



中國銀行  
BANK OF CHINA

**Empresa de Transmisión Eléctrica S.A.**

**and**

**Bank of China Limited**

**Memorandum of Understanding  
Regarding Strategic Cooperation**

**November, 2017**



中國銀行  
BANK OF CHINA

Empresa de Transmisión Eléctrica S.A.

Bank of China Limited

## **Memorandum of Understanding regarding Strategic Cooperation**

Party A: Empresa de Transmisión Eléctrica S.A. (herein after “ETESA”)

Legal Representative: Gilberto Ferrari Pedreschi

Registered Business Address: Sun Tower Plaza, Ave. Ricardo J. Alfaro, El Dorado, Third Floor

Party B: Bank of China Limited (hereinafter “BOC”)

Legal Representative: Chen Siqing

Registered Business Address: No.1 Beijing, FuxingmenNeiDajie, Beijing, China

### **Background**

ETESA is known as a leader and role model in the national and international electric sector, and BOC is a famous international financial institution. To better enhance the good cooperative relationship between the bank and the company, and to improve the mutual development and the long term cooperation for both parties, ETESA and BOC, on the basis of adhering to the principle of voluntaries, equality and mutual benefit, and after full consultations and negotiations, have made the following agreement and committed to strictly abiding by the terms of this agreement and performing the responsibilities of each party.

This Memorandum of Understanding regarding Strategic Cooperation (hereinafter “MOU”) confirms the parties’ intent to explore and potentially collaborate in the areas set forth herein. This MOU describes only the intent of parties. Except as otherwise set forth in Article 6 herein, this MOU does not create any legally binding obligations on either party and does not create any rights enforceable by



中國銀行  
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either party (or by any third party). For the avoidance of doubt, nothing contained in this MOU shall be constructed as requiring either party to enter into any further contractual or business relationship with the other party.

### Article 1

ETESA and BOC wish to explore a possible business relationship, including in the areas of discovering and expanding on potential areas for collaboration, subject to the regulatory policies of Panama and China respectively. The two parties intend to explore possible collaboration in the following areas:

- 1) Account Service——BOC is willing to provide corporate account service for ETESA through its Panama branch under the premise of keeping in compliance with laws and regulatory policies.
- 2) Time Deposits——BOC can offer a product of time deposits to ETESA with a flexible term and interest rate to be negotiated and agreed by both parties.
- 3) International Settlement—— ETESA agrees to consider BOC Panama Branch as one of its correspondent banks for international banking services that may cover, but will not be limited to, Asia-Pacific region and other global markets. Such services will be subject to the terms and conditions set forth in applicable definitive legal documents.
- 4) Short -term Financial Service—— After getting the internal credit and other approvals, BOC can provide various short-term financial service products to ETESA, such as working capital loan, LC, etc.
- 5) Project Finance—— BOC intends to support the construction of projects related to electric energy transmission either they are, fully or partially promoted, developed, sponsored, financed or guaranteed by ETESA or by a third party that is legally bind to the company, subject to indicative terms and market conditions.



中國銀行  
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**6) Long Term Financing**—— BOC agrees to consider offering a long term financial

solution for ETESA, that will partially fund its Expansion Plan under terms and conditions negotiated by both parties so the company could maximize the return of its assets during the average life of its new projects. This long term financial solution could be, but is not limited to, revolving credit lines, corporate loans or debt capital markets structuring services, or a combination of all of them.

If the bank's long term financing proposal favorable exceeds the actual terms and conditions that the company may get from its regular financial services providers, ETESA agrees to consider giving BOC a mandate for arranging and financing such facility

**Article 2**

The parties intend to establish a joint working group which they expect will have regular meetings, communication and interaction.

**Article 3**

Excluding the laws and regulations and provisions set by the regulatory authorities, no party shall disclose any confidential data and information about the other party or the contents of the MOU, whether through public announcements or direct provision to a third party, without the express permission of the other party in writing.

**Article 4**

No party shall assign any part of its rights and obligations under the MOU without the express permission of the other party in writing.

**Article 5**

**Supplementary Provisions**

1) No party shall make any changes or amendments to this MOU without confirmation by the two parties in writing. Upon mutual agreement between the



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two parties, the changes can be effected through a written and executed amendment of this MOU.

2) The MOU will be effective upon the date of signing and endorsement with company stamp by the legal representatives or authorized signatories of the two parties.

### Article 6

#### Non-Binding Effect

Other than those obligations in Articles 3,4,5,6, this MOU does not impose any legally binding obligations on either party and does not create any rights enforceable by either party or any third party. To the extent the parties wish to establish any binding arrangements with respect to the matters set forth herein or any other matter, any such binding arrangement must be documented in a mutually agreed written agreement signed by the two parties. With respect to any matter as to which the parties have entered into any such binding agreement, such binding agreement shall prevail as to the rights and obligations of the parties.

Party A: Empresa de Transmisión Eléctrica S.A.

Signature and Chop:

Date: November 17, 2017

Party B: Bank of China Limited

Signature and Chop:

Date: November 17, 2017