor under and subject to the terms and conditions of this Guarantee Agreement;
“Guaranteed Amount”	<p>(a) means fifty (50) percent of the relevant Guarantee Beneficiaries’ losses of principal only (excluding interest and costs) under a Qualified Loan pursuant to the Guarantee, less;</p> <p>(b) the Arranger’s Loan,</p> <p>provided however, that such amount in each case:</p> <p>(i) does not exceed the Maximum Guaranteed Amount from time to time;</p> <p>(ii) in respect of each respective Qualified Loan, does not exceed the Maximum Guaranteed Qualified Loan Amount; and</p> <p>(iii) in respect of each respective Qualified Loan, is no less than the Minimum Guaranteed Qualified Loan Amount;</p>
“Guarantee Beneficiary or Beneficiaries”	means any and all Qualified Lenders collectively under each Qualified Loan when acting collectively as a group represented by the Arranger, in order to invoke the rights under this Agreement and the Qualified Lenders’ rights under the Qualified Loan Note Agreement;
“Guarantee Fee Period”	means, in relation to each Qualified Loan under coverage pursuant to the Guarantee, six (6) months;
“Guarantee Fees”	means the fees payable from time to time in accordance with Clause 7 (<i>Fees</i>);
“Guarantee Payment”	means each payment made by the Guarantor to the Separate Account (in favour of the Guarantee Beneficiaries) in connection with a Claim Request approved by the Guarantor from time to time under the Guarantee;
“Guaranteed Recovery Amount”	means fifty (50) percent of the amount recovered by the Arranger, up to the full amount the Guarantor has paid in Guarantee Payments, carrying out its obligations under Clause 6.1;
“Insolvency Event”	means, in relation to the Arranger, and each of the Qualified Lenders and PSPs (from time to time), that any such entity or person:

- (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (b) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due;
- (c) makes a general assignment, arrangement or composition with or for the benefit of its creditors;
- (d) institutes or has instituted against it, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and:
 - (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation; or
 - (ii) is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof;
- (e) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (f) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;
- (g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter; and
- (h) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction (including the Relevant Jurisdictions), has an analogous effect to any of the events specified in paragraphs (a) to (g) above.

“Material Adverse Effect”

means a material adverse effect on the ability of the Arranger or the PSP to:

- (a) perform its obligations under any Qualified Loan or any other loan between a Qualified Lender and a Qualified Borrower; or

	(b) comply with any other material obligations under this Guarantee Agreement;
“Maximum Guaranteed Amount”	means EUR 6,000 000 or SEK 59,760,000 whichever is the lower, in each case as reduced (i) by the amount of each Guarantee Payment made and (ii) by all amortisations made of Qualified Loan(s) that has been placed under the Guarantee Agreement;
“Maximum Guaranteed Qualified Loan Amount”	means, in respect of all Qualified Loans of the same Qualified Borrower, EUR 3,000,000;
“Minimum Guaranteed Qualified Loan Amount”	means, in respect of all Qualified Loans of the same Qualified Borrower, EUR 50,000;
“Post Claim Recoveries Certificate”	means each certificate to be delivered to the Guarantor by the Arranger in accordance with Clause 6.3 (<i>Certificate of Post Claim Recoveries</i>), substantially in the form set out in Schedule 5 (<i>Form of Post Claim Recoveries Certificate</i>) (including all appendices relating thereto);
“Prohibited Purposes”	means the list set out in Schedule 8 (<i>Prohibited Purposes</i>);
“Project Leading Entity”	means a company, with a turnover equal or less than fifty million (50,000,000) EUR or with a balance sheet equal or less than forty three million (43,000,000) EUR, incorporated in and governed by the laws of one of the Relevant Jurisdictions offering renewable energy and energy efficiency products and services off grid in the Relevant Jurisdictions;
“PSP”	means Intersolve Payments B.V, Fonteinkruid 4, Woudenberg, or any other payment service provider appointed by the Arranger in accordance with this Guarantee Agreement;
“Qualified Borrower”	means companies offering renewable energy and energy efficiency products and services off grid in the Relevant Jurisdictions that are not part of any company group with links to the EU unless the support to such Qualified Borrower in each case would not risk to come in conflict with the EU rules on state aid (i.e. (i) the beneficiary is not subject to collective insolvency proceedings nor fulfils the criteria under its domestic law for being placed in collective insolvency proceedings at the request of its creditors (in case of large undertakings, the beneficiary shall be in a situation comparable to a credit rating of at least B), (ii) the guarantee does not exceed 80 percent of the underlying loan and either the amount guaranteed does not exceed EUR 1,500,000 and the duration of the guarantee is five years or less or the amount guaranteed does not exceed EUR 750,000 and the duration of the guarantee is 10 years or less and (iii) the total amount of Swedish

aid granted to the borrower does not exceed EUR 200,000 over any period of three fiscal years),

- “**Qualified Borrowers’ Report**” means a list of all new borrowers to semi-annually be handed in by the Arranger to the Guarantor in accordance with Clause 4.1.5, **Schedule 2**, (*Borrower’s report*);
- “**Qualified Lender(s)**” means each user of the Lendahand platform, that invests in a Qualified Loan of an Qualified Borrower via the Arranger and may consist of natural and/or legal persons which in each case:
- (a) have been subject for a Due Diligence and Anti-Money Laundering Process; and
 - (b) is not resident in the United States of America;
- “**Qualified Loan**” means each loan between a group of relevant Guarantee Beneficiaries and a Qualified Borrower for a Qualified Project, which has been placed under coverage of the Guarantee in accordance with the terms and conditions of this Guarantee Agreement;
- “**Qualified Loan Note Agreement**” means each loan note agreement to be delivered to the Guarantor in relation to each loan requested by the Arranger to constitute a Qualified Loan, substantially in the form set out in **Schedule 13** (*Qualified Loan Note Agreement*) (including all appendices relating thereto);
- “**Qualified Loan Schedule**” means the schedule to be delivered by the Arranger to the Guarantor semi-annually including all Qualified Loans that have been placed under the Guarantee from time to time, substantially in the form set out in **Schedule 6** (*Qualified Loan Schedule*);
- “**Qualified Project**” means projects which may not be used for any Prohibited Purposes carried out by a Project Leading Entity, approved by the Guarantor, that are eligible for coverage under the Guarantee;
- “**Recovered Funds**” mean any funds received or recovered by the Arranger or the PSP (on behalf of the Guarantee Beneficiaries), in satisfaction of amounts owed by a Qualified Borrower pursuant to a Declared Triggering Event under a Qualified Loan, whether received or recovered directly from such Qualified Borrower, from another guarantor, a collection agent or any other party;
- “**Recovery Costs**” means any third party costs, expenses, fees or other sum incurred by the Arranger in carrying out its obligation under clause 6.1;
- “**Refinancing**” means lending to the same Qualified Borrower for the same Qualified Project where the previous loan has not been repaid in full;

“Relevant Jurisdictions”	means the main jurisdictions of Kenya, Tanzania, Zambia Mozambique, Rwanda, Senegal, Zimbabwe and Sierra Leone or any other cooperation country approved by the Guarantor in writing. Maximum twenty (20) percent of the Qualified Loans are to be placed on the jurisdictions of Mozambique, Zimbabwe, Mali and Sierra Leone;
“Restricted Person”	means a person: <ul style="list-style-type: none"> (a) that is listed on any Sanctions List (whether designate by name or by reason of being included in a class of person); (b) that is domiciled, registered as located or having its main place of business in, or is incorporated under the laws of, a country or territory which is subject to country- or territory-wide Sanctions Laws; (c) that is directly or indirectly owned or controlled by a person referred to in (a) and/or (b) above; or which is otherwise subject to Sanctions Laws;
“Sanctions Authority”	means the United Nations, the European Union or any member state thereof (including the United Kingdom), the United States of America, Norway, and any authority acting on behalf of any of them in connection with Sanctions Laws;
“Sanctions Laws”	means the economic or financial sanctions laws and/or regulations trade embargoes, prohibitions, restrictive measures, decisions, executive orders or notices from regulators implemented, adapted, imposed, administered, enacted and/or enforced by any Sanctions Authority;
“Sanctions List”	means any list of persons or entities published in connection with Sanctions Laws by or on behalf of any Sanctions Authority;
“SEK”	means the lawful currency of the Kingdom of Sweden;
“Semi-Annual Report”	means the report to be delivered to the Guarantor in accordance with Clause 9.2 (<i>Semi-Annual Report</i>), the form and substance of which to be agreed between the Parties from time to time, however the present form of which is set out in Schedule 7 (<i>Semi-Annual Report</i>);
“Triggering Event”	means non-payment by a Qualified Borrower of any principal amount as and when due under a Qualified Loan, provided that the failure to pay is not caused by a temporary administrative or technical errors in the banking/payment system;
“Utilisation Fee”	means an amount in EUR equal to three point thirty two (3.32) percent of the Average Outstanding Guaranteed Amount per

annum, to be calculated and payable semi-annually as set out in the examples, **Schedule 11**.

2. The Guarantee

- 2.1 Subject to the terms of this Guarantee Agreement and the Guarantor's receipt of a Claim Request, the Guarantor guarantees to the Arranger, to make Guarantee Payments to the Separate Account in favour of the Guarantee Beneficiaries, in each case as a result of the occurrence of a Declared Triggering Event under a Qualified Loan and in an amount equal to the Guaranteed Amount of each such Qualified Loan.
- 2.2 For the avoidance of doubt, the Guarantor's obligation to make Guarantee Payments shall be limited to the following amounts which, consequently, entails that the amounts set out below shall not be under coverage pursuant to the Guarantee:
- (a) Amounts in excess of the Maximum Guaranteed Amount (as reduced from time to time);
 - (b) Amounts in excess of the Maximum Guaranteed Qualified Loan Amount;
 - (c) Amounts below the Minimum Guaranteed Qualified Loan Amount; and
- in each case, the amount of the Arranger's Loan shall never be under coverage pursuant to the Guarantee.
- 2.3 The Guarantee provided under this Guarantee Agreement is not a first loss guarantee, but a risk sharing guarantee of net losses and Recovered Funds.
- 2.4 The purpose of the Guarantee is to enable access to finance for Qualified Borrowers within the renewable energy and energy efficiency sectors in the Relevant Jurisdictions through crowdfunding debt platforms.
- 2.5 The Guarantee shall not be revolving, i.e. the Maximum Guaranteed Amount shall be reduced by each Guarantee Payment and repayment of all Qualified Loan(s) that has been placed under the Guarantee Agreement but has not resulted in a Guarantee Payment.
- 2.6 For the purpose of calculating and monitoring the Maximum Guaranteed Amount in SEK, (i) Guarantee Payment made by the Guarantor and (ii) Qualified Loan amounts, i.e. amortisations made of Qualified Loans, repaid under this Guarantee, shall be converted into SEK in accordance with the applied rate of 1 EUR = 9,96 SEK, if the exchange rate prevailing at the time of the payment is higher than 1 EUR = 9,96 SEK. If the exchange rate prevailing at the time of the payment is lower than 1 EUR = 9,96 SEK the exchange rate prevailing at the time of the payment shall be used. Once the total Guarantee Payments and repayments so calculated would exceed the above SEK maximum limit, there exists no further payment obligation. When calculating and monitoring the Maximum Guaranteed Amount in SEK the exchange rates of the times the different payments have been made shall be used. Examples how this exchange rate calculation shall be made is set out in **Schedule 11** (*Examples on application of currency exchange recalculation to apply or test Maximum Guarantee Amount level as set out in Clause 2.6*).

3. Effectiveness

3.1 Conditions Precedent for the occurrence of the Effective Date

3.2 This Guarantee Agreement shall not become effective and, consequently, no loan shall be deemed to constitute a Qualified Loan and thereby be placed under coverage pursuant to the Guarantee, unless the Guarantor notifies the Arranger that it has received the documents and evidence set out in Conditions Precedent

Part I (*Conditions Precedent for the occurrence of the Effective Date*) of **Schedule 1** in form and substance satisfactory to it (and/or that the conditions set out therein have been satisfied).

4. Qualified Loans

4.1 Guarantee coverage

4.1.1 No loan shall be covered by the Guarantee unless such loan, constitutes a Qualified Loan in accordance with the terms and conditions in this Agreement.

4.1.2 For a loan to constitute a Qualified Loan for the purpose of the Guarantee, each such loan shall:

- (a) be given by a Qualified Lender to a Qualified Borrower for a Qualified Project;
- (b) not be used to finance any Prohibited Purposes or a Refinancing;
- (c) be financed by the Arranger in an amount no less than the Arranger's Loan;
- (d) comply with the Arranger's environmental and social standards and "Sida's approach to safeguarding sustainability in support to the power sector in Sub Saharan Africa, December 2016" which is enclosed in **Schedule 12**;
- (e) use a sourcing process for material and services in a non-discriminatory and quality oriented fashion;
- (f) not be in contradiction to the Exclusion List enclosed in **Schedule 9**;
- (g) together with the other Qualified Loans of the same Qualified Borrower exceed the Minimum Guaranteed Qualified Loan Amount (i.e. EUR 50,000);
- (h) together with the other Qualified Loans of the same Qualified Borrower not exceed the Maximum Guaranteed Qualified Loan Amount (i.e. EUR 3,000,000);
- (i) together with all Qualified Loans of all Qualified Borrowers not exceed the Maximum Guaranteed Amount at such time;

- (j) be utilised on a date no earlier than as of the Effective Date and no later than the date falling twelve (12) months prior to the Coverage Expiration Date;
- (k) have a term exceeding a period of six (6) months;
- (l) have a term not exceeding a period of four (4) years;
- (m) have a term which expires prior to the date falling five (5) years after the date that this Guarantee Agreement was duly executed by each Party thereto;
- (n) be made at interest rates and on terms substantially consistent with those generally prevailing among private commercial lenders in each relevant Qualified Borrower's jurisdiction and otherwise be in form and substance satisfactory to the Guarantor;
- (o) be identified in the Qualified Loan Schedule, **Schedule 6** (*Qualified Loan Schedule*);
- (p) be issued in euro, or a currency of any of Kenya, Tanzania, Mozambique, Rwanda, Zambia, Senegal, Zimbabwe, Mali, Sierra Leone or in any other agreed jurisdiction.

4.1.3 No loan shall constitute a Qualified Loan for the purpose of the Guarantee if any remaining part of the total payments of principal, that is not covered by the Guarantee, on such loan is guaranteed by, any other party, including the Guarantor.

4.1.4 The Arranger shall have the right to distribute the guarantee coverage among the Qualified Lenders investing in a Qualified Loan at the Arranger's discretion, provided that the guarantee coverage of a specific Qualified Lenders' investment never exceeds ninety (90) percent. The guarantee coverage of a Qualified Loan shall never exceed the Guaranteed Amount.

