

PARLIAMENT OF GHANA LIBRARY

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REPUBLIC OF GHANA

**DEFERRED PAYMENT AGREEMENT FOR
CONSTRUCTION/REHABILITATION OF
SELECTED ROADS AND INTERCHANGES IN
GHANA-PHASE 1-LOT 5 Construction of
Adenta-Dodowa Dual Carriageway(14km)
UNDER THE MASTER PROJECT SUPPORT
AGREEMENT**

Between

Ministry of Roads and Highways

Ministry of Finance

And

Sinohydro Corporation Limited

**DEFERRED PAYMENT AGREEMENT RELATING TO EPC CONTRACT
AGREEMENT**

This Deferred Payment Agreement (the “**Agreement**”) setting out the terms and conditions of deferral of payments under the EPC Contract Agreement in respect of Construction of Adenta-Dodowa Dual Carriageway(14km) Phase 1 Lot 5 is made on 1st September, 2018 by and between:

1. Ministry of Finance acting on behalf of the Government of Ghana (GOG) which expression shall be construed and understood to mean its assigns and successors-in-title (hereinafter referred to as “**MOF**”), with its address at the Ministry of Finance, Finance Road, P.O. Box MB40, Ministries, Accra, Ghana, represented by _____, of the one part;

2. Ministry of Roads and Highways (hereinafter referred to as “**MORH**”), acting on behalf of **GOG**, with its postal address P.O Box M57, Ministries, Accra, Ghana, represented by _____ of the second part,

AND

3. Sinohydro Corporation Limited, a corporation duly registered and existing under the laws of the P.R. of China, with its registered office at 22 West Chegongzhuang Road, HaiDian District, Beijing, Postcode: 100044, China (hereinafter referred to as “**Sinohydro**”), duly represented by its Chief Representative Mr. Huang Guanghui, of the third part,

(each a “**Party**” and collectively the “**Parties**”).

WHEREAS

A. Sinohydro and MORH have signed a Contract Agreement in respect of Construction of Adenta-Dodowa Dual Carriageway(14km) Phase 1 Lot 5, dated _____ 2018, (the “**EPC Contract**”) as subsequently amended by **Addendum No. 1** dated _____ 2018, whereby Sinohydro undertakes to design, execute and complete the works more particularly defined in the EPC Contract and remedy any defects therein, inclusive of any Early Works (as hereinafter defined) under the Project carried out prior to Financial Close (as hereinafter defined), (collectively the “**Works**”) and MOF undertakes to pay the Total EPC Contract Price to Sinohydro using proceeds from the sale of refined bauxite as the

source of funds, as agreed to by the Parties hereto, in consideration for the design, execution, commissioning and completion of the Works and the remedying of any defects therein in accordance with the terms and conditions of the EPC Contract.

B. By Resolution dated 28/07/2018 the Parliament of Ghana approved the Master Project Support Agreement (MPSA) dated 16/05/2018 between Sinohydro and GOG for the construction of selected priority infrastructure projects in Ghana.

C. The Parties hereto desire and agree that the Project will be financed by Sinohydro by way of deferral of payments under the EPC Contract, with the support of refinancing by one or more Financiers and export credit insurance underwritten by Sinosure (an export credit agency in P. R. China as hereinafter defined); and Sinohydro has agreed to use its best endeavors to procure such refinancing equal to 85% of the cost of the Works, and to finance the Project upon availability whereof.

D. The original schedule of payments of 85% of the Total EPC Contract Price will be deferred up to the respective Repayment Dates, with the source of funds being the proceeds of the sale of refined bauxite.

E. The Parliament of Ghana enacted the Ghana Integrated Aluminium Development Corporation Act, 2018 (Act 976), which established the Ghana Integrated Aluminium Development Corporation (GIADC) to be responsible for the development and management of Ghana's bauxite reserves.

F. For the purpose of the Financing, the Parties hereto desire that the obligations of MOF to pay the Total EPC Contract Price under the EPC Contract using the proceeds from the sale of refined bauxite, will be discharged unless and until all outstanding Financed Amount, any and all interest (including Default Interest, if any), all payments due by the MORH according to any Contractor's Claims under the EPC Contract, as well as any financing costs accrued but unpaid, have been paid off;

G. Also for purpose of the Financing and with the knowledge and consent of MORH and MOF, Sinohydro will enter into an Account Receivable Finance Agreement (the "ARFA") with one or more financiers, each a "Financier", under which Sinohydro will assign to the Financier the right to receive all or part of the deferred payments by MOF under this

Agreement, i.e. to procure the refinancing by way of assigning its accounts receivable against MOF under the EPC Contract.

NOW THEREFORE, in consideration of the respective promises and mutual agreements made by the Parties hereto hereinafter set forth and upon the following terms and conditions it is hereby agreed as follows:

1. Preamble and Annexes

The above preamble and the annexes to this Agreement are incorporated into and made a part of it and shall be deemed to form and be read and construed as parts of this Agreement.

2. MoF Obligation for Debts under the EPC Contract

2.1 It is hereby agreed by and between the Parties hereto that:

- (a) MoF shall assume all obligations of a financial nature on behalf of MORH under the EPC Contract, and in addition will be responsible for paying interest that may accrue from time to time during the Construction Period and Grace Period, at the times and in the amounts as Sinohydro may from time to time notify the MOF.
- (b) the MOF hereby accepts, for valuable and good consideration, the sufficiency of which it has satisfied itself, such financial obligations and agrees to be bound by the relevant terms and conditions set out in the EPC Contract.

2.2 For the avoidance of doubt, any rights that inure to the benefit of the MORH under the EPC Contract, and all obligations of MORH under the EPC Contract other than effecting payments of the Total EPC Contract Price (including but not limited to granting Sinohydro the timely access to the Site) shall remain vested in MORH and adducing evidence of sufficient liquidity of the GOG to discharge repayment obligations shall remain vested in the MOF.

3. Definitions and Interpretation

3.1 Definitions

“ARFA” means the agreement to be entered into by and between Sinohydro and the Financier, to set out the terms and conditions applicable to assignment of accounts receivable under the EPC Contract and this Agreement, by Sinohydro as the Assignor to the Financier (in Chinese language the “《应收账款融资协议》”, the literal translation of which being “Accounts Receivable Finance Agreement”).

“Business Day” means, a day (other than a Saturday or Sunday or official public holiday) on which banks are open for general business on which banks are open for business in London, New York, Accra and Beijing.

“Construction Period” has the meaning set out in Clause 5.1.

“Deferred Payment” shall mean the payments due to Sinohydro under the EPC Contract to be made by MOF pursuant to the provisions herein using the proceeds from the sale of refined bauxite as the source of funds, that have been deferred up to the Repayment Dates as stipulated in the Repayment Schedule.

“Environmental Claim” means any claim, proceeding formal notice or investigation by any person in respect of Environmental Law.

“Environmental Law” means any and all applicable laws in relation to the Debtor with regard to:

- (a) the pollution or protection of the Environment and natural resource management;
- (b) the health of humans, animals or plants (including applicable laws relating to human health and safety);
- (c) Environmental Contaminants; and/or
- (d) the generation, manufacture, processing, sorting, use, treatment, storage, distribution disposal, deposit, discharge, release, removal, spillage, emission, transport, handling or presence of any Environmental Contaminant, alone or in combination with any other;

“Environmental Permit” means any permit and other authorization and the filing of any notification, report or assessment required under any Environmental Law.

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“Early Work”: means any part of the Works under the EPC Contracts that are carried out prior to the Commencement Date.