4.1.5 No loan shall constitute a Qualified Loan for the purpose of the Guarantee if the Qualified Borrower does not fulfil all conditions in **Part II** (*Conditions Precedent for Qualified Borrowers*). A Qualified Borrowers' Report, **Schedule 2** (*Borrower's report*), containing a list of new borrowers and evidence of how they fulfil all conditions in **Part II** (*Conditions Precedent for Qualified Borrowers*), shall semi-annually be delivered by the Arranger to the Guarantor.

4.1.6 Should the Arranger fail to provide any reports to the Guarantor, in each case in form and substance satisfactory to the Guarantor, required by this Guarantee Agreement when due:

- (a) no additional Qualified Loans shall be placed under coverage pursuant to the Guarantee until such reports are received by the Guarantor; and
- (b) the Guarantor may defer any Guarantee Payment until it receives such reports, including any required supporting documentation.

4.1.7 The Guarantor shall have the right at any time to revise, or delete any of the Qualified Loan criteria set out in this Guarantee Agreement by providing written notice to the Arranger and any such change will become effective one hundred and eighty (180) days after the receipt of such notice by the Arranger. No change in the Qualified Loan criteria taken pursuant to this Clause 4.1.7 shall affect the eligibility of any Qualified Loan that was placed under coverage by the Arranger prior to the effective date of any such change.

4.2 Conditions Precedent for Qualified Loans

4.2.1 No loan shall constitute a Qualified Loan and thereby be placed under coverage by the Guarantee, unless the Arranger has delivered to the Guarantor a Qualified Loan Schedule, **Schedule 6** (*Qualified Loan Schedule*), where the loan is included.

4.2.2 A new loan that is added to the Qualified Loan Schedule and sent to the Guarantor shall automatically be considered a Qualified Loan and will not explicitly be approved by the Guarantor. The Arranger is responsible for that all loans entered in the Qualified Loan Schedule are in accordance with the terms and conditions of this Agreement. The Guarantor will first examine that the loans are to be considered Qualified Loans and review the Qualified Loan Notes in connection with a Claims Request. If the Guarantor finds that a loan has been added to the Qualified Loan Schedule that is not in accordance with the terms and conditions of this Agreement the loan shall not be considered a Qualified Loan and no payment under this Guarantee shall be made in accordance to that loan.

4.3 Removal of Qualified Loans

4.3.1 Subject to the provisions of Clause 4 (*Qualified Loans*), the Guarantor may at any time require that the Arranger removes any Qualified Loan from coverage under the Guarantee if such loan according to the Guarantor, acting reasonably but in its sole discretion, is not a Qualified Loan or if the Arranger otherwise fails to comply with the terms and conditions of this Guarantee Agreement, subject to the Guarantor's delivery to the Arranger of a notice prior to such removal. Such

removal is effective upon receipt by the Arranger of such notice from the Guarantor indicating the Qualified Loan to be removed from coverage under the Guarantee and stating the reason for such removal. Upon receipt of such notice such Qualified Loan shall no longer be deemed a Qualified Loan for the purpose of this Guarantee Agreement. The Guarantor shall use reasonable efforts to consult with the Arranger prior to issuing any such notice.

- 4.3.2 The Arranger may remove a Qualified Loan from coverage under the Guarantee at any time. The Arranger shall promptly notify the Guarantor by written notice of any such removal. For the purpose of calculating Guarantee Fees, such removal shall effect the fee calculation only 30 Business Days after the Guarantor's receipt of such notice.
- 4.3.3 A Qualified Loan removed from coverage under the Guarantee may not be placed under coverage pursuant to the Guarantee again.
- 4.3.4 The Guarantor shall have no liability for any claims or payments for any Qualified Loans removed from coverage under the Guarantee. Such removal from coverage under the Guarantee shall not result in any reimbursement of any Guarantee Fees pertaining to such time prior to removal. Any such removal of a Qualified Loan from coverage under the Guarantee referred to in Clause 4.3.1 (*Removal of Qualified Loan*) shall affect calculation of Guarantee Fees. Consequently, the Guarantee Fees shall onwards be reduced proportionally with respect to remaining Qualified Loans relating thereto.
- 4.4 **Responsibilities regarding Due Diligence and Anti- Money Laundering Process and loan administration**
- 4.4.1 The Arranger shall for each Qualified Loan perform, and procure that the PSP performs, the Due Diligence, KYC and Anti- Money Laundering Process in respect of Qualified Lenders, Qualified Borrowers and Qualified Loans to be placed under coverage pursuant to the Guarantee and, as evidence thereof, the Arranger shall upon request provide to the Guarantor, on an ongoing basis, but under all circumstances under a Claims Request, all documents relating to each completed Due Diligence and Anti- Money Laundering Process.
- 4.4.2 The Arranger understands that the Guarantor has conducted, and periodically may conduct if deemed appropriate in view of its capacity as Guarantor, a detailed risk-based review of the Arranger and the PSP, including a review of such parties' respective management, corporate governance, overall risk management, credit policies, credit approval procedures, the level and trend of credit portfolio risk, and other relevant factors affecting the lending operations, and carry out additional audits, financial reviews or other evaluations.

- 4.4.3 For the avoidance of doubt, the Arranger shall, and shall procure that each the PSP will, source, analyse, and perform the Due Diligence and Anti- Money Laundering Process, structure, disburse, manage and handle all Qualified Loans in the same manner as such parties would handle their non-guaranteed loans in full compliance with all laws, regulations and policies in force.

4.5 Qualified Loans; no amendment, assignment or transfer

The Arranger shall not (and shall procure that the Qualified Lender or the PSP does not), without the prior written consent of the Guarantor, change any material provision of any Qualified Loan requirements, or assign or transfer any of the Arranger's (or the PSP's) rights or obligations thereunder (including any syndication of a Qualified Loan or the offering of a participation in a Qualified Loan). For the avoidance of doubt, this Clause shall not affect the ability of any Qualified Lender to transfer their individual entitlement in a Qualified Loan to a third party (subject to fulfilment of Due Diligence and Anti- Money Laundering Process and other legal requirements making the new lender a Qualified Lender).

4.6 Ex-post review of Qualified Loans

Nothing in this Clause 4 (*Qualified Loans*) shall preclude the Parties from addressing the issue of the eligibility of a Qualified Loan which has been placed under coverage pursuant to the Guarantee. For the avoidance of doubt, nothing in this Clause 4 (*Qualified Loans*) shall preclude a subsequent determination by the Guarantor that any Qualified Loan Note Agreement or Qualified Loan Schedule submitted by the Arranger was the result of gross negligence, fraud or material misrepresentation, or that a given Qualified Loan otherwise fails to comply with the terms and conditions of this Guarantee Agreement. In either case, such Qualified Loan shall be removed from coverage under the Guarantee.

5. Guarantee Payments

5.1 Delivery of a Claim Request

- 5.1.1 The Arranger, acting for itself and as arranger for and on behalf of the relevant Guarantee Beneficiaries, may request the Guarantor to make a Guarantee Payment to the Separate Account in favour of the Guarantee Beneficiaries under the Guarantee by delivery to the Guarantor of a duly executed Claim Request (together with the documentation referred to therein), by no earlier than the occurrence of the Effective Date, and no later than 10 a.m. one hundred and eighty (180) days after the Coverage Expiration Date, duly signed by authorised signatories of the Arranger.

- 5.1.2 No Claim Request shall be submitted earlier than the date of the occurrence of the relevant Declared Triggering Event. (i.e. at least ninety (90) Business Days after the due date for the relevant payment(s).)
- 5.1.3 For the avoidance of doubt no Claim Request shall be submitted by a Qualified Lender acting on its own. The Claim Request shall be submitted by the Arranger acting on behalf of the Guarantee Beneficiaries (i.e. all Qualified Lenders collectively).
- 5.1.4 No claim may be submitted to the Guarantor if the date of such demand for payment occurs after the cancellation of coverage pursuant to Clause 11.2 (*Termination by the Guarantor for cause*) or removal from coverage pursuant to Clause 4.3 (*Removal of Qualified Loans*).

5.2 Currency and amount

- 5.2.1 The currency specified in a Claim Request must be in EUR or SEK. The amount of a requested Guarantee Payment under the Guarantee shall be equal to the Guaranteed Amount and, shall not, in aggregate with all Guarantee Payments under the Guarantees or requested by the Arranger at such time, exceed the Maximum Guaranteed Amount or, in respect of the relevant Qualified Loan under which a Declared Triggering Event has occurred, exceed the Maximum Guaranteed Qualified Loan Amount and be no less than the Minimum Guaranteed Qualified Loan Amount.
- 5.2.2 In case the Qualified Loan is made in other local currency, the exchange rate prevailing on the due date of the defaulted Qualified Loan established as the mid buying rate for EUR at noon and the relevant local currency as evidenced quoted by the relevant Central Bank of the country of the currency by the relevant webpage shall be used for recalculating the relevant amount to be paid.

5.3 PSP and Separate Account

- 5.3.1 Each Claim Request shall set out the details of the relevant Separate Account to which the Guarantor shall make the requested Guarantee Payment.
- 5.3.2 Following receipt of a Guarantee Payment on the relevant Separate Account, the Arranger shall procure that the PSP administering such Separate Account transfers the proceeds of such Guarantee Payment to the relevant Guarantee Beneficiaries on a *pro rata* basis according to their respective investments and divergent guarantee coverages in the Qualified Loan.

5.4 Completion of a Claim Request

Each Claim Request is irrevocable and will not be regarded as having been duly completed unless it is in form and substance satisfactory to the Guarantor and signed by authorised signatories of the Arranger.

5.5 Limitation on interest

In no event shall the Guarantor be obligated to make a Guarantee Payment or otherwise be held liable for interest, late fees, costs or penalties with respect to any Qualified Loans.

5.6 Conditions Precedent for Guarantee Payments

5.6.1 The Guarantor may (acting in its sole discretion) decide to make a Guarantee Payment under the Guarantee, in each case provided that on the date of the relevant Claim Request the conditions set out in Part III (*Conditions Precedent for Guarantee Payments*) of **Schedule 1** have been met and is, and has been delivered, in form and substance satisfactory to the Guarantor.

5.6.2 For the avoidance of doubt, the Guarantor shall not be obligated to make a Guarantee Payment if the conditions set out in Part III (*Conditions Precedent for Guarantee Payments*) of **Schedule 1** have been met if the Guarantor, in its sole discretion, determines that the total outstanding principal amount of the relevant Qualified Loan has not become immediately due and payable following the occurrence of a Triggering Event, and thus does not constitute a Declared Triggering Event.

5.6.3 The Guarantor reserves the right to request further documentation or clarification on the Arranger, the Qualified Borrower in respect of which a Declared Triggering Event has occurred, the Guarantee Beneficiaries, the PSP, credit underwriting, credit monitoring, loan repayment, enforcement and collection actions and results, etc., of any Claim Request submitted prior to approving and effecting a Guarantee Payment, including, but not limited to, Qualified Borrower statements showing the default amount, statement detailing circumstances of the default, copies of demand letters, evidence of other guarantees to the Arranger and/or the Guarantee Beneficiaries, or loans to the same Qualified Borrower which are in default and not covered under Guarantee and evidence of the collection and recovery efforts undertaken by the Arranger and/or the PSP.

5.7 Denial of Guarantee Payments under Claim Requests

5.7.1 Notwithstanding anything to the contrary of this Guarantee Agreement, the Guarantor may determine to not make a Guarantee Payment under a Claim Request if, according to the Guarantor (acting in its sole discretion):

- (a) the terms and conditions of this Clause 5 (*Guarantee Payments*) have not been satisfied;
- (b) the relevant Qualified Borrower is not a Qualified Borrower
- (c) the Qualified Project is or has not been conducted by a Project Leading Entity;
- (d) the relevant Qualified Loan pursuant to which a Declared Triggering Event has occurred is not a Qualified Loan or the claimed Declared Triggering Event is not a Declared Triggering Event;
- (e) the Arranger is in, or has committed, a breach or violation of this Guarantee Agreement or the Guarantor is otherwise entitled to terminate this Guarantee Agreement pursuant to Clause 11.2 (*Termination by the Guarantor for cause*).

5.7.2 A Guarantee Payment made by the Guarantor pursuant to a Claim Request shall not be deemed to waive the Guarantor's right to contest such claim subsequently in the case of a breach or violation of the provisions hereof by the Arranger relating to such claim.

5.8 Guarantee Payment pursuant to a Claim Request

5.8.1 Upon approval of a Claim Request and subject to the other terms and conditions of this Guarantee Agreement, the Guarantor shall make a Guarantee Payment to the Arranger (on behalf of the Guarantee Beneficiaries) by way of transfer of the relevant amount to the relevant Separate Account within thirty (30) Business Days of said approval by the Guarantor.

5.8.2 The Guarantor may set off any unpaid and outstanding Guarantee Fees against a Guarantee Payment.

5.9 Repayment

5.9.1 Notwithstanding any other provision of this Guarantee Agreement, the Guarantor shall have no obligation to make any Guarantee Payment or other payment or disbursement to the Arranger or the Guarantee Beneficiaries in respect of:

- (a) any loss arising out of fraud or material misrepresentation for which the Arranger is responsible, or
- (b) for any claim that is otherwise invalid or materially inconsistent with the provisions of this Guarantee Agreement or the laws or regulations of Sweden, the Netherlands or any other Relevant Jurisdiction.

5.9.2 The Guarantor reserves the right to seek repayment from the Arranger, acting for itself and as Arranger for and on behalf of the Guarantee Beneficiaries, or the PSP,

of any payments made based on any claims arising from any such losses or based on any such invalid or materially inconsistent claims.

6. Post Claim Recoveries

6.1 Duty to pursue collection

After delivering a Claim Request under the Guarantee, the Arranger shall (and shall procure that the PSP will) diligently pursue all reasonable collection efforts or otherwise against the Qualified Borrower in respect of which a Declared Triggering Event has occurred and any other entity (including but not limited to co-borrowers and guarantors) and any collateral or security that may be liable on the Qualified Loan for so long as commercially reasonable and in accordance with the Arranger's and the PSP's standard collections procedures and policies, which shall correspond to international banking credit collection standards, however having due regard to the enforcement laws and procedures of the Relevant Jurisdictions (as applicable) and the need to ensure that any enforcement action is proportionate in effort and expense by reference to the outstanding amount. In connection therewith, the Arranger shall, and shall procure that each relevant Qualified Lender and PSP will, avail itself of all reasonable applicable enforcement and collection mechanisms and instruments that might come into being in the future.

6.2 Reimbursement of the Guarantor

- 6.2.1 If the Guarantor has made a Guarantee Payment under the Guarantee, and the Arranger, the PSP or any Qualified Lender, receives any Recovered Funds pursuant to such Declared Triggering Event, the Arranger shall promptly reimburse the Guarantor on a *pro rata* basis with the Guarantee Beneficiaries, whereby the Guarantor shall receive the Guaranteed Recovery Amount up to a maximum of the full amount under such Claim Request and the Arranger's obligation for such reimbursement shall be valid up to ten (10) years after the Coverage Expiration Date. As the Arranger's Loan is subordinated the Arranger shall only be reimbursed by any Recovered Funds if the Guarantors' and the Guarantee Beneficiaries' claims have been fully satisfied.
- 6.2.2 Any payment required under clause 6.2.1 shall be reduced by an amount equivalent to the Recovery Costs incurred in relation to the relevant Qualified Loan.
- 6.2.3 If a Qualified Borrower is in default on one or more additional loans made by the Guarantee Beneficiaries that are not covered by this Guarantee Agreement, the Arranger shall pursue collection on the Qualified Loan made to such Qualified Borrower prior to, or concurrently with such additional loans and that any payment received shall be shared *pro rata* on the loans.

- 6.2.4 Payments made to the Guarantor under Clause 6 (*Post Claim Recoveries*) must be paid within thirty (30) calendar days from the date that recovered amounts are received by the Arranger, the PSP or the Guarantee Beneficiaries (whichever is the earlier). Any amount not paid to the Guarantor within this period shall accrue interest/penalty in accordance with the rate determined by the Swedish Interest Act (*Sw räntelagen (1975:635)*).

6.3 Certificate of Post Claim Recoveries

- 6.3.1 Upon receipt of any Guarantee Payment to the Separate Account, the Arranger shall deliver to the Guarantor a duly executed copy of the relevant Post Claim Recoveries Certificate pertaining thereto (together with the documentation referred to therein), in each case in form and substance satisfactory to the Guarantor. The Guarantor may refuse to make any future Guarantee Payments if the Arranger fails or has failed to submit an accurate Post Claim Recoveries Certificate in accordance with this Clause.
- 6.3.2 The Arranger agrees to comply with reasonable requests from the Guarantor concerning any post claim recoveries, including any request to submit an annual or semi-annual schedule of net recoveries with respect to each Qualified Borrower in respect of which a Declared Triggering Event has occurred.

6.4 Right of Claim Subrogation

If the Guarantor has made a Guarantee Payment in respect of a Qualified Loan, at the Guarantor's request (which may be made at any time), in respect of such Qualified Loan the Arranger shall execute (and shall procure that the relevant Guarantee Beneficiaries and/or PSP executes) an assignment to the Guarantor or the Guarantor's designee, in form and substance satisfactory to the Guarantor, of the Guarantee Beneficiaries' rights to receive the share of recoveries and/or to pursue collection of the Guarantor's *pro rata* share of under a Qualified Loan. The Arranger shall provide for such rights in the Qualified Loan documentation.

7. Fees

7.1 Administration Fee

The Parties have agreed that the administration fee normally payable in connection with these types of financial arrangements shall be subsidised by the Guarantor in full and will not be payable by the Arranger under this Guarantee Agreement.

7.2 Utilisation Fee

- 7.2.1 The Arranger shall pay to the Guarantor an utilisation fee in an amount in EUR equal to 3.32 percent of the Average Outstanding Guaranteed Amount per annum **Schedule 11**.
- 7.2.2 The accrued utilisation fee referred to in Clause 7.2.1 is payable semi-annually in arrears and shall from time to time be paid by the Arranger within thirty (30) calendar days from the date of the Arranger's receipt of each Fee Notice.
- 7.2.3 Guarantee Payments made by the Guarantor shall affect calculation of the utilisation fees by way of reduction of the utilisation fees payable proportionally with respect to the then remaining amount of the Average Outstanding Guaranteed Amount.

7.3 Payment instructions

Each payment of the Guarantee Fees shall, be made according to instruction in writing by the Guarantor.

7.4 Suspension due to payment failure of Guarantee Fees

- 7.4.1 Notwithstanding anything to the contrary of this Guarantee Agreement, if the Guarantee Fees are not paid as and when due, the Guarantor may elect to suspend (and subsequently terminate at its discretion as referred to in Clause 11.2 (*Termination by the Guarantor for cause*)) this Guarantee Agreement and as a result, the Guarantor shall have no obligations or liabilities towards the Arranger (including, for the avoidance of doubt, any Guarantee Beneficiaries or PSP), under this Guarantee Agreement during such suspension. Such suspension shall be effective until such Guarantee Fees are paid in full or until the Guarantor terminates this Guarantee Agreement.
- 7.4.2 During any suspension of this Guarantee Agreement pursuant to Clause 7.4.1:
- (a) no new Qualified Loan may be placed under coverage pursuant to the Guarantee;
 - (b) no Claim Requests or other claims may be submitted to the Guarantor; and
 - (c) no Claim Requests or other claims that were pending on the effective date of the suspension shall be processed and, consequently, no Guarantee Payments shall be made by the Guarantor.

7.4.3 Upon payment in full of the Guarantee Fees payable in accordance with the relevant Fee Notice giving rise to a suspension:

- (a) Claim Requests or other claims that were pending on the effective date of the suspension shall be processed in the normal course of business by the Guarantor; and
- (b) any Qualified Loan that was covered under the Guarantee on the effective date of the suspension shall be under coverage pursuant to the Guarantee from the date that the Guarantee Fees are paid in full. If, during the time that this Guarantee Agreement was suspended, a notice pursuant to a Triggering Event had been sent by a Qualified Lender to a Qualified Borrower under a Qualified Loan that was under coverage pursuant to the Guarantee as of the effective date of the suspension, such Qualified Loan shall be considered under coverage pursuant to the Guarantee from the date that the Guarantee Fees were paid in full.

8. Representations

The Arranger makes the representations and warranties set out in this Clause 8 (*Representations*) to the Guarantor on the date of this Agreement, and shall be deemed to be repeated on the Effective Date and on the date of each Claim Request, Qualified Loan Note Agreement, Qualified Loan Schedule, and Due Diligence and Anti- Money Laundering Process delivered to the Guarantor (in each case by reference to the facts and circumstances then existing).

8.1 Status

The Arranger is duly organized and validly existing under the laws of the Netherlands. The Arranger has full power, authority and legal right to carry out its business as currently conducted, to execute, deliver and perform this Guarantee Agreement and all other documents which this Guarantee Agreement contemplates will be executed by the Arranger and to carry out all the activities which this Guarantee Agreement contemplates will be carried out by the Arranger.

8.2 Authorisation, binding effect

The execution, delivery and performance by the Arranger of this Guarantee Agreement have been duly authorised by all necessary actions of the Arranger, and this Guarantee Agreement constitutes legal, valid, binding and enforceable obligations of the Arranger, enforceable in accordance with its terms.

8.3 Non-conflict with other obligations

The entry into and performance by the Arranger of, and the transactions contemplated by, this Guarantee Agreement do not and will not conflict with:

- (a) any law or regulation applicable to it;

- (b) its constitutional documents; or
- (c) any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument.

8.4 Power and authority

The execution, delivery and performance by the Arranger of this Guarantee Agreement have been duly authorised by all necessary actions of the Arranger, and this Guarantee Agreement constitutes legal, valid, binding and enforceable obligations of the Arranger, enforceable in accordance with its terms.

8.5 Validity and admissibility

8.5.1 All Authorisations required or desirable to enable the Arranger to lawfully enter into, exercise its rights and comply with its obligations in this Guarantee Agreement, as well as to make this Guarantee Agreement admissible as evidence in Sweden, have been, or will at the required date be, obtained or effected and are in full force and effect.

8.5.2 All Authorisations necessary for the conduct of the Arranger's business, trade and ordinary activities have been obtained or effected and are in full force and effect.

8.6 Governing law and enforcement

The choice of Swedish law as the governing law of this Guarantee Agreement will be recognised and enforced in Sweden.

8.7 Appointment

8.7.1 The Arranger will be appointed by the Guarantee Beneficiaries to act as their agent under and in connection with this Guarantee Agreement, and to exercise the rights, powers, authorities and discretions specifically given to the Arranger under or in connection with this Guarantee Agreement on their behalf together with any other incidental rights, powers, authorities and discretions.

8.7.2 The Guarantee Beneficiaries shall not have any independent power to enforce, or have recourse to, this Guarantee Agreement or to exercise any right, power, authority or discretion arising under this Guarantee Agreement except through the Arranger.

8.8 Governmental approvals

No approval or consent of any kind is required from any governmental authority in order for the Arranger to enter into this Guarantee Agreement and perform its duties, except such as have already been obtained and are in full force and effect.

8.9 No default

No event or circumstance referred to in Clause 11.2 (*Termination by the Guarantor for cause*) is outstanding or is reasonably likely to occur.

8.10 Information

8.10.1 All information, documents and evidence supplied by the Arranger or on its behalf to the Guarantor in connection with this Guarantee Agreement is and was true and accurate as at the date it was provided or as at any date at which it was stated to be given, and it has not omitted to supply any information which, if disclosed, would make the information referred to in this Clause untrue or misleading in any respect.

8.10.2 As at each date referred to in Clause 8 (*Representations*), nothing has occurred since the date of the information referred to in Clause 8.10.1 which, if disclosed, would make that information untrue or misleading in any material respect.

8.11 Pari passu ranking of Qualifying Loans

All payment obligations guaranteed under this Guarantee Agreement, under Qualified Loans, rank at least *pari passu* with the claims of all such parties' other unsecured and unsubordinated creditors of the Qualified Borrowers, except for obligations mandatorily preferred by law applying to companies generally.

8.12 Money laundering, terrorism etc.

8.12.1 The Arranger's and to the best of the Arrangers' knowledge, the PSP's operations are and have been conducted in compliance with all applicable laws, rules, regulations and guidelines of any jurisdiction applicable to such parties from time to time concerning or relating to bribery, money laundering or corruption ("**Money Laundering Laws**") and no claim, action, suit, proceeding or investigation by or before any court or governmental agency, authority or body or any arbitrator involving such parties with respect to Money Laundering Laws is pending and, to the best of its knowledge, no such claims, actions, suits, proceedings or investigations are threatened.

8.12.2 The Arranger and the PSP, to the best of the Arranger's knowledge, has not, directly or indirectly, provided, material support or resources to any individual or entity that commits, attempts to commit, advocates, facilitates, or participates in money laundering, terrorist acts, or other criminal activities, or has committed, attempted to commit, facilitated, or participated in such acts or activities.

8.13 Sanctions

The Arranger, or any Qualified Lender or the PSP, or any of such parties' respective directors or officers or, to the Arranger's best knowledge, any of such parties' employees, affiliates, agents or representatives:

- (a) is a Restricted Person;
- (b) has been engaged in any transaction, activity or conduct that could reasonably be expected to result in its being designated as a Restricted Party;
- (c) is in breach of Sanctions; and/or
- (d) has received notice of, or is otherwise aware of, any claim, action, suit, proceedings or investigation involving it with respect to Sanctions.

9. Information Undertakings

The undertakings in this Clause 9 (*Information Undertakings*) remain in force from the date of this Guarantee Agreement for so long as any amount is outstanding under this Guarantee Agreement or any commitment is otherwise in force.

9.1 Qualified Loan Schedule

The Arranger shall semi-annually deliver to the Guarantor the Qualified Loan Schedule, Schedule 6 (*Qualified Loan Schedule*) including a list of all loans under coverage pursuant to the Guarantee.

9.2 Semi-Annual Report

On each of 15 May and 15 October each calendar year, the Arranger shall deliver to the Guarantor the Semi-Annual Report to enable proper risk assessment by the Guarantor.

9.3 Loan Due Diligence

The Arranger shall provide, and shall procure that each Qualified Lender and PSP provides, the Guarantor with all required documentation as required for its continuing review as stated Clause 4.4 (*Responsibilities regarding Due Diligence and Anti- Money Laundering Process and loan administration*), for the purpose set out therein and on an ongoing basis.

9.4 Financial statements

The Arranger shall deliver, and shall procure that the PSP delivers, to the Arranger, in each case as soon as they are available but in any event within 180 calendar days after the end of each of the relevant financial years, the audited consolidated financial statements for that financial year.

9.5 Annual Results Report

Annually each year on the date of the Effective Date, if that is a Business day or the next following Business day if that is another day, the Arranger shall deliver to the Guarantor the Annual Results Report. The Arranger shall consider if the indicators could be reported based on sex disaggregated data, e.g. female led households as customers, female employees and female ownership. The Annual Results report shall include following indicators:

- (a) the characteristics of the Qualifies Borrowers¹;
- (b) the total amount of the Qualified Loans;
- (c) The Wp² of active solar home systems and mini-grids;
- (d) Number of installed solar home systems and micro grid connections for each Tier using the multi-tier approach to measuring energy access as defined by SE4ALL
- (e) Number of households, business and people reached with renewable energy services;
- (f) Number of increased available hours of light;
- (g) Reduction of kerosene usage;
- (h) Percentage of female workers at borrowing company;
- (i) CO2 equivalent emissions avoided, and methodology used for calculating avoided CO2 emissions;
- (j) An indicator reflecting the time it takes for a borrower to replace a faulty system that is under warranty;
- (k) The Guarantee's effect on attracting investors (e.g. number of investors, volume invested and frequency with which investments are made);
- (l) The Arranger's annual financial result.

9.6 Other reporting; mid-term review, final report and audit

- 9.6.1 The Arranger shall, upon request provide a statement of Qualified Borrower's compliance with the local environmental laws and regulations of the Relevant

¹ Name of borrowing company, Total annual revenues, Total number of customers, Number of employees, Women owned (Yes/No)

² Watt peak or nominal power of active solar panels

Jurisdictions (as applicable), using the Arranger's environmental compliance certification form.

9.6.2 The Guarantor shall have the right, in collaboration with the Arranger, to make a *mid-term review* (normally after three years after the execution of this Guarantee Agreement) of the progress towards the achievement of the expected results under the Guarantee, in connection with which the Arranger shall make available the following data for such report:

- (a) a list of companies utilizing the Guarantee accumulated over the period containing names, registration numbers and business sectors of the Qualified Borrowers;
- (b) information on Qualified Borrower's customers such as number of and characteristics of beneficiaries, increased income resulting from higher productivity or additional income-generating opportunities, household cost savings resulting from fuel shift, and net-gain for end-users.
- (c) utilized guaranteed amount accumulated over the period; and
- (d) utilized guaranteed amount presented for each business sector accumulated over the period.

A *final report* shall be produced by the Guarantor, in collaboration with the Arranger, within six (6) months after this Guarantee Agreement has been terminated. [*scope and contents to be agreed*].

The Arranger shall, in relation to itself (and to the extent possible for the PSP), make available for the Guarantor audit reports, special audits and any management letters relating to the Guarantee and Qualified Loans promptly when and to the extent available or received by the Arranger.