“Escrow Account Agreement” means the agreement to be entered into by and among MOF, Sinohydro and the account bank with whom the escrow account for receiving payments due to the GoG for sales of refined Bauxite will be opened.

“Escrow Account” shall have the meaning ascribed to it in Clause 8.1.

“Financier(s)” shall mean any bank or banks which may provide refinancing to the Project, including the Industrial and Commercial Bank of China or any other bank Sinohydro may select.

“First Repayment Day” means the day being six (6) months from the end of the Construction Period.

“Financial Close” means satisfaction of all conditions precedent to the availability of Financier’s credit facility for the Project, as set out in the ARFA, which will be indicated by delivery by the Financier of the Notice of Commencement of Disbursement Period.

“Financing” has the meaning set out in Clause 4.1.

“Finance Documents” means this Deferred Payment Agreement relating to EPC Contract Agreement, and the Escrow Account Agreement.

“GOG” means the Government of the Republic of Ghana.

“Grace Period” means the six (6) months commencing immediately after the end of the Construction Period, during which period interest will accrue but no repayment will become due.

“Interest Period” has the meaning ascribed to it in Clause 7.3 herein.

“MORH Event of Default” means an event of default as set out in clause 15 of this Agreement or any event or circumstance which would be a MORH Event of Default.

“MOF Event of Default” means an event of default as set out in clause 16 of this Agreement or any event or circumstance which would be a MOF Event of Default.

“Material Adverse Change” means any event, in the reasonable opinion of Sinohydro and/or the Financiers, that have substantial adverse impact upon MOF’s ability to (i) discharge its payment obligations under this Agreement; (ii) maintain

the validity or enforceability of, or the effectiveness or ranking of any Security granted or purporting to be granted pursuant to the Escrow Account Agreement or the rights or remedies of Sinohydro or the Financier thereunder.

"Notice of Commencement of Construction Period" means the notice sent by Sinohydro to MORH upon receipt of the Notice of Commencement of Disbursement Period (as defined under ARFA).

"Notice of Commencement of Disbursement Period" means the notice sent to Sinohydro by the Financier declaring that the Conditions Precedent to the refinancing (as defined under the ARFA) have been satisfied.

"IPC" means Interim Payment Certificate, and refers to the Statement required under Sub-Clause 14.3 of EPC Contract, which will be in the form substantially as set out in Annex II hereto.

"Project Documents" means (i) the EPC Contract; (ii) authorization document(s) issued by the GOG that empowers MORH to enter into and perform the EPC Contract and the Security Agreements.

Protected Assets means (a) property used for diplomatic or consular missions wherever located, (b) property of a military character and under the control of a military authority or defence agency of the State wherever located, (c) assets protected in the Petroleum Revenue Management Act and (d) property located in Ghana and dedicated to a public or governmental use (as distinct from property dedicated to a commercial use), to the extent such property and assets are protected under the Laws of Ghana

"Quotation Day" means, for the purpose of fixing the rate of interest, the second (2nd) Business Day prior to:

- (a) in relation to the first Interest Period the last day of Construction Period; and
- (b) in relation to each of the Interest Periods other than the first Interest Period, the last day of the immediately preceding Interest Period.

"Reference Bank" means to the reference bank(s) designated reasonably by the Financier(s) amongst reputable banks.

"Repayment Date" means each such date as set out in the column headed "repayment date" in the Repayment Schedule.

“Repayment Period” means the period between the 37th and the 180th month after the issuance by Sinohydro of the Notice of Commencement of Construction Period, by the end of which MOF or its assignee shall have fully discharged its repayment obligations of the Total Financed Amount plus interest in accordance with this Agreement.

“Repayment Schedule” means the repayment schedule provided by Sinohydro to MOF specifying the amount and due date of each repayment.

“Sinasure” means the Export Credit Insurance Company of China.

“Total EPC Contract Price” means U. S. Dollars 88,218,274.74 (in words eighty-eight million, two hundred and eighteen thousand, two hundred and seventy-four U.S. dollars and seventy-four cents only) for Sinohydro to complete the Works as defined in the EPC Contract.

“Total Financed Amount” means 85% of the Total EPC Contract Price plus the totality of interest to accrue during the Construction Period, in the aggregate amount of U. S. Dollars 83,857,382.35 (in words: eighty-three million, eight hundred and fifty-seven thousand, three hundred and eighty-two U.S. dollars and thirty-five cents only), payment of which shall be deferred to the applicable Repayment Date subject to and in accordance with the provisions of this Agreement.

Each of the capitalised terms used in this Agreement has the meaning ascribed to it in this Agreement. In case the meaning of any of the capitalised terms used in this Agreement conflicts with the meaning ascribed to such capitalised terms in other agreements entered into by any of the Parties hereto in relation to the Project, the Financing or the Works, whether such agreements were entered into prior to or following the date of this Agreement, the meaning of the capitalised terms used herein shall prevail and be applicable amongst the Parties, save as otherwise provided for in such other agreements.

3.2 Interpretation

In this Agreement, unless otherwise stated:

- (a) Each reference to a contract, agreement (including this Agreement) or document shall be construed, at any particular time, as including a reference to

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the relevant contract or document as it may have been amended, novated, assigned, modified or supplemented in accordance with its terms;

- (b) A requirement that a payment or repayment be made on a day which is not a Business Day shall be construed as a requirement that the payment or repayment be made on the immediately preceding Business Day;
- (c) The word "including" is to be construed as being at all times followed by the words "without limitation", unless the context otherwise requires;
- (d) The word "day" means a twenty-four (24) hour period beginning and ending at 12:00 a.m. (midnight) Beijing time, "month" means a period of successive 30 days, and "year" means successive 360 days beginning at 12:00 a.m. (midnight) on December 31 in Beijing;
- (e) Any annexes attached hereto form an integral part and parcel of this Agreement. In the event of an inconsistency between the body of this Agreement and an annex hereto, the provisions of the body of this Agreement shall prevail, unless otherwise specified herein or in any express amendment to this Agreement;
- (f) Whenever a consent or approval is required by one Party from the other Party, such consent or approval shall not be unreasonably withheld or delayed;
- (g) In carrying out its obligations and duties under this Agreement, each Party shall have an implied obligation of good faith.

4. Object of this Agreement – Nature of the Financing

4.1 Subject to the terms and conditions of this Agreement, and subject to the completion of the Conditions Precedent stipulated in Annex I hereto, or a waiver thereof by Sinohydro, Sinohydro agrees to make available to MOF a facility of 85% of the Total EPC Contract Price plus the totality of the interest to accrue during the Construction Period (resulting in the aggregate sum of USD 83,857,382.35, the "Total Financed Amount") through a deferral of payment of that 85% of the Total EPC Contract Price pursuant to this Agreement (the "Financing").

4.2 The Financing pursuant to Section 4.1 is subject to occurrence of Financial Close, indicated by Sinohydro's receipt from the Financier of the Notice of Commencement

of Disbursement Period which demonstrates that the Conditions Precedent stipulated in the ARFA referred to in Section 3.3 have been satisfied;

- 4.3 It is agreed between the Parties that the Financing shall be facilitated through an assignment of accounts receivable by Sinohydro as the Assignor according to the terms and conditions of ARFA agreed upon between Sinohydro and the Financier. MOF acknowledges and agrees that the conclusion of the ARFA, as well as the completion of the relevant Conditions Precedent thereunder, is an essential condition for Sinohydro to extend the Financing. Sinohydro shall in no way be obliged to extend the Financing for the Project if the ARFA fails to be duly executed or the relevant Conditions Precedent thereunder have not been duly satisfied or waived, as the case may be.
- 4.4 The waiver of any Condition Precedent shall be in the sole discretion of Sinohydro. Nothing in this Agreement shall be construed to impose an obligation on Sinohydro to waive a Condition Precedent that has not been completed.
- 4.5 For the avoidance of doubt, Sinohydro is under no obligation to extend any financing in excess of the Total Financed Amount.
- 4.6 In the event the Total EPC Contract Price is increased due to any reason not attributable to Sinohydro, including but not limited to variation to the scope of Works and/or extension to the Time for Completion, MOF shall be solely responsible for the incremental amount by paying it within thirty (30) days of Sinohydro's claims to this effect. For the avoidance of doubt, Sinohydro shall not be obliged to extend Financing (by deferral of payments) for such incremental amount to the Total EPC Contract Price.