9.6.3 The Guarantor also reserves the right to carry out (at its own expense), or to have carried out, such additional audits, financial reviews, or evaluations as it considers appropriate in view of its status as Guarantor, including, but not limited to, financial statements, financial projections, credit scoring, and audit reports, on the Arranger, the PSP and any Qualified Lender under Qualified Loans. Should the Guarantor request an audit report on any such party, the Arranger agrees that it shall use all reasonable efforts to require and obtain such reports from that party. The Arranger shall to the Guarantor or to an external advisor that the Guarantor has appointed make available information such as impact reports or other documentation relating to the development impacts of the Qualified Loan to the Qualified Borrowers for the purpose of evaluating the impacts of the Guarantor's Guarantee to the Arranger.

9.7 Annual Party meetings - dialogue

The Guarantor shall have the right to annually summon the Arranger to an Annual Party Meeting. The Guarantor shall set the agenda for the Annual Party Meeting which may include discussion regarding the Agreement, the reporting done by the Arranger under the Agreement, the performance under the Agreement and/or any other connected subject the Guarantor and the Arranger may want to discuss. There shall be a protocol of the Annual Party Meeting that shall be signed by both Parties.

9.8 Books and records

The Arranger shall:

- (a) maintain and/or cause to be maintained books and records relating to each Qualified Loan which are adequate to show compliance with the terms of this Guarantee Agreement. Such books and records will be maintained with respect to each Qualified Loan, except as the Guarantor may otherwise agree in writing, for a period of seven (7) calendar years after the final date for submitting Claim Requests in accordance with Clause 5 (*Guarantee Payments*).
- (b) afford authorised representatives of the Guarantor the opportunity at all reasonable business hours to inspect such books, records and other documents and files relating to this Guarantee Agreement with Qualified Loans, with at least fourteen (14) Business Days' notice; and
- (c) except to the extent prohibited by relevant local law on the protection of personal data, promptly make available such other information and records in the Arranger's possession relevant to this Guarantee Agreement and the Qualified Loans as the Guarantor may reasonably request.

9.9 Information; miscellaneous

The Arranger shall deliver to the Guarantor:

- (a) at the same time as they are dispatched, copies of all documents dispatched by the Arranger to the Guarantee Beneficiaries, the PSP and/or its creditors generally; in so far as they are related to a Qualified Loan or this Agreement;
- (b) promptly upon becoming aware of them, the details of any litigation, arbitration or administrative proceedings or investigations which are current, threatened or pending against the Arranger and, to the best of the Arranger's knowledge the PSP;
- (c) details of inquiries in respect of, or breach of, Sanctions Laws;

- (d) promptly, such further information, to the extent such information is not provided to the Guarantor pursuant to this Clause 9 (*Information Undertakings*), regarding the financial condition, business and operations of the Arranger, the Guarantee Beneficiaries and/or the PSP as the Guarantor may reasonably request and which is available to the Arranger; and
- (e) any other facts or circumstances of which it has knowledge and that arise after the Effective Date and is likely to or materially affect this Guarantee Agreement or the discharge of obligations under this Guarantee Agreement, or the truth and accuracy of any of the representations made in this Guarantee Agreement. The Guarantor shall be entitled to full information on flows of funds, contributions and agreements related to Qualified Loans.

9.10 Post Claim Recoveries Certificate

Following the expiration of this Guarantee Agreement (including any extensions), the Arranger shall continue to submit a Post Claim Recoveries Certificate, no later than ninety (90) calendar days after the end of each calendar year until three calendar years after the date of such expiration, or longer if so requested by the Guarantor.

9.11 Notification of Triggering Event

- 9.11.1 The Arranger shall notify the Guarantor of any Triggering Events and/or Declared Triggering Event (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.
- 9.11.2 Promptly upon a request by the Guarantor, the Arranger shall supply to the Guarantor a certificate signed by two of its authorised signatories on its behalf certifying that no Triggering Event and or Declared Triggering Event is continuing (or if a Triggering Event and/or Declared Triggering Event is continuing, specifying the Triggering Event and/or Declared Triggering Event and the steps, if any, being taken to remedy it).

9.12 Material change

The Arranger shall promptly, within thirty (30) calendar days notify the Guarantor of any of the following material changes in its financial or legal status:

- (a) sales of assets or other transactions that result in asset reduction of greater than fifty (50) percent of Arranger's consolidated total assets immediately prior to such sale or transactions;
- (b) reductions in capital adequacy to a level below what is required by applicable regulations.; or
- (c) any change in ownership or control involving the Arranger (including, for the avoidance of doubt, any Change of Control).

9.13 "Know your customer" checks

If:

- (a) the introduction of or any change in (or in the interpretation, administration or application of) any relevant law or regulation made after the date of this Guarantee Agreement;
- (b) any change in the status of the Arranger, the Guarantee Beneficiaries or the PSP, after the date of this Guarantee Agreement; or
- (c) a proposed transfer by the Guarantee Beneficiaries or the PSP of any of its rights and/or obligations under a Qualified Loan,

obliges the Guarantor to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, the Arranger shall promptly upon the request of the Guarantor supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Guarantor in order for the Guarantor to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated by this Guarantee Agreement.

10. General Undertakings

The undertakings in this Clause 10 (*General Undertakings*) remain in force from the date of this Guarantee Agreement for so long as any amount is outstanding under this Guarantee Agreement or any commitment is otherwise in force.

10.1 Authorisation

The Arranger shall promptly:

- (a) obtain, comply with and do all that is necessary to maintain in full force and effect; and;
- (b) supply certified copies to the Guarantor of,

any Authorisation required under any law or regulation of a Relevant Jurisdiction (including Sweden and the Netherlands) to:

- (i) enable it and/or the PSP to perform their obligations under this Guarantee Agreement (and under each Qualified Loan) and to ensure the legality, validity, enforceability or admissibility in evidence of this Guarantee Agreement and Qualified Loan; and/or
- (ii) own its assets and carry on its business as it is being conducted.

10.2 Compliance with laws

- 10.2.1 The Arranger shall, and shall procure that the PSP will, comply in all respects with all laws to which it may be subject.

10.3 PSP and Insolvency

- 10.3.1 The Arranger shall at all times procure that a PSP has been appointed to carry out its duties for the purpose of this Guarantee Agreement.

- 10.3.2 In the event of an Insolvency Event insofar relating to a relevant PSP (or any other Material Adverse Effect in respect of the PSP), the Arranger shall immediately notify the Guarantor thereof and, at its own costs and expenses, replace such PSP being subject of an Insolvency Event and/or Material Adverse Effect with a new PSP under the relevant Qualified Loan and in connection therewith, procure that any proceeds of the Qualified Loan is immediately transferred to the new Separate Account administered by such new PSP.

10.4 Merger and change of business

- 10.4.1 The Arranger shall not enter into any amalgamation, demerger, merger or corporate reconstruction, or undergo a Change of Control or any other change in ownership or control without prior written consent of the Guarantor.

- 10.4.2 The Arranger may not:

- (a) carry on any business other than as set out in its statutes adopted by the shareholders of the Arranger on [June 26, 2018]; or
- (b) amend its statutes referred to in (a) above without the prior written consent by the Guarantor (except for amendments which do not adversely affect the interests of the Guarantor under this Guarantee Agreement).

10.5 Environmental matters

The Arranger shall, and shall take reasonable steps to procure that the PSP and any relevant third party will, comply with all local environmental laws, regulations and all requisite permits applicable within the Relevant Jurisdictions (including Sweden and the Netherlands).

10.6 Field visits

The Arranger shall, upon the request of the Guarantor, allow representatives of the Guarantor to visit the Arranger, the PSP and the Qualified Borrowers. In cases where the PSP or the Qualified Borrowers are visited the field visit shall be conducted jointly with the Arranger, and review the progress and results of the Guarantee in a reasonable manner and not object to the participation of representatives of the Guarantor in any reasonable exchange of views on the progress achieved in carrying out the relevant

business. The Guarantor acknowledges that the Arranger shall not have any obligation beyond actions that it is able to control using all reasonable efforts, and to the extent possible such field visits shall not unreasonably impede or hinder normal business activities of the Arranger.

10.7 Money Laundering, terrorism, corruption and other criminal activities

- 10.7.1 The Arranger shall, and shall procure that the PSP will, maintain in effect and enforce policies and procedures designed to ensure compliance by the Arranger and its directors, officers, employees and agents with the Money Laundering Laws (as defined in Clause 8.12.1) and any other anti-corruption laws applicable (including, for the avoidance of doubt, the Relevant Jurisdictions).
- 10.7.2 The Arranger shall not, and shall procure that the PSP will not, knowingly provide material support or resources to any individual or entity that commits, attempts to commit, advocates, facilitates, or participates in money laundering, terrorist acts, or other criminal activities, or has committed, attempted to commit, facilitated, or participated in any such acts or activities. The Arranger shall take all reasonable steps to ensure that none of the Qualified Loans it seeks to place under coverage pursuant to the Guarantee will be made to any such individual or entity, including considering all information about the prospective Qualified Borrower of which it is aware and all public information that is reasonably available to it or of which it should be aware.
- 10.7.3 Notwithstanding any other provision of this Guarantee Agreement, guarantees or indirectly, loans to any such individuals or entities described in the first sentence of 10.7.2 above are not eligible for coverage under the Guarantee, and the Guarantor shall have no obligation to make any Guarantee Payments in connection with any such loans, including loans to individuals or entities that appear on international watch lists (such as lists provided by OFAC, UN, or EU) concerning prohibited individuals used by the Arranger in the normal course of business.

10.8 Loan Due Diligence, Anti- Money Laundering Process and corruption

- 10.8.1 The Arranger shall, and shall procure that the PSP will, for each Qualified Loan from time to time, perform a Due Diligence and Anti- Money Laundering Process and, on an ongoing basis, provide the Guarantor with a report of each such completed Due Diligence and Anti- Money Laundering Process.
- 10.8.2 The Arranger shall, and shall procure that the PSP will, always do its best to prevent, identify and rectify corruption and irregularities. In the planning and implementation of the business, the Arranger shall take into account the risk of corruption and irregularities and identify risks and risk mitigation measures. If a

significant risk of corruption has been identified, risk mitigation measures should be taken to reduce this risk.

10.8.3 The Arranger shall immediately inform the Guarantor in the event of suspicion of corruption or irregularities in the execution of the project / program, as well as take the necessary measures, including police notices, to stop illegal or unlawful conduct. The Arranger shall continuously inform the Guarantor of the progress of the matter.

10.8.4 The Arranger shall, and shall procure that the PSP will, expressly prohibit its personnel, Beneficiaries organisations and their staff, as well as consultants, suppliers or others participating in actions financed by the Guarantor, either for themselves or otherwise, to accept or to be allowed to be promised, request or leave, promulgate or offer bribe or other undue reward, compensation, compensation, improper winnings or benefits of any kind that may constitute illegal or otherwise improper conduct. The Arranger shall require its own staff, organisations to which contributions have been forwarded and their staff and consultants in the same way actively work to prevent and actively act on corruption and irregularities.

10.9 Sanctions Laws

10.9.1 The Arranger shall, and shall procure that the Guarantee Beneficiaries and PSP will, comply with Sanctions Laws.

10.9.2 The Arranger, may not use, lend, contribute or otherwise make available any part of the proceeds of any Guarantee or other transaction contemplated by this Guarantee Agreement directly or indirectly for the purpose of financing any trade, business or other activities if such trade, business or other activities are subject to Sanctions Laws and:

- (a) involve, or are for the benefit of, any Restricted Person; or
- (b) in any other manner that would result in any applicant or involved bank (or its affiliate) being in breach of any Sanctions Laws,

incurring any liability under Sanctions Laws or being the subject of any fine or penalty imposed by any Sanctions Authority or becoming a Restricted Person.

10.9.3 The Arranger shall, and shall procure that Guarantee Beneficiaries and the PSP will (including all of its and their directors, officers or employees, as applicable):

- (a) ensure that it is not a Restricted Person or engages in any transaction or conduct that is reasonably likely to result in it becoming a Restricted Person;

- (b) not engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or breaches or attempts to breach any Sanctions Laws applicable to it; and
- (c) not engage in any trade, business or other activities with or for the benefit of any Restricted Person,

in each case to the extent this would lead to non-compliance by it, the PSP or the Guarantee Beneficiaries or the Guarantor with any Sanctions Laws, incurring any liability under Sanctions Laws or being the subject of any fine or penalty imposed by any Sanctions Authority or becoming a Restricted Person.

- 10.9.4 For the avoidance of doubt, the Guarantor is under no obligation to make any Guarantee Payments under the Guarantee to the extent that the Arranger, or the PSP is, or the Guarantee Beneficiaries are, or is/are reasonably likely to become, Restricted Persons.

10.10 Taxes

The Arranger agrees to pay all tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) (“**Taxes**”) on or with respect to this Guarantee Agreement. The Guarantor shall never be responsible for the payment of any Taxes under this Guarantee Agreement

10.11 Procurement and efficient use of means

The Arranger acknowledges and confirms that to the extent that the proceeds from any Qualified Loan to be placed under coverage pursuant to the Guarantee is expected to be used for goods and services that may practically be procured in competition, if any, it shall see to it that such procurement is carried out under its and the relevant Qualified Borrowers’ and in accordance with the Guarantor’s procurement requirements or other acceptable international or local procurement rules that have been approved by the Guarantor’s procurement specialists. If a procurement process during the Due Diligence process is deemed not practical or economical to carry out, the Arranger shall do its best to implement procedures and rules that make the use of the funds lent under a Qualified Loan efficient and economical.

11. Termination

11.1 Term

Unless terminated at an earlier date by the Guarantor or the Arranger, this Guarantee Agreement shall be terminated as per the Coverage Expiration Date, provided that such termination will not relieve:

- (a) the Guarantor of its obligations under this Guarantee Agreement with respect to Claim Requests submitted prior to the final date for submitting Claim Requests in accordance with Clause 5 (*Guarantee Payments*); or
- (b) the Arranger of its obligations under Clause 6 (*Post Claim Recoveries*).

11.2 Termination by the Guarantor for cause

11.2.1 Notwithstanding anything in this Guarantee Agreement to the contrary, the Guarantor may terminate this Guarantee Agreement by written notice to the Arranger at any time:

- (a) if the Arranger does not pay on the due date any amount payable pursuant to a Guarantee Fee at the place and in the currency in which it is expressed to be payable;
- (b) if the Arranger has committed a material breach or violation of this Guarantee Agreement or has engaged in fraud, corruption or similar criminal circumstances or material misrepresentation adversely affecting the Guarantor (in each case as determined by the Guarantor in its sole discretion, acting reasonably);
- (c) if the Arranger has allowed the use of this Guarantee for a Qualified Loan where the Qualified Project has not been conducted by a Project Leading Entity;
- (d) any event or circumstance occurs which, in the reasonable opinion of the Guarantor, has or is reasonably likely to have a Material Adverse Effect;
- (e) upon an Insolvency Event;
- (f) if no Qualified Loan has been made on or prior to the date falling eighteen (18) months of the date of execution of this Guarantee Agreement;
- (g) if the Arranger undergoes a Change of Control;
- (h) if any representation or statement made or deemed to be made by the Arranger in this Guarantee Agreement or any other document delivered by or on behalf of the Guarantor under or in connection with this Guarantee Agreement is or proves to have been incorrect or misleading in any material respect when made or deemed to be made; or
- (i) if it otherwise becomes unlawful or ceases to be effective for the Parties to perform any of their obligations under this Guarantee Agreement.

- 11.2.2 Should the Guarantor be entitled to terminate this Guarantee Agreement pursuant to Clause 11.2.1, the Guarantor may elect either to continue or to cancel coverage under the Guarantee of any then outstanding Qualified Loans.

11.3 Termination or suspension for convenience

The Guarantor or the Arranger may terminate or suspend this Guarantee Agreement at its convenience at any time for any reason by six (6) months' written notice to the other Party. Any termination or suspension for convenience by the Guarantor pursuant to this Clause 11.3 shall not affect the validity of this Guarantee Agreement on the portions of the Qualified Loans under coverage that have been disbursed prior to the date of such suspension or termination.

11.4 Effect of termination

No termination or suspension of this Guarantee Agreement pursuant to 11.2 (*Termination by the Guarantor for cause*) shall have any effect on the validity or enforceability of this Guarantee Agreement with respect to any Claim Requests for which a demand for full payment was made prior to such termination or suspension; provided, that this limitation shall not apply if termination or suspension is based on fraud or material misrepresentation.

11.5 Survival

Notwithstanding any other provision of this Guarantee Agreement, the obligations and liabilities of the Arranger with respect to any unpaid payment obligation under this Guarantee Agreement, including all outstanding Guarantee Fees, incurred prior to the date of any termination or suspension of this Guarantee Agreement, and the obligations of the Arranger with respect to Clauses 5.9 (*Repayment*) and 6 (*Post Claim Recoveries*) shall survive any termination or suspension of this Agreement.

12. Information and Publicity

- 12.1 The Arranger shall whenever suitable and reasonable use its reasonable efforts (in cooperation with the Guarantor) to publicly announce the Guarantor's participation pursuant to this Guarantee Agreement and its support to the Arranger.
- 12.2 As the Guarantor is a publicly funded official entity in Sweden the Guarantor must have the right to use, and disseminate to the public, information under the Agreement to the extent necessary in order to comply with any law, order, regulation, ruling or governmental request applicable to the Guarantor, including as required by the Swedish Public Access to Information and Secrecy Act (*Sw. Offentlighets- och sekretesslagen (2009:400)*).

13. Assignment

- 13.1 The Arranger may not assign any of its rights or transfer any of its rights or obligations under this Guarantee Agreement without the permission of the Guarantor.

13.2 The Guarantor may at any time assign any of its rights or transfer any of its rights or obligations under this Guarantee Agreement to another entity within the Swedish Government, provided that the credit rating does not change as a result of the assignment. The Guarantor shall promptly notify the Arranger in writing of such assignment.

14. Amendments

This Guarantee Agreement shall not be amended, except in writing, by the Parties.

15. Notices

15.1 Communication in writing and addresses

Any communication to be made under or in connection with this Guarantee Agreement shall be made in writing and, unless otherwise stated, may be made by e-mail or letter and shall be sent or delivered to the following addresses (or any substitute address or e-mail address or department or officer as the Party may notify to the other Party by not less than five Business Days' notice:

The Guarantor

To:	Swedish International Development Cooperation Agency Dept. Partnerships and Innovations/Loans and Guarantees Valhallavägen 199 SE-105 25 Stockholm SWEDEN
Tel:	+46 8 698 5000
Fax:	+ 46 8 698 5656
Attn:	Head Loans and Guarantees

The Arranger

To: Hands-on B.V.
Address: Conradstraat 38 – D1.150
3013 AP Rotterdam
The Netherlands

Tel: +31 10 71 71 81 5
Fax: N/A
Email: investments@lendahand.com

Attn: Tobias Grinwis

15.2 Delivery

15.2.1 Any communication or document made or delivered by one person to another under or in connection with this Guarantee Agreement will only be effective:

- (a) if by way of e-mail, when received in legible form; or
- (b) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 15.1 (*Communication in writing and addresses*), if addressed to that department or officer.

15.2.2 Any communication or document which becomes effective, in accordance with Clause 15.2.1, after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

15.3 Notification of address and e-mail address number

Promptly upon changing its address or e-mail address, the Party shall notify the other Party.

15.4 English language

- 15.4.1 Any notice given under or in connection with this Guarantee Agreement must be in English.
- 15.4.2 All other documents provided under or in connection with this Guarantee Agreement must be:
- (a) in English; or
 - (b) if not in English, and if so required by the Guarantor, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

16. Taxation and No Set-Off

All payment to be made to the Guarantor shall be made free and clear and without reduction of any taxes (including any interests and penalties), or similar charges or any regulatory fees, wire processing fees, or other costs, or deduction for set-off or counterclaim.

17. Counterparts

This Guarantee Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Guarantee Agreement.

18. Governing Law and Dispute Resolution

- 18.1 This Guarantee Agreement shall be governed by and construed in accordance with the laws of Sweden.
- 18.2 The Parties agree to use their best efforts to resolve disputes arising under this Guarantee Agreement through amicable negotiations. Any disputes, controversies or claims arising between the Parties under this Guarantee Agreement that cannot be resolved in negotiations between the parties, shall be finally settled by arbitration in accordance with the Swedish Arbitration Act (*Sw. lagen (1999:116) om skiljeförfarande*) in force at the date of request for arbitration. Such arbitration shall take place in Stockholm, Sweden, (unless otherwise agreed upon by the parties), and shall be conducted in the English language, and shall be the sole and exclusive forum for the resolution of disputes, and the decision of the arbitrator(s) shall be final and binding on the parties. Judgment on the award may be entered in any court having jurisdiction thereof.
- 18.3 Each party hereby irrevocably consents to the service of process in any action or proceeding under this Guarantee Agreement by mailing copies thereof to the party's address set forth in this Guarantee Agreement, by recognized express courier.

This Guarantee Agreement has been entered into on the date stated at the beginning of this Guarantee Agreement.

IN WITNESS WHEREOF, the Parties hereto, acting through their respective duly authorised representatives, have caused this Guarantee Agreement to be signed in their respective names. This Guarantee Agreement has been executed in two originals, of which the Parties have taken one each.

Signed on 2018

The Arranger
HANDS-ON B.V.
for itself and as arranger for and on behalf of
the Guarantee Beneficiaries

The Guarantor
THE SWEDISH INTERNATIONAL
DEVELOPMENT COOPERATION AGENCY, Sida

By:
Name: _____
Title: _____

By:
Name: _____
Title: _____

By:
Name: _____
Title: _____

List of Schedules

Schedule 1	Conditions Precedent
Schedule 2	Borrower's report
Schedule 3	Form of Claim Request
Schedule 4	Auditor's Certificate
Schedule 5	Form of Post Claim Recoveries Certificate
Schedule 6	Qualified Loan Schedule
Schedule 7	Semi-Annual Report
Schedule 8	Prohibited Purposes
Schedule 9	Exclusion List
Schedule 10	Due Diligence check-list
Schedule 11	Example on calculation of Average Outstanding Guaranteed Amount and Utilisation Fee
Schedule 12	Sida's approach to safeguarding sustainability in support to the power sector in Sub Saharan Africa, December 2016
Schedule 13	Qualified Loan Note Agreement

Schedule 1**Conditions Precedent****Part I****Conditions Precedent for the occurrence of the Effective Date**

1. A duly executed copy of this Guarantee Agreement.
2. Any other documentation, opinion, assurance or other evidence requested by the Guarantor.

Part II

Conditions Precedent for Qualified Borrowers

1. The occurrence of the Effective Date and a duly executed copy of a completed Qualified Borrowers Report, to be handed in semi-annually, including a general description of the borrower and the project the borrower is involved in.
2. A duly executed Due Diligence and Anti- Money Laundering Process with respect to the relevant Qualified Borrower. The documentation is to be shared with the Guarantor upon the Guarantor's request.
3. Evidence that all fees due and payable pursuant to Clause 7 (Fees) of the Guarantee Agreement has been or will be paid by to the Guarantor by no later than the Effective Date (if and to the extent applicable).

Part III

Conditions Precedent for Guarantee Payments

1. The occurrence of the Effective Date.
2. A duly executed copy of the relevant Claim Request has been delivered in form and substance satisfactory to the Guarantor.
3. The loan subject to the Declared Triggering Event and thus pursuant to which the relevant Claim Request has been made is a Qualified Loan.
4. Evidence that the Qualified Project has been conducted by a Project Leading Entity.
5. A Declared Triggering Event has occurred and is outstanding under the relevant Qualified Loan and the Triggering Event occurred no later than on the Coverage Expiration Date.
3. Evidence that all fees due and payable pursuant to Clause 7 (*Fees*) of the Guarantee Agreement has been or will be paid by to the Guarantor.
4. Upon the Guarantor's request a executed copy of the Due Diligence and AML reports and a copy of the relevant Qualified Loan Note Agreement.
5. The Guarantor has received an audit certificate from the external auditor or any other neutral external party approved by the Guarantor confirming that a Declared Triggering Event has occurred, and that the claimed amount is calculated in accordance with this Guarantee Agreement (the "Auditor's Certificate").

Schedule 2

Borrower's report

Schedule 3

Form of Claim Request

From: [Hands-on B.V.], in its capacity as Arranger (as defined in the Guarantee Agreement referred to below) and acting for and on behalf of the Relevant Qualified Lender (as defined below) (the “**Arranger**”)

To: The Swedish International Development Cooperation Agency (Sida) (the “**Guarantor**”)

Dated: [**]

Dear Sirs,

[Hands-on B.V.] – Guarantee agreement dated [] between the Arranger and the Guarantor (the “Guarantee Agreement”)**

1. We refer to the Guarantee Agreement. This is a Claim Request. Terms defined in the Guarantee Agreement have the same meaning in this Claim Request unless given a different meaning in this Claim Request.
2. We hereby request that you make a payment under the Guarantee in accordance with item 3 below with respect to the loan agreement dated [**] between [**] as Guarantee Beneficiaries lender (the “**Relevant Guarantee Beneficiaries**”) and [**] as Qualified Borrower (the “**Relevant Qualified Borrower**”) under which a Declared Triggering Event has occurred (the “**Relevant Declared Triggering Event**”) and as further described immediately following below and of which a copy is attached as Appendix 1 hereto (the “**Relevant Qualified Loan**”).

Details of the Relevant Qualified Loan

Relevant Guarantee Beneficiaries:	[Name and other relevant details]
Relevant Qualified Borrower:	[Name and other relevant details]
Relevant Qualified Loan ID:	[**]
Purpose of Relevant Qualified Loan:	[**]
Business sector:	[**]
Loan disbursement:	[Day/Month/Year]
Date of final maturity:	[Day/Month/Year]
Total principal amount:	[**]
Annual interest rate:	[**] percent
Currency:	[**]

[**]

4. We confirm that each condition specified in Clause 5 (*Guarantee Payments*) (as applicable) of the Guarantee Agreement is satisfied on the date hereof.
5. We further confirm and certify that:
 - (a) the Relevant Qualified Borrower has failed to repay the above stated principal amount due on the Relevant Qualified Loan and that a Declared Triggering Event has occurred;
 - (b) the Relevant Qualified Borrower has failed to meet written demand for repayment of the principal amount due on the Relevant Qualified Loan (as evidenced by a copy of such written request sent from the Relevant Guarantee Beneficiaries to the Relevant Qualified Borrower, attached hereto as Appendix 2);
 - (c) the Relevant PSP:
 - (i) has not received any payments under the Relevant Qualified Loan since the occurrence of the Relevant Declared Triggering Event; and
 - (ii) has undertaken to apply the proceeds of the Guarantee Payment requested by this Claim Request in accordance with Clause 5.3.2 of the Guarantee Agreement,

(in each case as evidenced by a copy of a written confirmation from the Relevant PSP, attached hereto as Appendix 3); and
 - (d) the Arranger and the Relevant PSP has diligently pursued (or is currently pursuing) all collection efforts against the Relevant Qualified Borrower (and any other entity that may be liable on the Relevant Qualified Loan), in accordance with the terms and conditions of the Guarantee Agreement and otherwise in accordance with applicable law and standard international banking practice.
6. This Claim Request is irrevocable.
7. We enclose the “Auditor’s Certificate”.

Yours faithfully

The Arranger

[HANDS-ON B.V.]

.....

Name: [**] ([authorised signatories])

Appendix 1 to the Claim Request

[Copy of the Relevant Qualified Loan]

Appendix 2 to the Claim Request

[Copy of written request sent from the Relevant Guarantee Beneficiaries to the Relevant Qualified Borrower attached separately hereto]

Appendix 3 to the Claim Request

[Copy of written confirmation from the relevant PSP attached separately hereto]

Schedule 4

Auditor's Certificate

From: [An external auditor or any other neutral external party approved by the Guarantor], appointed by [Hands-on B.V.] and approved by [the Swedish International Development Cooperation Agency (Sida)] (the “**Auditor**”)

To: The Swedish International Development Cooperation Agency (Sida) (the “**Guarantor**”)

Dated: [**]

Concerning: [Qualified Loan ID] from [Qualified Borrower]

Dear Sirs,

[Hands-on B.V.] – Guarantee agreement dated [] between the Arranger and the Guarantor (the “Guarantee Agreement”)**

1. We have been appointed by [Hands-on B.V.] to confirm the financial correctness of the Claim Request. Terms defined in the Guarantee Agreement have the same meaning in this Auditor's Certificate unless given a different meaning in this Auditor's Certificate.
2. [Hands-on B.V.] has provided us with the details of the Relevant Qualified Loan and the financial information necessary to make the confirmations under section 3 below. The information we have reviewed is listed in an appendix hereto, Appendix to the Auditor's Certificate.
3. We hereby confirm and certify that:
 - (a) the Claim has been calculated in accordance with the Guarantee Agreement, including the application of the currency exchange recalculation;
 - (b) the Claim fits under the Maximum Guaranteed Amount;
 - (c) we have reviewed information from the Relevant PSP that it:
 - (i) has not received any payments under the Relevant Qualified Loan since the occurrence of the Relevant Declared Triggering Event; and
 - (ii) has undertaken to apply the proceeds of the Guarantee Payment requested by this Claim Request in accordance with Clause 5.3.2 of the Guarantee Agreement,
 - (d) the Arranger and the Relevant PSP have diligently pursued (or is currently pursuing) all collection efforts against the Relevant Qualified Borrower (and any other entity that may be liable on the Relevant Qualified Loan), in accordance

with the terms and conditions of the Guarantee Agreement and otherwise in accordance with applicable law and standard international banking practice.