5. Term and Repayment

- 5.1 The term of the Financing shall be one hundred and eighty (180) months (the "Term") including an initial Construction Period of thirty (30) months (the "Construction Period") as from the Notice of Commencement of Construction Period and a Grace Period of six (6) months following the Construction Period during which period interest will accrue but no Repayment will become due.
- 5.2 The Construction Period shall start on the date of issuance of Notice of Commencement of Construction Period by Sinohydro to MORH.
- 5.3 MOF shall (i) repay the Total Financed Amount in 24 equal semi-annual instalments, and (ii) pay the accrued interest on the outstanding balance of the Financing semi-annually during the Repayment Period of one hundred and forty-four (144) months.

The first repayment should be made on the last day of the six (6) months (the "Grace Period") following the end of the Construction Period, as set out in the Repayment Schedule finalized and notified to MORH by Sinohydro within fifteen (15) Business Days after the end of Construction Period. All repayments shall be made into a debt service account designated by Sinohydro (the "Debt Service Account").

- 5.4 MOF irrevocably and unconditionally undertakes to pay the amounts due under each Interim Payment Certificate (IPC), including interest, on the dates pursuant to the Repayment Schedule and following notice served by Sinohydro and/or any party designated in writing by Sinohydro prior to each due date. MOF's payment obligations, once confirmed by MORH through the approval of a respective IPC, shall be direct, unconditional, irrevocable and independent payment obligations.
- 5.5 MORH and MOF explicitly, unconditionally and irrevocably waives any rights to withhold payment that it may have under any applicable law, the EPC Contract and this Agreement, be it for suspension of the Project, defects, delay, damages or any other ground, or under any other agreement with Sinohydro or any of the Financiers.
- 5.6 MORH and MOF hereby further explicitly, unconditionally and irrevocably waives any right to deduct, set off or counter claim in relation to any of the payment obligations, as well as any rights that would compromise any of its payment obligation under, pursuant to or otherwise in respect of the Repayment Schedule, this Agreement and any other documents contemplated by this transaction.
- 5.7. The Parties acknowledge and agree that in case MORH deems itself to be entitled to any claim for defects and/or delay against Sinohydro under the EPC Contract, such claim shall be exclusively directed to Sinohydro and that MORH's claims for defects and/or delay in aggregate shall be limited to 10% of the total Contract Price.
- 5.8 The Parties acknowledge that the repayment schedule would be determined upon end of drawdown or before Financial Close.

6. Assignment of Accounts Receivable

Notwithstanding any other provision in this Agreement to the contrary, the Parties agree that Sinohydro shall have the right to sell and transfer the whole or part of the claims for Deferred Payments against MOF based on the IPCs approved or deemed to be approved by MORH under the EPC Contract and as deferred through this Agreement (including all its rights, interests, benefits and/or claims in, under or to (i) all or part of payments by MOF under EPC contract and this Agreement; and (ii) any and all the claims which Sinohydro is entitled to the Deferred Payment) to the Financiers. Such sale and transfer shall be substantially in the form of Annex III (Notice of Assignment) and Annex IV (Acknowledgment of Notice of Assignment).

Sinohydro, when intending to assign to any of the Financiers its claim against MOF for a Deferred Payment under an IPC, shall serve to MOF with a copy to MORH a Notice of Assignment in the form set forth in Annex III hereto. Following receipt of any Notice of Assignment MOF shall revert to Sinohydro with copy to MORH and the Financier(s) as the assignee within ten (10) Business Days with its Acknowledgment of Notice of Assignment in the form set forth in Annex IV hereto, whereby it agrees to make payments directly to the Financiers, if so requested by Sinohydro by the Notice of Assignment. Any payment relating to the assigned claims for Deferred Payment shall be made into the account specified in Sub-Clause 5.3.

7. Interest Rate, Interest Period and Prepayment

7.1 Following the Construction Period and the Grace Period, interest in the amount of 6 months LIBOR (being London Interbank Offered Rate) plus 2.8% per annum shall be payable on the outstanding balance of the Financing under this Agreement. For the avoidance of any doubt, interest accrued from the outstanding balance of the Financed Amount during the Construction Period and the Grace Period, forming part of the base value for calculating the Financed Amount, will become payable by MoF up to the end of Construction Period.

7.2 For purpose of this Agreement, "LIBOR" shall mean, in relation to any relevant sum and any relevant period, the rate determined by the Financier(s) or Sinohydro, as the case may be, to be:

(a) the rate shown on the relevant Reuters page as being the rate per annum at which US Dollar deposits are offered for a period equal or comparable to six (6) months at or about 11:00 a.m. (London time) on the Quotation Day.

for this purpose, "relevant Reuters page" means the display designated as the page on the Reuters system or such other page as may replace that page on that system for the purpose of displaying offered rates for US Dollar deposits as determined by the Financier(s) or Sinohydro, as the case may be; or

(b) if at or about such time on any relevant day no rate appears on the relevant Reuters page, the arithmetic mean (rounded up if necessary to the nearest integral multiple of 1/16%) of the respective rates notified to the Financier(s) or Sinohydro, as the case may be, by each Reference Bank as being the rate per annum at which US Dollar deposits in an amount comparable to such sum are

offered to that Reference Bank for such period by prime banks in the London interbank market at or about 11:00 a.m. (London time) on the Quotation Day,

provided that if any Reference Bank does not notify such rate to the Financiers or Sinohydro, as the case may be, for any relevant period LIBOR for such period shall be determined on the basis of the rates notified by the other Reference Banks;

7.3 the Interest Period applicable after the expiry of the Construction Period shall be six (6) months, provided that:

(a) the first Interest Period shall commence on the date following the end of Construction Period (inclusive) and end on the first Repayment Date (exclusive);

(b) each Interest Period (except the first Interest Period) shall commence on the Repayment Date for the immediately preceding Interest Period (inclusive) and end on the last day of the then current Interest Period (inclusive).

7.4 Within reasonable time prior to each due date of repayment by MOF, Sinohydro and/or the Financier(s) will serve a notice to MOF to notify it of both the principal and exact amount of interest becoming due, which shall constitute the sole and conclusive reference for MOF's repayment obligations hereunder.

7.5 Default Interest

(a) If MOF fails to pay any amount payable by it under this Agreement on its due date (each an "Unpaid Sum"), default interest shall be due (the "Default Interest"). The Default Interest rate shall be two (2) percent higher than the applicable interest pursuant to Sub-clause 7.1. Default Interest shall accrue on the amount of the Unpaid Sum as from the due date of the Unpaid Sum until the discharge of the Unpaid Sum. Any interest accruing under this Clause 7.5 shall be immediately payable by MOF on demand by Sinohydro or the Financiers.

(b) Default Interest (if unpaid) arising on an Unpaid Sum will be compounded with the Unpaid Sum at the end of each Interest Period applicable to that Unpaid Sum but will remain immediately due and payable.

7.6 Prepayment

(a) Subject to the written consent by the Financier(s), MOF may on any Repayment Date after the end of Disbursement Period prepay to the Financier(s) all or any

part of the outstanding portion of the Total Financed Amount in accordance with the terms hereunder.

(b) Conditions to Prepayment

No prepayment can be made unless:

- i. MOF shall have given to the Sinohydro not less than 60 (Sixty) days or such shorter period as the Financier may agree prior written notice of its intention to make the prepayment, specifying the amount thereof and the date on which it is to be made;
- ii. the amount of any partial prepayment shall be not less than 20,000,000 U.S. Dollars or a lesser amount as the Financier may agree in integral multiples of 1,000,000 US Dollars may be made; and
- iii. all other sums then due and payable under this Agreement shall have been paid accurately.

(c) Prepayment Premium, Indemnity and Interest

At the time of the prepayment which is made in accordance with the above provisions, MOF shall pay to the Financier(s) for such prepayment:

- i. a prepayment indemnity calculated at two percent (2%) of the amount prepaid. If payment of the prepayment indemnity is delayed, MOF shall pay to the Financier(s) the default interest on such overdue prepayment indemnity according to Sub-clause 7.5.
- ii. MORH shall also pay all interest accrued thereon up to and including the day immediately preceding the date of such prepayment and any other amount then payable hereunder in respect thereof.

- (d) After all the conditions in Sub-clause 7.6 (b) have been fulfilled to the satisfaction of the Sinohydro, Sinohydro shall issue a notice of approval of prepayment to MOF, which will specify the date of prepayment and the amount of indemnity and interest for prepayment. Any such prepayments shall reduce the amount of repayment installments of the outstanding portion of the Total Financed Amount in inverse order of maturity.

8. Underlying Collateral

- 8.1 MOF shall procure that the GOG shall render its sole account for receiving revenue generated from sales of refined bauxite to be held in escrow for the exclusive benefit of Sinohydro, as the underlying collateral that secures MOF's payment obligations hereunder.
- 8.2 MOF shall in due course sign and procure the Account Bank (as defined below) to sign with Sinohydro an Escrow Account Agreement to govern and regulate the payments into, withdrawal from and other management of the Escrow Account, whereby MOF shall undertake that:
- (a) During the Term, MOF shall procure that the proceeds generated by the GOG from selling refined bauxite will be deposited into the Escrow Account, which shall be opened with and maintained by a reputable offshore bank acceptable to Sinohydro and the Financiers in [jurisdiction] (the "Account Bank"), and shall permit and authorize the Account Bank to remit any applied amount up to the total balance in the Escrow Account to Sinohydro or any third party designated by Sinohydro upon presentation of the IPC signed by the MORH for the applied amount without prior approval by MORH or MOF; and
 - (b) At any time during the Term, an amount not less than the aggregate amount of the upcoming two instalments to become due and payable by MOF shall be accumulated in the Escrow Account, and MOF shall procure the account bank to furnish to Sinohydro an account statement on the first Business Day of each month.
- 8.3 Immediately upon discharge of the obligations under the EPC Contract and this Agreement in full, Sinohydro shall release the escrow over the Escrow Account.

9. Payment on Progress

- 9.1 Sinohydro shall submit to MORH monthly IPCs according to Clause 14 of the EPC Contract, supported with a Bill of Quantities describing the Works having been or to be carried out over the relevant month and the price for such Works. MORH shall within ten (10) days, either (i) confirm the IPC, or (ii) communicate with Sinohydro with reasonable particulars the reason(s) for rejecting all or part of the IPC. In case MORH fails to perform either the

foregoing (i) or (ii), it shall be deemed that MORH has confirmed the IPC, and MoF shall be responsible for the payment responsibility of the amount stipulated by the relevant IPC.

10. Tax Exemption

10.1. MOF hereby represents and warrants that the entry into and performance of this Agreement by Sinohydro and the provision of the Financing and assignments as contemplated by this Agreement will not incur any duty to pay tax of whatever nature and imposed by whomever in the Republic of Ghana, and that the Financier(s) or Sinohydro, as the case may be, will receive the payment due according to the EPC Contract and this Agreement in full amount without any deductions. In case any tax, duties, levies or other imposts shall be imposed upon Sinohydro in connection with the EPC Contract and/or this Agreement, and/or should any withholdings be made from the deferred payments due under this Agreement, MOF shall be responsible for discharging such tax obligations for the benefit of Sinohydro by way of an increase with its own funds on top of the total amount of repayment to the extent necessary to ensure that Sinohydro or the Financier who owns entitlement to payments under the EPC Contract and this Agreement, as the case may be, receives a sum net of any deduction or withholding equal to the sum which it would have received had no such deduction/withholding of tax been made or required to be made. While both MORH and MOF shall be sure of compliance with such duties and provide Sinohydro with the relevant duty-paid proof upon request.

10.2 Without prejudice to the foregoing Sub-clause, if Sinohydro's or the Financier's entitlement to payments under the EPC Contract and this Agreement, as the case may be, are required by any tax authority to make any payment of or on account of tax on or in relation to any sum received or receivable under this Agreement or the EPC Contract (including any sum deemed for purposes of tax to be received or receivable by the Financier or Sinohydro, as the case may be, whether or not actually received or receivable) or if any liability in respect of any such payment is asserted, imposed, levied or assessed against Sinohydro or the Financier, MOF shall, within ten (10)

Business Days of demand by Sinohydro or the Financier to this effect, as the case may be, promptly indemnify the payee who suffers a loss or liability as a result against such payment or liability, together with any interest, penalties, costs and expenses payable or incurred in connection therewith.

11. MORH's Representations

MORH makes the representations and warranties set out in this Clause 11 to Sinohydro on the date of this Agreement.

11.1 Status

(a) MORH being a ministry in the GOG in charge of development of roads and highways, has been duly authorized through the proper procedure prescribed by the laws of the Republic of Ghana, to act for and on behalf of the Republic of Ghana in entering into the EPC Contract and this Agreement.

(b) MORH has obtained all licenses, public permits and approvals that are required or recommendable in connection with the transactions contemplated by the EPC Contract, this Agreement and their implementation and operation and all such licenses, public permits and approvals are in full force and effect.

11.2 Binding Obligations

The obligations expressed to be assumed by it under the Finance Documents are, subject to any general principles of law limiting its obligations, legal, valid, binding and enforceable obligations, enforceable against MORH.

11.3 Non-conflict with Other Obligations

The entry into and performance by it of, and the transactions contemplated by the EPC Contract and the Finance Documents do not and will not:

- (a) conflict with any law or regulation applicable to it or the GOG in general;
- (b) conflict with its charter or beyond the power delegated to it;
- (c) conflict with, to MORH's knowledge, any agreement or instrument binding upon it or any of its assets, or the GOG in general; or
- (d) result in the existence of or oblige it to create any Security over all or any of its assets (other than pursuant to the Finance Documents).

11.4 Power and Authority

- (a) It has the power to enter into, perform and deliver, and has taken all necessary actions to authorize its entry into, performance and delivery of, the Finance Documents to which it is a party and the transactions contemplated by those documents.

11.5 Governing Law and Enforcement

- (a) Subject to the relevant legal opinions, the choice of English law as the governing law of the Finance Documents will be recognized and enforced in its jurisdiction.
- (b) Subject to the relevant legal opinions, any judgment or arbitral award obtained in relation to the Finance Documents will, except in the case of Protected Assets, be recognized and enforced against any assets of the Republic of Ghana.