Yours faithfully

The Auditor

[**]

.....

Name: [**] ([authorised signatories])

Appendix to the Auditor's Certificate

List of the Documents reviewed

Schedule 5

Form of Post Claim Recoveries Certificate

From: [Hands-on B.V.], in its capacity as Arranger (as defined in the Guarantee Agreement referred to below) and acting for and on behalf of the Relevant Qualified Lender (as defined below) (the “**Arranger**”)

To: The Swedish International Development Cooperation Agency (Sida) (the “**Guarantor**”)

Dated: [**]

Dear Sirs

[Hands-on B.V.] – Guarantee agreement dated [] between the Arranger and the Guarantor (the “Guarantee Agreement”)**

1. We refer to the Guarantee Agreement. This is a Post Claim Recoveries Certificate. Terms defined in the Guarantee Agreement have the same meaning in this Post Claim Recoveries Certificate unless given a different meaning in this Post Claim Recoveries Certificate.
2. We further refer to the loan agreement dated [**] between [**] as Guarantee Beneficiaries (the “**Relevant Guarantee Beneficiaries**”) and [**] as Qualified Borrower, with [**] as PSP (the “**Relevant PSP**”) under which a Declared Triggering Event has occurred (the “**Relevant Qualified Loan**”) and, consequently, in respect of which a Claim Request has been delivered to the Guarantor, a copy of which is attached as Appendix 1 hereto (the “**Relevant Claim Request**”).
3. Furthermore, we also attach the first Qualified Loan Schedule as Appendix 2 hereto required to be delivered pursuant to the Guarantee Agreement.
4. We hereby confirm and certify that, on [date] a payment was received by [**] from [**] in an amount of [currency] [amount] in respect of the Relevant Claim Request.
5. We further confirm and certify that, as of the date hereof, the Relevant PSP or the Guarantee Beneficiaries (as applicable) received [currency] [amount] in Recovered Funds, and such amount is net of [currency] [amount] in reasonable collection costs incurred by the Arranger or the Relevant PSP in pursuing such recoveries and [currency] [amount] in accrued but unpaid interest, excluding interest at a higher rate than was in effect immediately prior to the Triggering Event on the Relevant Qualified Loan.
6. [Brief description of collection efforts and related costs incurred].

7. We shall continue to pay Sida, Sida's share of the Recovered Funds as collected by the Arranger and/or the Relevant PSP or the Relevant Guarantee Beneficiaries until Sida has received the value of the claim(s) paid to the Arranger and/or the Relevant PSP or the Guarantee Beneficiaries.
8. We understand and acknowledge that Sida may refuse to honour any claims pursuant to any Claim Requests under the Guarantee Agreement if the specified amount of Recovered Funds above is not accurate.

Yours faithfully

The Arranger

[HANDS-ON B.V.]

.....

Name: [**] ([authorised signatories])

Appendix 1 to the Post Claim Recoveries Request

[Copy of Relevant Claim Request attached separately hereto]

Appendix 2 to the Post Claim Recoveries Request

[Qualified Loan Schedule attached separately hereto]

Schedule 6

Qualified Loan Schedule

[Qualified Loan Schedule attached separately hereto Sida to provide form]

Schedule 7

Semi-Annual Report

From: [Hands-on B.V.], in its capacity as Arranger and acting for and on behalf of the Guarantee Beneficiaries (each as defined in the Guarantee Agreement referred to below) (the “**Arranger**”)

To: The Swedish International Development Cooperation Agency (Sida) (the “**Guarantor**”)

Dated: [**]

Dear Sirs³

[Hands-on B.V.] – Guarantee agreement dated [] between the Arranger and the Guarantor (the “Guarantee Agreement”)**

1. We refer to the Guarantee Agreement. This is a Semi-Annual Report to be delivered pursuant to Clause 9.2 (*Semi-Annual Report*) of the Guarantee Agreement. Terms defined in the Guarantee Agreement have the same meaning in this Semi-Annual Report unless given a different meaning in this Semi-Annual Report.
2. [We attach the [Reporting_Guarantees_CF_Lendahand] as Appendix 1 hereto.]⁴
3. We also report on any problems or delays in implementing the projects or disbursements or repayments of the loans including social, environmental and other problems.
4. Any other problems of relevance for the Guarantor.

Yours faithfully

The Arranger

[HANDS-ON B.V.]

.....

Name: [**] ([authorised signatories])

³ Sida to advise.

⁴ Sida to consider if any documents/certificates to be provided under the Guarantee Agreement could be useful to attach to the Semi-Annual Report as well.

Schedule 8

Prohibited Purposes

No Qualified Loan (or part thereof) may be given to finance any activities that are either prohibited by local law or international agreements that are ratified in the jurisdiction of a Qualified Borrower which operates in the Relevant Jurisdictions including, but not limited to:

1. forced labor⁵ or child labor⁶;
2. activities or materials deemed illegal under the laws or regulations of the Relevant Jurisdictions (including Sweden and the Netherlands) or international conventions and agreements, or subject to international phase-outs or bans, such as:
 - (i) ozone depleting substances, PCB's (Polychlorinated Biphenyls) and other specific, hazardous pharmaceuticals, pesticides/herbicides or hazardous chemicals;
 - (ii) wildlife or products regulated under the Convention on International Trade in Endangered Species or Wild Fauna and Flora (CITES);
 - (iii) unsustainable fishing methods (e.g., blast fishing and drift net fishing in the marine environment using nets in excess of 2.5 km in length);
 - (iv) cross-border trade in waste and waste products, unless compliant with the Basel Convention and the underlying regulations;
 - (v) destruction of High Conservation Value areas;
 - (vi) radioactive materials and unbounded asbestos fibres;
 - (vii) pornography and/or prostitution;
 - (viii) racist and/or anti-democratic media,

and, in the event that any of the following products form a substantial part of a project's primary financed business activities:

- (i) alcoholic beverages (except beer and wine);
- (ii) tobacco;
- (iii) weapons and ammunitions; or
- (iv) gambling, casinos and equivalent enterprises,

the Arranger shall secure evidence on application on the compliance with environmental requirements hereunder as well as evidence of a loan being a Qualified Loan (if applicable).

⁵ Forced labor means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty as defined by ILO conventions.

⁶ Persons may only be employed if they are at least fourteen (14) years old, as defined in the ILO Fundamental Human Rights Conventions (Minimum Age Convention C138, Art. 2), unless local legislation specifies compulsory school attendance or the minimum age for working. In such cases the higher age shall apply.

Schedule 9

Exclusion List

A Qualified Loan shall not be made in any company engaged in any of the following activities:

1. projects for the production of bio-liquids or bio-fuels. For the avoidance of doubt, the Qualified Borrower may use proceeds from capital to invest in bio-gas or bio-mass projects for electricity generation;
2. cross-border trade in waste and waste products unless compliant with the Basel Convention and the underlying regulations or waste incineration (other than forestry or agricultural waste used for biomass power schemes) and processing of toxic waste (other than landfill gas waste-to-energy schemes or flaring), provided that where waste incineration related to forestry or agricultural waste used for biomass power schemes and processing of toxic waste related to landfill gas waste-to-energy schemes or flaring is envisaged:
 - i. extensive due diligence is performed in order to avoid any reputation risk to the Guarantor and the Guarantee Beneficiaries ,
 - ii. additional studies and project monitoring are performed;
3. nuclear power projects;
4. instruments (including, but not limited to, financial instruments) that would result in engaging, directly or indirectly, in speculative loans such as, amongst others, commodities, commodity contracts or forward currency contracts, unless for hedging purposes against currency risks;
5. a company which is subject to sanctions and measures imposed by the European Union, United Nations or the United States of America, unless applicable law within the European Union prohibits such compliance.
6. production or trade in any product or activity (i) deemed illegal under national laws or regulations or international conventions and agreements, or (ii) if subject to international bans or phase outs, pharmaceuticals, pesticides/herbicides, chemicals, products containing PCBs⁷, ozone depleting substances, wildlife or products regulated under CITES⁸ or other hazardous substances;

⁷ PCBs: Polychlorinated biphenyls—a group of highly toxic chemicals. PCBs are likely to be found in oil-filled electrical transformers, capacitors and switchgear dating from 1950-1985.

⁸ CITES: Convention on International Trade in Endangered Species or Wild Fauna and Flora.

7. production or activities involving forced labor⁹ or child labor¹⁰;
8. production or trade in¹¹:
 - i. weapons and munitions;
 - ii. alcoholic beverages;
 - iii. tobacco;
 - iv. pornography or prostitution;
 - v. gambling, casinos and equivalent enterprises; and
 - vi. drugs production;
9. activities prohibited by national legislation or international conventions relating to the protection of biodiversity resources or cultural heritage¹²;
10. destruction of critical habitat; or

production or activities that impinge on the lands owned, or claimed under adjudication, by indigenous peoples, without full documented consent of such peoples.

⁹ Forced labor means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty as defined by ILO conventions.

¹⁰ Employees may only be taken if they are at least 14 years old, as defined in the ILO Platformental Human Rights Conventions (Minimum Age Convention C138, Art. 2), unless local legislation specifies compulsory school attendance or the minimum age for working. In such cases the higher age shall apply.

¹¹ This does not apply to project sponsors who are not substantially involved in these activities. "Not substantially involved" means that the activity concerned is ancillary to a project sponsor's primary operations.

¹² This includes: tankers which do not have all required MARPOL SOLAS certificates (including, without limitation, ISM Code compliance), tankers blacklisted by the European Union or banned by the Paris Memorandum of Understanding on Port State Control (Paris MOU) and tankers due for phase out under MARPOL regulation 13G. No single hull tanker over 25 years old should be used.

Schedule 10

Due Diligence check-list

Schedule 11

Please note that the examples below are just examples on how to do the calculations. If some phrases, numbers or other things differ from the Agreement, the latter shall prevail

Example on calculation of Average Outstanding Guaranteed Amount and Utilisation Fee

1. Definitions and Clauses

“**Average Outstanding Guaranteed Amount**” means an amount equal to fifty (50) percent multiplied with the average of the total principal amount outstanding of the Guaranteed Amount on the last date of the two (2) most recent Guarantee Fee Periods;

“**Guaranteed Amount**” means fifty (50) percent of the relevant Guarantee Beneficiaries’ net losses of principal only (excluding interests and costs) under a Qualified Loan under coverage pursuant to the Guarantee, provided however, that such amount in each case:

- (i) does not exceed the Maximum Guaranteed Amount from time to time;
- (ii) in respect of each respective Qualified Loan, does not exceed the Maximum Guaranteed Qualified Loan Amount; and
- (iii) in respect of each respective Qualified Loan, is no less than the Minimum Guaranteed Qualified Loan Amount;

“**Guarantee Fee Period**” means, in relation to each Qualified Loan under coverage pursuant to the Guarantee, six (6) months.

“**Utilisation Fee**” means an amount equal to 3.32 percent of the Average Outstanding Guaranteed Amount **per annum**, to be calculated and payable semi-annually

7.2.2 The accrued utilisation fee referred to in Clause 7.2.1 is payable **semi-annually in arrears** and shall from time to time be paid by the Arranger within thirty (30) calendar days from the date of the Arranger’s receipt of each Fee Notice.

2. Example Calculation

Guaranteed Amount 1/1 Y1: 0

Guaranteed Amount 1/7 Y1: 90,000

Guaranteed Amount 1/1 Y2: 85,000

Average Outstanding Guaranteed Amount during 1/1-1/7 Y1

$0,50 * ((0 + 90,000)/2) = 22,500$

Utilisation Fee payable 1/7 Y1

$$(0.015/2) * \text{Average Outstanding Guaranteed Amount during 1/1-30/6}$$

$$= 0.0075 * 22,500 = 168.75$$

Average Outstanding Guaranteed Amount during 1/7-1/1 Y2

$$0.50 * ((90,000 + 85,000)/2) = 43,750$$

Utilisation Fee payable 1/1 Y2:

$$(0.015/2) * \text{Average Outstanding Guaranteed Amount 2=}$$

$$0.0075 * 43,750 = 328.13$$

**Examples on application of currency exchange recalculation to apply or test
Maximum Guarantee Amount level as set out in Clause 2.6**

[the currency exchange rate below is set out for illustrative purpose only]

Currency exchange rate according to Clause 2.6: 1 EUR= 9,96SEK

Maximum Guarantee Amount SEK 60,000,000

Maximum Guarantee Amount – Previously Paid Guarantee Claims – 0,5*Amortized Loan Amounts* – Guarantee Claim Amount = the remaining Maximum Guarantee Amount

*As the Guarantee only covers maximum fifty (50) percent of the relevant Qualified Loans the Amortized Loan amounts shall also only be counted with fifty (50) percent

Example

Previously paid Guarantee Claims in total: 3,500,000 EUR

Previously Amortized Loan amounts in total: 3,089,286 EUR

Guarantee Claim Amount now: 400,000 EUR

Previously paid Guarantee Claims in total 3,500,000 EUR = 38,000,000 SEK

T1 = EUR = 1,500,000 *8 = 12,000,000SEK

T2 = EUR = 1,000,000 *12 = 12,000,000 SEK

T3 = EUR = 1,000,000 *14 = 14,000,000 SEK

Exchange rate T1 prevailing at the time: 1 EUR = 8 SEK

Exchange rate T2 prevailing at the time: 1 EUR = 12 SEK

Exchange rate T3 prevailing at the time: 1 EUR = 15 SEK = Currency exchange rate according to Clause 2.6 is to be used i.e. 1 EUR = 14 SEK

Previously Amortized Loan Amounts in total 3,089,286 EUR = 35,000,000 SEK

Y1 = EUR = 750,000*9 = 6,750,000SEK

Y2 = EUR = 839,286 *14 = 11,750,000 SEK

Y3 = EUR = 1,500,000 *11 = 16,500,000 SEK

Exchange rate Y1 prevailing at the time: 1 EUR = 9 SEK

Exchange rate Y2prevailing at the time: 1 EUR = 16 SEK = Currency exchange rate according to Clause 2.6 is to be used i.e. 1 EUR = 14 SEK

Exchange rate Y3 prevailing at the time: 1 EUR = 11 SEK

Example 1 – exchange rate time of the payment: 1 EUR = 9 SEK

Guarantee Claim Amount 400,000 EUR = 400,000 *9 = 3,600,000 SEK

Maximum Guarantee Amount – Previously Paid Guarantee Claims – 0,5*Amortized Loan Amounts – Guarantee Claim Amount = the remaining Maximum Guarantee Amount

Calculation in SEK

60,000,000 – 38,000,000 – (0,5 x 35,000,000) – 3,600,000 =

900,000 SEK = the remaining maximum Guarantee Amount

Example 2 – exchange rate time of the payment: 1 EUR = 16 SEK

Guarantee Claim Amount 400,000 EUR = $400,000 \times 14 = 5,600,000$ SEK

Maximum Guarantee Amount – Previously Paid Guarantee Claims – $0,5 \times$ Amortized Loan Amounts – Guarantee Claim Amount = the remaining Maximum Guarantee Amount

Calculation in SEK

$60,000,000 - 38,000,000 - (0,5 \times 35,000,000) - 5,600,000 =$

- 1,100,000 SEK = the Claim Amount in full is not covered by the Guarantee, i.e. Sida does not have to cover the remaining 1,100,000 SEK and there exists no further payment obligation from Sida.

Schedule 12

Sida's approach to safeguarding sustainability in support to the power sector in Sub Saharan Africa, December 2016

December 2016

INTRODUCTION AND SCOPE

This brief describes Sida's approach to safeguarding sustainability in power sector development cooperation in sub-Saharan Africa (SSA).

It relates to power generation, transmission, distribution and energy efficiency contributions in all Sweden's country and regional development cooperation strategies SSA implemented by Sida.

Support to renewable energy is an important contribution to the achievement of the Sustainable Development Goals (SDGs) and the Paris Agreement on Climate Change. There is a broad agreement that the phasing out of fossil fuel subsidies is crucial for combatting climate change. Official Development Assistance (ODA) is a form of subsidy and should therefore only be used to support renewable energy. Sida's contributions towards power generation in sub Saharan Africa focus on renewable energy and should exclude all generation based on non-renewable energy sources.

The approach covers (i) grants (used to support contributions such as capacity building, capital subsidies managed by national agencies, challenge funds or development loans), (ii) guarantees (i.e. portfolio guarantees, guarantees for project finance etc.), with partners such as public entities, multilateral development banks, commercial banks and institutional investors, and (iii) dialogue as an instrument to influence and promote change.

BACKGROUND

Access to electricity is a major enabler for poor women and men's ability to escape poverty. Sweden is committed to contribute to the Sustainable Development Goals (SDG) including targets to increase access, substantially increase the share of renewable energy sources and to increase energy efficiency.

Within the overall objective of Swedish development cooperation; to contribute to create better living conditions for people living in poverty and oppression, critical aspects of Sida's power sector development cooperation are:

- To support change that is environmentally, socially and financially sustainable;
- To verify that environmental, social and climate safeguards are properly considered in Sida supported interventions throughout Sida's contribution cycle; and
- To promote transparency, predictability and accountability in decision making processes.

THE ENABLING ENVIRONMENT

Of crucial importance to the development of a sustainable energy sector is the creation of an enabling environment consisting of laws, rules and regulations and of organisations that define, implement and enforce this regulatory framework. Sida therefore supports reforms in the energy sector focusing on institutional development, including policies, legal and regulatory frameworks and capacity development.ⁱ Sida supports research and civil society in order to increase understanding and management of energy-environmental issues in a holistic context, raise awareness and strengthen people's rights and participation. In this way Sida supports better legal and administrative country systems, an enabling environment for sustainable energy investments with benefits for and beyond the individual project. As appropriate, Sweden will use dialogueⁱⁱ to influence and strengthen safeguard systems of partner countries' as well as international safeguard systems' such as those of the World Bank Group to ensure sustainable outcomes.

MANAGING ENVIRONMENT AND SOCIAL RISKS

Throughout Sida's contribution cycle relevant thematic/policy issues including environment, climate change, gender equality, human rights and conflict sensitivity should be analysed, assessed and managed. Opportunities for realising broader development impact should also be appraised, such as skills development supporting increased productive employment, local economic development, improved health, resilience of ecosystem services etc.

The appraisal should both determine the type and scale of environmental and social (e.g. gender and human rights) impacts, risks and opportunities and define if further analysis is needed.

It is the responsibility of Sida's cooperation partner to ensure that an appropriate assessment is made, to mitigate and manage impacts and risks, investigate opportunities, and monitor implementation throughout the project cycle.

Sida's responsibility is to appraise the quality of the assessments and ensure that environmental, climate and social concerns and opportunities are addressed in programme/project documents and that necessary budget provisions are made.

Sida will only support programmes/projects that have a systematic approach to safeguarding sustainability. In order to safeguard sustainability, projects shall comply with national legislation and the performance standards of the International Finance Corporation (IFC) or standards with higher or equivalent level of safeguards, such as those of the African Development Bank or the European Investment Bank.

Human rights based principles e.g. non-discrimination, participation, transparency and accountability are key elements in Sida's work. Sida will actively promote their use to the extent possible in project preparation and implementation. This includes the participation of affected groups in preparation and dissemination of *Environment and Social Impact Assessments* (ESIA) and transparent and accessible disclosure of *Environment and Social Management Plans* (ESMP) and monitoring reports.

Projects with potential social and environmental impacts require that an ESIA is carried out. On an ad hoc basis Sida will undertake its own assessment of the ESIA and the cooperation partner's compliance with the ESMP. For all projects implying changes in the use of land or natural resources, relevant articles from the FAO Voluntary Guidelines on Tenureⁱⁱⁱ should be applied. The following sections provide some issue specific guidelines.

HYDROPOWER

There is vast untapped potential of hydropower in many countries in sub-Saharan Africa and is an important energy source with considerable potential in many countries. At the same time, the environmental impacts of hydropower on livelihoods, water, soil, landscape, flora, fauna, cultural heritage and other aspects can be considerable, particularly where dams and reservoirs are part of the projects. Sida takes into account the recommendations outlined in the World Commission of Dams (WCD) and acknowledges the importance of regional and basin level considerations in planning for new hydropower. Sida also acknowledges the importance of enhancing the resilience to climate change of affected communities. For large dams Sida will require the use of an independent review panel in line with WCD. Sida welcomes the use of the Hydropower Sustainability Assessment Protocol (HSAP) as a management tool for individual projects while recognizing that the protocol in itself does not guarantee that Sida's sustainability requirements are met. Sida will put emphasis on ensuring monitoring of operation and, maintenance, financial sustainability and implementation of environmental and social management plans.

OTHER TECHNOLOGIES

Sida acknowledges the great potential of renewable energy technologies. For all technologies Sida requires the project owner to relate to and aim for applying principles of best practice in design, construction and operations. This must include plans for environmentally responsible management of waste/e-waste as well as other aspects identified to avoid or minimise negative impacts on the environment and affected people.

Sida's requirements and principles are summarized in the table on the next page.

<p>General requirements</p> <p><i>Mandatory aspects to be covered in project preparation and contracts and to be monitored during implementation</i></p>	<p>Sida's contributions towards power generation in sub-Saharan Africa¹ target renewable energy and exclude generation bases on non-renewable energy sources².</p> <p>Sida regards compliance with national legislation and the IFC Performance standards^{iv} as a minimum requirement.</p> <p>In addition Sida will require:</p> <ul style="list-style-type: none"> - the use of an Independent Review Panel^v for hydropower projects that include large dams; - project owners to define their proposal in relation to best practice^{vi} for the respective technology and approach chosen. <p>Key areas for Sida to appraise and follow up during implementation</p> <ul style="list-style-type: none"> - ensure that impacts, opportunities and risks caused by the programme and impacts on the environment and potential consequences of climate changes on the programme are appraised. - appraise the entire programme or project, not only the parts of projects financed by Sida. The appraisal should include the capacity of the main financial institution to monitor and support the project owner. It may be sufficient for Sida to assess other financial partners' appraisal; - ensure acceptable quality of feasibility studies, Environment and Social Impact Assessments and other relevant background information prior to approval. This includes verifying that: <ul style="list-style-type: none"> i) gender aspects have been integrated; ii) that the resilience of both ecosystems and affected households/communities have been analysed and addressed; iii) that issues related to physical and financial sustainability (e.g. operation and maintenance costs) are properly described and budgeted for; iv) that institutional aspects are adequately incorporated (e.g. capacity to implement and monitor); and v) monitoring and follow-up of Environmental and Social Management Plans and mitigation activities are included in agreements and <u>budgeted for</u>. This should include plans for environmentally responsible management of waste including hazardous waste. - ensure that planned projects with potentially significant adverse environmental and social impacts, conduct an independent Environment and Social Impact Assessment, involving the communities and other concerned groups.
<p>Dialogue^{vii} issues</p> <p><i>Issues to raise with project owner, financial institutions and other concerned parties during project preparation and implementation</i></p>	<p>Sida will aim for:</p> <ul style="list-style-type: none"> - use and strengthening of country systems, cross-sectoral collaboration and planning, including better integration of environment ministries and Disaster Risk Reduction (DRR) agencies in the core planning of energy projects/programmes; - application of best practices for the respective technology and approach chosen and where broader development impacts such as employment opportunities, local economic development, improved health and opportunities for vocational training are promoted; - gender aware dialogue and application of human rights based approaches and principles (non-discrimination, participation, transparency and accountability) in programmes/programmes; - use of community participation throughout the process, including in monitoring of Environmental and Social Management Plans. Independent reviews or third party audited information should be encouraged for projects with significant environmental and social impacts; and - use of selected voluntary systems e.g. <i>FAO Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security</i> and the use of <i>UN Guiding principles on business and human rights</i>.

¹ In sub-Saharan Africa Sida support, e.g. through other strategies like the Strategy for Humanitarian assistance, through common funds and global programmes, may include hybrid-solutions partly based on fossil fuel. However, Sida believes that to promote sustainability fossil fuel energy generation should be phased out in these programmes.

² Sida may support institutional development and capacity building of public utilities etc., that have both renewables and non-renewables in their present energy mix, with a focus on assistance in the transition towards a fossil free energy sector.

ⁱ Sida also supports various complementary interventions including good governance, disaster risk reduction, transboundary and integrated water management in a number of basins.

ⁱⁱ "Dialogue" is an instrument to influence and promote change of partners' perception and their way of implementing projects in a more efficient and sustainable way. In this context it may mean to comply with IFC's Performance standard and improve national legislation in relation to environmental and social safeguards.

ⁱⁱⁱ *FAO Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests (VGGT)* can be used by States, civil society and the private sector although the main focus is on the obligations of the state. An easy-to-use guide for companies on how to align their operations with the VGGT is the "*Respecting Land and Forest Rights: Risks, Opportunities, and a Guide for Companies*". 2015. Washington, D.C.: The Interlaken Group and RRI. The guide includes references to other resources for further guidance.

^{iv} In order to safeguard sustainability, projects will have to comply with national legislation and the IFC performance standards. Sida will also accept compliance with other sustainability safeguard systems with higher or equivalent level of safeguards such as those of the African Development Bank, the World Bank, the European Investment Bank or the European Bank for Reconstruction and Development. These systems make use of the World Bank Group Environmental, Health and Safety Guidelines as a technical source of information for project appraisal. The EHS Guidelines are technical reference documents with general and industry-specific examples of good international industry practice and are occasionally updated.

^v The Independent Review Panel is independent of all parties and its principal task is reviewing assessment of impacts and the planning, design and implementation of social and environmental mitigation plans. For further reference see World Commission on Dams.

^{vi} Best practice is context specific and relates to processes rather than technologies. It signals adaptive learning rather than fixed guidelines. Clients/executing agents should describe the project in relation to best practice.

^{vii} Dialogue is an instrument to influence and promote changes of partners' perception and their way of implementing projects and processes in a more efficient and sustainable way.

Qualified Loan Note Agreement

TERMS AND CONDITIONS NOTES

of

[COMPANY], [a private limited liability company] incorporated under the laws of **[COUNTRY]**, with its registered office at **[ADDRESS]** [and presently holding its offices at **[ADDRESS]** (the "**Issuer**")]

Article 1 DEFINITIONS

1.1 In these Terms and Conditions the following definitions shall have the meaning referred to below.

AFM	the Dutch Authority for the Financial Markets (<i>Stichting Autoriteit Financiële Markten</i>);
Annex	an annex to these Terms and Conditions;
Business Day	any day on which banks are open for business in the place of business of the Issuer;
EUR	Euro, the official currency of the Eurozone;
Event of Default	each of the events stated in Article 7;
FSA	Dutch Financial Supervision Act (<i>Wet op het financieel toezicht</i>)

Fully Funded Notice	Notice given by the Issuer to Lendahand that it accepts the funding offered via the Lendahand Website for the eligible project(s) of the Issuer and in exchange will issue the Notes in accordance with the Lendahand Website Issuer Access Agreement upon issuance of the signed Fully Funded Notice;
Giro Act	Dutch Securities Giro Act (<i>Wet op het giraal effectenverkeer</i>);
Information Request	shall have the meaning set forth in Article 10.1;
Interest Payment Date	shall have the meaning set forth in Article 3.2;
Issuance	shall have the meaning set forth in Article 2.1;
Issue Date	shall have the meaning set forth in Article 3.1;
Issuer	[-], a [private limited liability company] incorporated under the laws of [-], with its registered office at [-] [and presently holding its offices at [-]];
Investors	the investors in the Notes;
Lendahand	Hands-on B.V.;
Lendahand Website	the internet website owned and operated by Hands-on B.V. that allows investors to select and fund Projects by investing in the Notes;
Material Adverse Effect	means any circumstance or event which (A) has a material adverse effect for the Investor on the validity, legality or enforceability of the Notes (B) has a material adverse effect on the business, properties, assets, condition (financial or otherwise)

of the Issuer, (C) impairs materially the ability of the Issuer to duly and punctually pay or perform its obligations under the Notes;

Notes

the notes of the Issuer issued in accordance with these Terms and Conditions by the Issuer;

Outstanding Amount

the principal amount outstanding under the Notes, which at the Issue Date is EUR 50 per Note and which principal amount may decrease over time based on early repayments in accordance with Article 4;

Prepayment Amount

means amounts prepaid early on the Principal Amount of the Notes, as a result reducing the Principal Amount accordingly, in accordance with Article 4.2;

Prepayment Date

shall have the meaning set forth in Article 4.2;

Principal Amount

means EUR 50 per Note as at the Issue Date, which amount may decrease if and when the Issuer makes early Repayments on the Notes;

Project

the Project as set out on the internet website of Lendahand;

Repayment

shall have the meaning set forth in Article 4;

Security Right

shall have the meaning set forth in Article 11.1;

Terms and Conditions

the terms and conditions of the Notes as set forth herein;

Voluntary shall have the meaning set forth in Article 4.2.
Prepayment

- 1.2 In these Terms and Conditions, unless the context dictates otherwise, references to the singular shall include references to the plural and vice versa and references to any pronoun shall include the corresponding masculine, female or neuter.