11.6 No Default

- (a) No event of default on the part of MORH under any transaction documents binding on it is continuing or might reasonably be expected to result from the signing of any IPC or entry into, or performance of, or any transaction contemplated by the Finance Documents.
- (b) To MORH's knowledge, no other event or circumstance is outstanding which constitutes a default under any other agreement, instrument, treaty and/or convention which is binding on the GOG or to which its assets are subject which might reasonably be expected to have a Material Adverse Change.

11.7 No Misleading Information

- (a) Any factual information contained in any transaction documents or provided by it or on its behalf to Sinohydro in connection with the Finance Documents, or the transactions contemplated by any of them, was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.
- (b) Any financial projections that have been provided in relation to the Finance Documents have been prepared on the basis of recent historical information

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and on the basis of reasonable assumptions.

- (c) To the best of MORH's knowledge having made due enquiry, nothing has occurred or been omitted from the information provided by it or on its behalf and no information has been given or withheld that results in such information being untrue or misleading in any material respect.

11.8 Authorised Signatures

Any person specified as its authorized signatory under this Agreement and the EPC Contract is authorised to sign the IPCs (in the case of MORH only) and other notices on its behalf.

11.9 Repetition

Each of the representations in this clause are deemed to be made by MORH by reference to the facts and circumstances then existing on the date of this Agreement, the first day of the Construction Period, the date of submission of each IPC and the first day of each Interest Period.

12. MOF's Representations and Warranties

MOF makes the representations and warranties set out in this Clause 12 to Sinohydro on the date of this Agreement.

12.1 Status

- (a) MOF being a ministry in the GOG in charge of [financial budget and indebtedness of the GOG], has been duly authorized through the proper procedure prescribed by the laws of the Republic of Ghana, to act for and on behalf of the GOG in entering into this Agreement.
- (b) MOF has obtained all licenses, public permits and approvals that are required or recommendable in connection with the transactions contemplated by the Finance Documents and their implementation and operation and all such licences, public permits and approvals are in full force and effect.

12.2 Binding Obligations

The obligations expressed to be assumed by it under the Finance Documents are, subject to any general principles of law limiting its obligations, legal, valid, binding and enforceable obligations, enforceable against MOF.

12.3 Non-conflict with Other Obligations

The entry into and performance by it of, and the transactions contemplated by the Finance Documents do not and will not:

- (a) conflict with any law or regulation applicable to it or the GOG in general;
- (b) conflict with its charter or beyond the power delegated to it;
- (c) conflict with to MOF's knowledge, any agreement or instrument binding upon it or any of its assets, or the GOG in general.

12.4 Power and Authority

- (a) It has the power to enter into, perform and deliver, and has taken all necessary actions to authorize its entry into, performance and delivery of the Finance Documents and the transactions contemplated by those documents.
- (b) No limitation on its powers to make payment, create security or give guarantees or indemnities will be exceeded as a result of any transaction under, or the entry into of the Finance Documents.

12.5 Governing Law and Enforcement

- (a) Subject to the relevant legal opinions, the choice of English law as the governing law of the Finance Documents will be recognized and enforced in its jurisdiction.
- (b) Subject to the relevant legal opinions, any judgment or arbitral award obtained in relation to the Finance Documents will, except in the case of Protected Assets, be recognized and enforced against any assets of the Republic of Ghana.

12.6 No Default

- (a) No event of default on the part of MOF under any transaction documents binding on it is continuing or might reasonably be expected to result from paying the Total EPC Contract Price and/or any interest, making Repayment or entry into, or performance of, or any transaction contemplated by the Finance Documents.
- (b) To MOF's knowledge, no other event or circumstance is outstanding which constitutes a default under any other agreement, instrument, treaty or

convention which is binding on the GOG or to which its assets are subject which might reasonably be expected to have a Material Adverse Change.

12.7 No Misleading Information

- (a) Any factual information contained in any transaction documents or provided by it or on its behalf to Sinohydro in connection with the EPC Contract and the Finance Documents, or the transactions contemplated by any of them, was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.
- (b) Any financial projections that have been provided in relation to the Finance Documents have been prepared on the basis of recent historical information and on the basis of reasonable assumptions.
- (c) To the best of MOF's knowledge having made due enquiry, nothing has occurred or been omitted from the information provided by it or on its behalf and no information has been given or withheld that results in such information being untrue or misleading in any material respect.

12.8 Solvency

- (a) The GOG is able to meet its obligations and pay its debts as they fall due, and it does not admit or has not admitted any inability to pay its debts as they fall due or has suspended making payments on any of its debts.
- (b) The GOG has not by reason of actual or anticipated financial difficulties commenced, or intends to commence, negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness.
- (c) The credit rating of the GOG on Moody's will not fall lower than the minimum level acceptable to, the Financier and Sinosure during the Term of the Financing.
- (d) The GOG has sufficient capital to sustain reasonable routine expense of performing its regulating functions and the ordinary public welfare.
- (e) No moratorium has been, or may, in the reasonably foreseeable future be, declared in respect of any of its indebtedness.

12.9 Pari Passu Ranking

MOF's payment obligations under the Finance Documents rank at least pari passu with the claims of all of its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to nations generally.

12.10 Repetition

Each of the representations in this clause are deemed to be made by MOF by reference to the facts and circumstances then existing on the date of this Agreement, the first day of the Construction Period, the date of submission of each IPC and the first day of each Interest Period.

13. Information Undertakings

The undertakings in this Clause shall remain in force from the date of this Agreement, during the Construction Period and for so long thereafter as any amount is outstanding under the Finance Documents.

13.1 Change of Authority

- (a) MORH and MOF shall notify Sinohydro of any change to the authorization for it to act for and on behalf of the GoG to enter into and perform the EPC Contract and this Agreement, promptly upon becoming aware of its occurrence.
- (b) MORH and MOF shall give Sinohydro five (5) Business Days' prior written notice of any change to its authorized signatory.

13.2 Notification of default

- (a) MORH and MOF shall notify Sinohydro of any default on its part under any transaction documents binding on it (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.
- (b) MOF shall notify Sinohydro of any default on the part of the GOG under any credit facility whether extended prior to or following the Financing contemplated hereunder.

14. General Undertakings

The undertakings in this Clause 14 remain in force from the date of this Agreement during the Construction Period and for so long thereafter as any amount is outstanding under the Finance Documents.

14.1 Remedial Actions and Indemnity

(a) MOF hereby agrees to indemnify and keep indemnified Sinohydro against any direct losses, damages, demands, claims, liabilities, costs (including reasonable legal costs) and expenses reasonably incurred, of any kind (but excluding loss of profit and consequential damages) (collectively "Sinohydro's Losses") which may occur as a result of any breach by MORH of any of its obligations under this Agreement.

(b) MOF hereby agrees to indemnify and keep indemnified Sinohydro against any direct Sinohydro's losses which may occur as a result of any breach by MOF of any of its obligations under this Agreement.

14.2 Authorisations

MORH and MOF 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 Sinohydro of, any authorization required to enable it to perform its obligations under the EPC Contract, the Finance Documents and to ensure the legality, validity, enforceability or admissibility in evidence in any relevant jurisdiction of the EPC Contract and the Finance Documents.

14.3 Compliance with Laws

MORH and MOF shall comply in all respects with all laws (including all multilateral conventions and treaties that it has ratified) it has executed, on financial assistance, anti-money laundering, anti-corruption and counter terrorism financing laws, regulations and sanctions) to which it may be subject, if failure so to comply would materially impair its ability to perform its payment obligations under the EPC Contract and the Finance Documents.

14.4 Negative Pledge

- (a) MOF on behalf of itself and the GOG undertake not to:
 - i. create any Security or permit to have any of its assets privatized to the extent related to the Escrow Account Agreement.

- ii. sell, transfer or otherwise dispose of any of its receivables on recourse terms to the extent related to the Escrow Account Agreement;
- iii. enter into or permit to subsist any title retention arrangement on its assets related to the Escrow Account Agreement;
- iv. enter into or permit to subsist any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or

(b) Paragraphs (a) and (a) above do not apply to any Security created under the Escrow Account Agreement, or other arrangement or transaction which has been agreed by Sinohydro in writing.

14.5 Environmental Compliance

MORH shall comply in all material respects with all Environmental Law, obtain and maintain any Environmental Permits and take all reasonable steps in anticipation of known or expected future changes to or obligations under Environmental Law or any Environmental Permits where failure to do is reasonably likely to (i) cause a Material Adverse Change or (ii) affect the ability of MORH to perform its payment obligations under the Finance Documents.

14.6 Environmental Claims

MORH shall inform Sinohydro in writing as soon as reasonably practicable upon becoming aware of:

- (a) any Environmental Claim which has been commenced or is threatened against MORH, or
- (b) any facts or circumstances which will or might reasonably be expected to result in any Environmental Claim being commenced or threatened against MORH, in each case where such Environmental Claim might reasonably be expected, if determined against MORH, to cause a Material Adverse Change.

15. MORH's Event of Default and Termination

15.1 Each of the events or circumstances set out in this Clause 15 is a MORH Event of Default:

(a) MORH breaches any of its obligations under this Agreement, the EPC Agreement, or other documents relating to the Project;

(b) MORH repudiates this Agreement or evidences an intention to do so;

(c) MORH suspends or ceases to carry on or abandons the Project;

(d) It is or becomes unlawful for MORH to perform its obligations under the EPC Contract and/or this Agreement because any of the approvals relating to the Project is terminated, cancelled, restricted or foreshortened.

(e) Any documents relating to the Project that authorize MORH to implement the Project ceases to be effective or becomes unlawful, or this Agreement and/or the EPC Contract ceases to be effective or becomes unlawful for any reason attributable to MORH.

(f) The authority or ability of MORH to carry on the Project or to perform its obligations under the EPC Contract and/or this Agreement is limited or wholly or substantially curtailed by any seizure, privatization or other action by or on behalf of any sovereign lender or super-national organization.

15.2 Upon occurrence of a MORH Event of Default which is continuing for over consecutive thirty (30) days, Sinohydro may by immediate notice to MORH;

(a) where such MORH Event of Default occurs during the Construction Period cancel its obligation to make further Financing available by way of the deferral of payments under the EPC Contract;

(b) Sinohydro may declare that all or any part of the Financing together with any accrued interest and all other amounts accrued or otherwise outstanding under the Finance Documents to be immediately due and payable at which time they shall become immediately due and payable;

(c) exercise all or any of its rights under the Escrow Account Agreement which remedies available to Sinohydro shall be independent of and in parallel with each other and without prejudice to any other right or remedy that Sinohydro may have under contract, otherwise at law or in equity.

15.3 For the avoidance of doubt, any temporary indulgence or extension for any MORH Event of Default shall neither constitute nor be construed as

Sinohydro's waiver of any right or remedy, whether in accordance with this Clause 15 or otherwise.

- 15.4 Sinohydro shall have the right to terminate this Agreement in the event that after occurrence of any MORH Event of Default, MORH fails to remedy it despite a notice in this respect and the Parties failed to reach consensus by way of friendly consultation within a period of consecutive thirty (30) days.

16. MOF's Event of Default and Termination

16.1 Each of the events or circumstances set out in this Clause 16 is a MOF Event of Default:

- (a) MOF breaches any of its obligations under this Agreement or other documents relating to the Project;
- (b) MOF repudiates this Agreement or evidences an intention to do so;
- (c) MOF is subject to any political action, legal proceedings or other procedure or step in relation to the suspension of payments or a moratorium of any indebtedness in excess to the minimum level acceptable to the Financier and Sinosure, or declares or be declared by Moody's or any other major international credit rating organization as becoming insolvent;
- (d) It is or becomes unlawful for MOF to perform its obligations under this Agreement because any of the approvals relating to the Project is terminated, cancelled, restricted or foreshortened.

16.2 Upon occurrence of a MOF Event of Default which is continuing for over consecutive thirty (30) days, Sinohydro may by immediate notice to MOF;

- (a) where such MOF Event of Default occurs during the Construction Period cancel its obligation to make further Financing available by way of the deferral of payments under the EPC Contract;
- (b) Sinohydro may declare that all or any part of the Financing together with any accrued interest and all other amounts accrued or otherwise outstanding under the Finance Documents to be immediately due and payable at which time they shall become immediately due and payable;

(c) exercise all or any of its rights under the Escrow Account Agreement which remedies available to Sinohydro shall be independent of and in parallel with each other and without prejudice to any other right or remedy that Sinohydro may have under contract, otherwise at law or in equity.

16.3 For the avoidance of doubt, any temporary indulgence or extension for any MOF Event of Default shall neither constitute nor be construed as Sinohydro's waiver of any right or remedy, whether in accordance with this Clause 16 or otherwise.

16.4 Sinohydro shall have the right to terminate this Agreement in the event that after occurrence of any MOF Event of Default, MOF fails to remedy it despite a notice in this respect and the Parties failed to reach consensus by way of friendly consultation within a period of consecutive [thirty (30)] days.

17. Payment After Termination

Upon termination of this Agreement, MOF shall discharge its payment obligations of any and all outstanding balance of the Financed Amount plus any interest (including Default Interest, if any, accrued and financing costs that has become due but unpaid, whether towards Sinohydro the Financier, or Sinosure upon subrogation, as may be declared due and payable forthwith and inclusive of any consideration for partial Works carried out by Sinohydro but not yet submitted for confirmation by way of IPC, provided such partial Works are finally confirmed by IPC before any payment for them is issued; failing which GOG/MOF will be confiscated of the balance in the Escrowed Account according to the Escrow Account Agreement.

18. Notices

18.1 Any notices hereunder shall, in the absence of receipted hand-delivery, be deemed duly given when mailed, if the same shall be sent by registered or certified mail, return receipt requested, and the mailing date shall be deemed the date from which all time periods pertaining to a date of notice shall run. Notices shall be addressed to the Parties at the following addresses (or to such other address of a Party hereafter designated in writing the other Party):

If to "MORH", to: P.O Box M57, Ministries, Accra, Ghana;

If to "MOF", to: the Ministry of Finance, Finance Road, P.O. Box MB40, Ministries, Accra, Ghana;

If to "Sinohydro", to: 22 West Chegongzhuang Road, HaiDian District, Beijing, Postcode: 100044, China.

19. Assignment

- 19.1 Without prejudice to the agreed assignment of debts contemplated in Clause 6 herein, the obligations and rights set forth in this Agreement shall not be assignable by any Party without the prior written consent of the other Parties and, subject to such restriction, shall inure to the benefit of, and be binding upon MORH, MOF and Sinohydro and their respective successors.
- 19.2 The Parties understand and agree that upon the establishment of GIADC, MoF may, subject to this Clause 19, with prior consent of Sinohydro and the Financier at their sole discretion wholly assign any and all of its rights and obligations hereunder to GIADC, and GIADC shall expressly in writing assume all obligations of MoF hereunder fully as if it had been originally made a party hereto.
- 19.3 Notwithstanding the foregoing, MOF herewith irrevocably and unconditionally consents to the assignment of all of Sinohydro's rights, interests, benefits and/or claims in, under or to (i) all or part of payments by MOF under EPC contract and this Agreement , and (ii) any and all the claims which Sinohydro is entitled to the Deferred Payment, to the Financier(s) and their respective successors pursuant to the ARFA. MOF hereby irrevocably and unconditionally undertakes or procures any third party to take any action as may be required by the Financiers in order to facilitate, complete, perfect and/or enforce such assignment, provided MoF has been notified about such assignment and the assignment is supported by relevant legal documents.