Article 2 NOTE ISSUE

- 2.1 The Issuer seeks to obtain the relevant (back-filled) funding for the Project, by issuing the Notes pursuant to these Terms and Conditions (the "**Issuance**"), the terms of which are attached hereto in **Annex I**.
- 2.2 Lendahand has a license from the AFM (Autoriteit Financiële Markten) to execute orders and to place financial instruments. Lendahand will place the Project on its website, ultimately allowing Investors to invest in the Notes.
- 2.3 The Issuer issues the Notes in accordance with these Terms and Conditions. The Investors are assumed to have taken note of and are bound by these Terms and Conditions.
- 2.4 The total amount of the offer and issue of the Notes is as stated in **Annex I**.
- 2.5 Each Note has a denomination of EUR 50.
- 2.6 The Issuer may, at its sole discretion redeem (part of) the Notes earlier by early repayment(s) in accordance with Article 4.
- 2.7 The Notes will be solely offered in countries of the EEA, where the offer is made in accordance with the laws of such EEA country and Lendahand is authorised to execute orders made from potential Investors in such EEA country. The Notes cannot and will not be offered in any country outside of the EEA and may not be sold or resold to Investors who are resident or citizens of other countries, such as the United States of America as set forth in **Annex II**.
- 2.8 The Notes will be held in accordance with the Giro Act where Lendahand acts as intermediary (*intermediar*) under the Giro Act. Lendahand is the holder of the

collective depot (*verzameldepot*) of the Notes and the Issuer will treat Lendahand as the recordholder of the Notes.

- 2.9 In case of a sale of Notes from one Investor to another Investor, taking into account restrictions on sales, if any, the Notes will be delivered in accordance with the Giro Act and in accordance with the terms and conditions of Lendahand for the Investors.
- 2.10 Notes do not give right to ownership, voting rights or meeting rights.
- 2.11 The terms and conditions of Lendahand for Investors contain provisions on the Notes. In case of a discrepancy between such terms and conditions and these Terms and Conditions, these Terms and Conditions will prevail insofar it concerns the Issuer and/or the Notes.

Article 3 INTEREST

- 3.1 The Notes are issued by the Issuer and bear interest at the interest rate as stated in **Annex I** as from the first day of the month following the Project becoming fully funded on the website of Lendahand and such date is specified in **Annex I** hereof (the "**Issue Date**") until and including the Maturity Date, or such earlier date on which the Principal Amount has been repaid in full.
- 3.2 For the avoidance of doubt, each Note shall bear interest as of the Issue Date, and be payable semi-annually as per the Amortization Schedule in **Annex I** ("**Interest Payment Date**").
- 3.3 Interest shall be calculated on the basis of 30 (thirty) days in a month and 360 (three hundred and sixty) days in a year. Interest is calculated on the basis of the Outstanding Amount of the Notes in such year, the first year starting as of the Issue Date.
- 3.4 Interest will be paid on the Interest Payment Date.

Article 4 REPAYMENT OF THE NOTES AND PAYMENTS ON THE NOTES

- 4.1 The Notes shall be repaid by the Issuer in accordance with the Amortization Schedule attached hereto ("**Repayment**") in **Annex I**. Repayments are semi-annual and in equal instalments.

- 4.2 Not earlier than 12 (twelve) months after the issuance date, the Issuer may prepay the Principal Amount, in full or in part (the "**Prepayment Amount**"), on an Interest Payment Date (the relevant Interest Payment Date hereinafter being referred to in this paragraph as the "**Prepayment Date**") (the "**Voluntary Prepayment**"). In addition to the Prepayment Amount, the Issuer shall pay to the Investors on the Prepayment Date an amount equal to the sum of: (a) interest accrued on the Prepayment Amount up to the Prepayment Date, and (b) a prepayment fee of **** %** of the Prepayment Amount, and any legal or other fees incurred as a result of the Voluntary Prepayment or otherwise.
- 4.3 All payments made by the Issuer under the Notes shall be calculated and made in EURO only, and shall be deposited into the bank account of the payment services provider used by the Investors, as provided under the terms and conditions of Lendahand.
- 4.4 The Issuer shall, under no circumstances, have the right to suspend any payment, the right to set-off or any similar right to withhold payment.
- 4.5 Payments made by the Issuer shall be first applied to the interest due and subsequently to the Principal Amount.
- 4.6 If, at any time, the Issuer is in default in the payment of any amount of principal, interest, fees or other obligations due hereunder (whether by acceleration, at maturity or otherwise), the Issuer agrees to pay an additional interest rate of 2% (two percent) per annum above the rate set forth in Article 3.1 on the then due Principal Amount until the date on which the overdue sum is paid.

Article 5 TAXES

- 5.1 All taxes charged in [COUNTRY ISSUER] in relation to any payments made under the Notes will be paid by the Issuer.
- 5.2 All payments by the Issuer under the Notes shall be made without any deduction and free and clear of and without deduction for or on account of any taxes, except to the extent that the Issuer is required by law to make payment subject to any taxes. If any tax or amounts in respect of tax must be deducted, or any other deductions must be made, from any amounts payable or paid by the Issuer under this Agreement, the Issuer shall pay such additional amounts (*make whole*) as may be necessary to ensure that the Investors receive a net amount equal to the full amount which they would have received had payment not been made subject to tax.

- 5.3 All taxes required by law to be deducted or withheld by the Issuer from any amounts paid or payable under the Notes shall be paid by the Issuer when due and the Issuer shall, within 15 (fifteen) days of the payment being made, deliver to the Investors evidence satisfactory to the Investors (including all relevant tax receipts) that the payment has been duly remitted to the appropriate authority.
- 5.4 All costs and expenses of the Investors to be made by the Investors in order to collect payment of any amount due under the Notes, irrespective as to whether these costs are judicial or extrajudicial, shall be paid and borne by the Issuer.

Article 6 COVENANTS

- 6.1 Within 180 (one hundred eighty) days after the year end, the Issuer shall publish a copy of its audited financial statements through the website of Lendahand.
- 6.2 The Issuer shall obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorizations, approvals, licenses and consents required under any applicable law to enable the Issuer lawfully to enter into and perform its obligations under the Notes and to ensure the legality, validity, enforceability or admissibility in evidence of the Notes in its jurisdiction of incorporation.
- 6.3 The Issuer shall comply in all respects with all laws to which it may be subject, except when such failure to comply would not result in a Material Adverse Effect.
- 6.4 The Issuer shall procure that no substantial change is made to the general nature of its business from that carried on at the date of the origination of the Notes.
- 6.5 The Issuer shall not undertake or permit any merger, demerger, amalgamation or corporate restructuring, which has or could reasonably be expected to have a Material Adverse Effect.
- 6.6 All costs related to the obligations of the Issuer under this Article shall be borne by the Issuer.

Article 7 EVENTS OF DEFAULT

- 7.1** Each of the events as described hereunder constitutes an Event of Default on the part of the Issuer:

- (i) the failure to pay any sum due under the Notes at the time, in the currency and in the manner required, which non-payment is not remedied within 30 (thirty) days after the due date thereof;
- (ii) a representation or warranty hereunder or repeated by the Issuer in or pursuant to these Terms and Conditions is incorrect or misleading in any material respect when made or repeated;
- (iii) the failure to duly perform any other obligation, including the covenants under Article 6, under or resulting from these Terms and Conditions, which non-performance, if capable of remedy, is not remedied within 7 (seven) days after the Investors' relevant notice to the Issuer which notice shall at all times be given by Lendahand on behalf of the Investors;
- (iv) an attachment or execution affects [more than x% (xxx percent) of the] OR [any] assets of the Issuer and is not discharged within 14 (fourteen) days;
- (v) the Issuer under its relevant jurisdiction is declared bankrupt or is granted a moratorium or a request for bankruptcy or moratorium is filed;
- (vi) the Issuer is dissolved, a resolution for its dissolution is passed or a request for its dissolution is filed;
- (vii) the holders of the Notes exercise the Information Request and the Issuer does not provide the requested adequate information (to be determined at the sole discretion of the holders of the Notes) within 15 (fifteen) days;
- (viii) the holders of the Notes exercise the Security Right and the Issuer does not provide the requested adequate security (to be determined at the sole discretion of the holders of the Notes) within 15 (fifteen) days;
- (ix) all material authorizations, approvals, licenses and consents, required or desirable to enter into and perform the obligations under the Notes and carry on the business of the Issuer, have not been obtained and/or are not or no longer effected and are effective (which shall at all times exclude any registrations or filings);

- (x) any material debt of the Issuer in an amount exceeding EUR 100,000 (one hundred thousand Euros) is not paid when due nor within any originally applicable grace period, or any material debt of the Issuer in an amount exceeding EUR 100,000 (one hundred thousand Euros) is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an Event of Default (similar as described hereunder);
 - (xi) any event or circumstance occurs that, in the opinion of the Issuer, might have, directly or indirectly, a Material Adverse Effect on the Issuer's ability to perform any of its payment obligations under the Notes; or
 - (xii) any event of default under the Website Issuer Access Agreement concluded between Lendahand and the Issuer.
- 7.2 The Issuer shall, without any delay, inform the Investors through Lendahand in its capacity of intermediary, in writing if an Event of Default has occurred or is likely to occur.
- 7.3 If an Event of Default has occurred, all Notes still outstanding, together with accrued interest and all other amounts owing under the Notes, will immediately be due and payable without any notice of default or court intervention being required.

Article 8 REPRESENTATIONS AND WARRANTIES

- 8.1 The Issuer explicitly represents and warrants that:
- (i) The Issuer is a company, duly organized, validly existing and in good standing under the laws of its jurisdiction. The Issuer has the power to own its assets and carry on its business substantially as it is being conducted;
 - (ii) The Notes will constitute legal, valid and binding obligations against it in accordance with its terms and will not violate any contract of the Issuer entered into prior to the issue date of the Notes;

- (iii) The Issuer is authorized and licensed and has the capacity to fulfil its obligations under the Notes, to offer and issue the Notes;
 - (iv) No Event or Default is outstanding or likely to result from the Notes;
 - (v) The Issuer's obligations towards the Investors under the Notes, unless secured, rank senior to any company director loan and at least pari passu with the existing or future claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally;
 - (vi) The Issuer shall not pay or discharge (including, without limitation, by way of set-off or combination of accounts), or grant any guarantee, indemnity, bond, letter of credit or similar assurance against financial loss in support of, any indebtedness owed by it or any other person unless there is prior written consent of the Investors;
 - (vii) The Issuer shall not declare or pay any dividends upon any of its stock, or purchase, redeem, retire or otherwise acquire, directly or indirectly, any shares, or make any distribution of cash, property or assets among the shareholders, if the earning before tax over the last 12 (twelve) months is negative or an Event of Default has occurred and is continuing, or would occur; and
 - (viii) No litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which, if adversely determined, might reasonably be expected to have a Material Adverse Effect have been started or threatened against the Issuer. In any proceedings taken in its jurisdiction of incorporation in relation to the Notes, the Issuer will not be entitled to claim for itself or any of its assets immunity from suit, execution, attachment or other legal process.
- 8.2 Investors will not directly approach the Issuer, but will approach Lendahand and instruct Lendahand to act on their behalf but only in accordance with the terms agreed between Lendahand and the Issuer.
- 8.3 The representations set out in this Article 8 shall be deemed to be given and repeated:
- (a) on the Issue Date; and
 - (b) on each Interest Payment Date;

by reference to the facts and circumstances then existing.

Article 9 PRESCRIPTION

9.1 Claims against the Issuer for payment of principal and interest in respect of the Notes will be prescribed ('*verjaard*') and become void unless made within a period of five years after the date on which such payment first becomes due.

Article 10 INFORMATION REQUEST

10.1 Holders of the Notes have the right to proactively ask the Issuer to be provided with additional information, true and complete, regarding the repayment of any amount due under the Notes (the "**Information Request**").

10.2 The Information Request may only be exercised in the event that circumstances justify the fear of an impending Event of Default, or in the event that an Event of Default indeed has occurred. The Information Request shall at all times be carried out through Lendahand; Lendahand will pass on any information received from the Issuer to the holders of the Notes resulting from the Information Request.

10.3 The Information Request has to be sponsored by more than (i) 50% (fifty percent) of the Outstanding Notes and (ii) 50% (fifty percent) of the number of holders of the Notes. In the event that a holder of the Notes desires to exercise the Information Request, it will inform Lendahand (as holder of the collective depot (*verzameldepot*) thereof. Lendahand will then inform all holders of the Notes accordingly and ask them to vote in order to ensure that the aforesaid quorum is achieved. Lendahand will collect the votes and will inform the holders of the Notes and the Issuer if the Information Request can be exercised. If so, any information shall be distributed to all holders of the Notes.

Article 11 SECURITY [TWO OPTIONS]

11.1 The Notes are secured by means of [INSERT SECURITY DETAILS] (the "**Security Right**"). The Security Right documentation is a.o. concluded for and on behalf of the Investors, based on the power of attorney as stipulated in the Lendahand General Terms & Conditions. However, the laws applicable to the Issuer, rights granted to third parties and other circumstances may affect the ability of

Lendahand to exercise the Security Right in favour of the holders of the Notes and/or Lendahand.

OR

11.1 The Notes are unsecured.

11.2 The Issuer will bear all costs related to the establishment and the maintenance of the Security Right.

Article 12 MISCELLANEOUS

12.1 Evidence

Subject to evidence to the contrary or manifest error, the records of Lendahand in respect of the Notes as holder of the collective depot (*verzameldepot*) will constitute conclusive evidence of the existence and amounts of any of the obligations of the Issuer under the Notes.

12.2 Notifications

a. All notices and other communications relating to the Notes shall be sent to the following addresses:

(i) For Investors:

Hands-On B.V.
Conradstraat 38 – D1.150
3013 AP Rotterdam
The Netherlands

Email address: info@lendahand.com

(ii) For Issuer:

[ADDRESS]

Email address: [-]

or to such address as stipulated in these Terms and Conditions or as the Issuer or Lendahand (as holder of the collective depot under the Giro Act)

may specify, by registered mail with acknowledgement of receipt, by courier, or by e-mail.

- b. Notices and other communications sent as outlined below shall be deemed to have been received by the addressee at the following times:
 - (i) if delivered by a courier service: at the time the communication is delivered to the addressee by the courier;
 - (ii) if sent by registered post: on the day specified on the receipt report;
 - (ii) if sent by e-mail: on the day specified on the corresponding receipt report.

12.3 Invalidity of Provisions

In the event that any provision of the Notes appears to be non-binding, the other provisions of the Notes will continue to be effective. The Issuer is obliged to replace the non-binding provision with another provision that is binding, in such manner that the new provision differs as little as possible from the non-binding provision, taking into account the object and the purpose of the Notes.

- 12.4 The signed Fully Funded Notice shall form an integral part of the Notes and receipt of the duly signed and executed Fully Funded Notice by Lendahand will constitute the issuance of the Notes in accordance with the Terms and Conditions thereof.

12.5 Applicable Law and Competent Court

- a. The Notes are governed by the laws of the Netherlands.
- b. Any dispute arising from the Notes, which cannot be settled amicably, shall be submitted to the competent court in Amsterdam, the Netherlands.