20. Entire Agreement and Amendments

20.1 This Agreement supersedes any other agreement, document or letter of any type and nature whatsoever that were signed by the Parties prior to execution hereof; in case of any conflict between the provision(s) herein and the provisions in the EPC Contract or any other document in relation to the transaction contemplated hereunder, irrespective if they were signed prior or following the date of this Agreement, the provision(s) herein contained shall always prevail.

20.2 No amendment to or waiver of any provision of this Agreement, or consent to any deviation by either party from any such provision, shall be effective unless the same shall be in writing and signed by the Parties to this Agreement.

21. Severability

If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future applicable laws in any jurisdiction, the said provision shall be fully separated. The Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never compromised a part of the respective agreement, and the remaining provisions shall remain in full force and effect in that jurisdiction. Any gap resulting in consequence shall be filled by a provision consistent with the purpose of the Agreement. The legality, validity or enforceability in other jurisdictions of that or any other provision of the Agreement shall not be affected.

22. Governing Law and Jurisdiction

22.1 This Agreement and all non-contractual obligations arising from or connected with it shall be governed by and construed in accordance with English law.

22.2 Any dispute or claim that arises out of, or in connection with this Agreement or its subject matter or formation shall be amicably resolved through negotiations by the Parties. Where the Parties are unable to resolve their differences within sixty (60) Business days, the matter shall be referred to, and finally resolved by arbitration under the Arbitration Rules of the LCIA Arbitration Centre, which rules are deemed to be incorporated by reference into this clause.

The seat of the arbitration shall be London/UK. The language of the arbitration shall be English.

The tribunal shall consist of three (3) arbitrators, two (2) of whom shall be nominated by the respective Parties. The Chairman of the tribunal shall be nominated by agreement between the two Party-nominated arbitrators within fourteen (14) days of the confirmation of the appointment of the second such arbitrator. Failing such agreement, the Chairman shall be appointed by the LCIA Arbitration Centre in London.

None of the arbitrators shall be an employee or agent or former employee or former agent of either Party.

Any arbitral award may, except in the case of Protected Assets, be enforced against the Parties to an arbitration and their respective assets. The award of an arbitrator in relation to a dispute shall be final and binding on the Parties. The Parties hereby waive any right to apply to any court of law and/or other judicial authority to determine a preliminary point of law and/or review any question of law and/or the merits, insofar as such waiver may be validly made.

The arbitral tribunal shall have the power to award the costs of the arbitral award against the losing Party to such arbitration or as between the Parties to such arbitration as the arbitral tribunal in its discretion deems appropriate.

Unless otherwise agreed by the Parties, the language of the arbitration shall be English.

23. WAIVER OF IMMUNITY

23.1 Waiver of Immunity

- (a) MoF on behalf of GoG waives generally all immunity it or its assets or revenues may otherwise have in any jurisdiction, including immunity in respect of:
- (b) the giving of any relief by way of injunction or order for specific performance or for the recovery of assets or revenues; and

(c) the issue of any process against its assets or revenues for the enforcement of a judgment or, in an action in rem, for the arrest, detention or sale of any of its assets and revenues.

(d) but excluding waiver of immunity in respect of the Protected Assets:

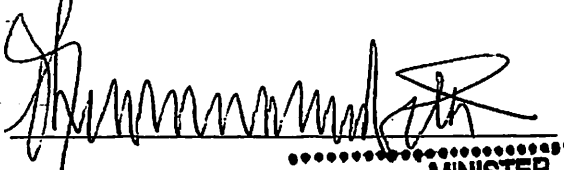
24. COUNTERPARTS

This 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 the Finance Document.

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IN WITNESS WHEREOF, the parties have executed this Agreement by their authorized signatories as of the date first written above

Signed by the Republic of Ghana
acting through the Ministry of Roads
and Highways



(Authorized Signature) **MINISTER**
MINISTRY OF ROADS & HIGHWAYS

HON. KWASI AMOAKO-ATTA

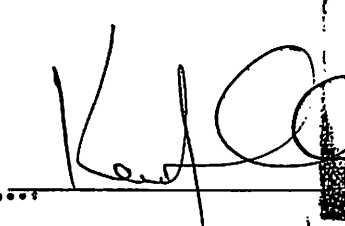
Minister

On behalf of

Ministry of Roads and Highways

Republic of Ghana

Signed by the Republic of Ghana
acting through the Ministry of Finance



(Authorized Signature)

HON. KEN OFORI-ATTA

Minister

On behalf of

Ministry of Finance

Republic of Ghana



Signed by SINOHYDRO Corporation
Limited.



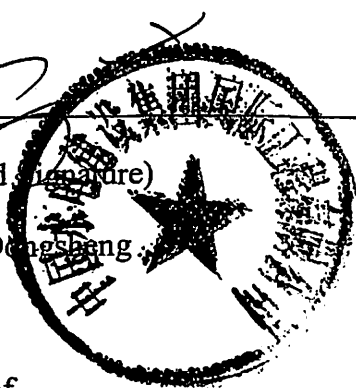
(Authorized Signature)

Mr. Song Dengshang

Chairman

On behalf of

SINOHYDRO Corporation Limited.



(Authorized Signature)

Mr. LI YANMING

E.V.P

On behalf of

POWERCHINA/SINOHYDRO



ANNEXES

ANNEXES

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ANNEXES

ANNEX I Conditions Precedent to the Financing under this Agreement

1. Due execution and delivery, as well as effectiveness of the EPC Contract;
2. Due execution and delivery, as well as effectiveness of all Finance Documents;
3. Receipt by Sinohydro of the following:
 - a) certified true copies of the Power of Attorney or written authorization in other form acceptable to Sinohydro, whereby the Republic of Ghana authorizes MORH and MOF to represent it in entering into and perform the EPC Contract and all Finance Documents;
 - b) certified true copies of the approval by the Parliament of Ghana and the Public Procurement Authority for the EPC Contract and all Finance Documents;
 - c) Power of Attorney issued by MORH to its authorized signatory;
 - d) The signature specimen of MORH's authorized signatory;
 - e) the Advance Payment stipulated in Sub-clause 14.2 of the EPC Contract;
4. Issuance by Sinosure of its Export Credit Insurance Policy for the Project, in the form and substance satisfactory to the Financier;
5. Receipt by the Financier of the legal due diligence report issued by the Financier's counsel with a conclusion satisfactory to the Financier;
6. A resolution of Sinohydro and executed power of attorney granting the power of attorney holder full power and authority to sign the Project Documents and Escrow Account Agreement;
7. Legal opinion rendered by Sinohydro's counsel and acceptable by Sinohydro acting reasonably, affirming that Sinohydro has duly executed the Finance Documents from perspectives of their respective governing law;
8. Legal opinion rendered by the Attorney-General of the Republic of Ghana and acceptable by Sinohydro acting reasonably affirming that it has duly executed the Finance Documents pursuant to Ghanaian law.

ANNEX II Form of IPC

Application		
Applicant/Contractor	SINOHYDRO Corp. Ltd.	
Ordinal Number of Milestone and Date	Amount of Application	Contract dated [dd/mm] 2018 made between the Ministry of Roads and Highways of Republic of Ghana and Sinohydro Corp. Ltd. , together with the Deferred Payment Agreement relating to the EPC Contract Agreement
Total Principal Requested	[] USD	[AMOUNT IN WORDS] US DOLLARS
Interest Requested	calculated at the rate of 6 months LIBOR plus 2.8% per annum up to the Repayment Date, actual amount to be determined according to the notice served to you to this effect prior to the corresponding Repayment Date.	
Date of Application		Authorized Signatory:
Employer's Confirmation		
<p>We, the Ministry of Roads and Highways of Republic of Ghana, hereby confirm this IPC in accordance with the Deferred Payment Agreement relating to the EPC Contract.</p> <p>Further, for the avoidance of doubt, we hereby confirm and warrant that, in accordance with the Deferred Payment Agreement relating to the EPC Contract, we acknowledge and accept all Works related to this IPC as having been carried out by the Contractor, and our corresponding payment for the Works is hereby declared to be independent of the value or the performance of the Works, and that we have inspected and satisfied ourselves compliance of such Works with the provisions in the EPC Contract.</p> <p>We further undertake that our payment obligation for the amount of this IPC plus interest accrued up to the applicable Repayment Date, will not be prejudiced by any event including without limitation, any defect in the Works discovered by us and/or changes to either us or the EPC</p>		

Contract, and be clear of any deduction, counterclaim, set-off, abatement, defence, compensation or the like which we may have against the Contractor and notwithstanding any argument or dispute in relation to the EPC Contract and/or the Deferred Payment Agreement relating to the EPC Contract Agreement that may exist between us.

We hereby repeat the Representations and Warranties made in Clause 11 of the Deferred Payment Agreement relating to the EPC Contract as of the date of this IPC.

We hereby agree to the assignment to the Financier of the claim for Deferred Payment from us under this IPC.

Authorized Signatory:

Date:

ANNEX III Form of Notice of Assignment

[To be printed on Sinohydro's Letterhead]

To: Ministry of Roads and Highways

For the attention of: [Insert MORH's authorized representative] ; and

Ministry of Finance

For the attention of: [Insert MOF's authorized representative] ("You" and "Your")

From: Sinohydro Corp. Ltd. ("We", "Us" and "Our")

Copy: [Name of the Financier] (the "Financier")

Date: [Insert date] 2018

NOTICE OF ASSIGNMENT OF DEBTS

Dear Sir / Madam

1. We refer to the contract agreement for construction/rehabilitation of selected roads and interchanges in Ghana (the Accra Inner City Roads), dated [dd/mm] 2018 between You and Us as amended and/or supplemented from time to time (the "EPC Contract").
2. We also refer to the Defer Payment Agreement relating to the EPC Contract Agreement between You and Us dated [dd/mm] 2018 (the "Deferred Payment Agreement").
3. Terms and expressions defined or construed in the Deferred Payment Agreement shall have the same meanings when used herein.
4. We hereby notify You that We have entered into an Account Receivable Financing Agreement [dd/mm] 2018 with [name of the Financier] (the "ARFA") pursuant to which, we may assign to [name of the Financier], all our rights, interests, benefits and/claims in, under or to (i) all or part of payments by You under the EPC Contract and the Deferred Payment Agreement; and (ii) any and all the claims to which we are entitled for the Deferred Payment including the debts owed by You to Us as set out in IPCs issued in accordance with the EPC Contract as We shall notify You from time to time.

5. Pursuant to the EPC Contract, we have issued the following IPC (the "IPC") and which was confirmed by You:

IPC Number	IPC Confirmed Date	IPC Amount
[●]	[●]	Principal Amount: []USD In words: []; plus Interest calculated at the rate of 6 months LIBOR plus 2.8% per annum up to the Repayment Date, actual amount to be determined according to the notice served to you to this effect

6. Pursuant to the provisions of the EPC Contract, the Deferred Payment Agreement and the ARFA, we hereby give you notice that we have assigned to the [name of the Financier] the right to receive payment of the sum stated in the IPC plus interest accrued up to the applicable Repayment Date, payment of the which amount shall be directly effected to the Financier.

7. Please note that only payment to [name of the Financier] will discharge your payment obligation in respect of these debts, unless otherwise instructed by Us in writing.

8. Payment must be made to [name of the Financier] in accordance with the following instructions:

Corresponding Bank Name: [name of the Financier]

Corresponding Bank Address: [the Financier's address]

Beneficiary Bank Name: [] (SWIFT CODE: [])

Beneficiary Bank Address: [], People's Republic of China

Beneficiary Account Name: Factoring Control Account

Account Number: [] (USD)

9. You are therefore instructed to act on this irrevocable authority unless otherwise advised in writing by US. We have sent a copy of this notice to the [name of the Financier] for

their records. Please acknowledge receipt of this notice by signing and returning copies of the acknowledgment to Us with a copy to the [name of the Financier].

10. Should you have any questions about this notice or Our new payment arrangements, please contact [insert name of Sinohydro's contact].

11. Please acknowledge receipt of this notice and confirm Your agreement to the contents of this notice by executing and returning the attached Acknowledgement.

12. Any dispute, controversy, proceedings or claim of whatever nature arising out of or in any way relating to this notice or any act performed or claimed to be performed under it shall be governed by and construed in accordance with English law.

Yours faithfully

(Company Chop)

(Authorized Signatory)

For and on behalf of

Sinohydro Corp. Ltd.

ANNEX IV Form of Acknowledgment of Notice of Assignment

To: Sinohydro Corp. Ltd. (the "Contractor")

From: Ministry of Finance, Republic of Ghana

("We", "Us" and "Our")

Copy: [Name of the Financier]

ACKNOWLEDGEMENT OF NOTICE OF ASSIGNMENT

Date: [•]

Dear Sirs

1. We acknowledge receipt of the notice of assignment dated [dd/mm] 2018 from the Contractor to Us copied to [Name of the Financier], (the "Notice of Assignment"). Words and expressions defined in the Deferred Payment Agreement relating to EPC Contract Agreement (the "Deferred Payment Agreement") shall have the same meanings when used in this acknowledgement.
2. We hereby on behalf of Government of the Republic of Ghana confirm that:
 - a. we note the assignment to [Name of the Financier] of all the Contractor's rights, interests, benefits and/or claims in, under or to (i) all or part of payments by us under the EPC Contract and the Deferred Payment Agreement; and (ii) any and all the claims to which the Contractor is entitled for the Deferred Payment including the IPC Amount (the "Assigned Debts");
 - b. the Assigned Debts will become due and payable from Us in accordance with the provisions of the EPC Contract and the Deferred Payment Agreement; and
 - c. we have not received any other Notice of Assignment, charge or encumbrance in respect of any of the assignor's rights, title and interest in or to the Assigned Debts.
3. We irrevocably agree and undertake to discharge the Assigned Debt by payment of the IPC Amount to the [Name of the Financier] in accordance with the EPC Contract and the Deferred Payment Agreement without exercising any rights of set-off or counterclaim and without deductions of any kind. Such payments will be made to the

[Name of the Financier] in immediately available funds in accordance with the payment instructions as set out in the Notice of Assignment or to any other account the details of which [Name of the Financier] may notify to Us for this purpose.

Yours faithfully

_____ (Seal of MOF)

(Authorized Signatory)

For and on behalf of

Ministry of Finance, Republic of Ghana