

**Memorandum of Understanding  
For Strategic Cooperation**

**Between**

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

**and**

**The Export-Import Bank of China**

**Beijing, China**

**November 2017**

This Memorandum of Understanding for Strategic Cooperation (hereinafter referred to as the "MOU") is made by and between :

- (1) *Empresa de Transmisión Eléctrica S.A.*, a Panamanian state owned company incorporated under the laws of the Republic of Panama, with its registered office at Sun Tower Plaza, Ave. Ricardo J. Alfaro, El Dorado, Third Floor, Panama City, Panama (hereinafter referred to as the "*ETESA*"); and
- (2) *The Export-Import Bank of China*, a banking financial institution established under the laws of the Peoples Republic of China, with its registered office at No. 30, Fu Xing Men Nei Street, Xicheng District, Beijing 100031, People's Republic of China (hereinafter referred to as the "*CEXIM*").

*ETESA* and *CEXIM* are hereinafter collectively referred to as the "*Parties*" and each individually as a "*Party*".

**WHEREAS:**

- (A) *ETESA* is known as a leader and role model in the national and international electric sector, and *CEXIM* is a state financial institution under the direct leadership of the State Council of China supporting the export and import trading activities and foreign economic cooperation of China.
- (B) To better enhance the good cooperative relationship between the Parties, and to improve the mutual development and the long-term cooperation of the Parties, *ETESA* and *CEXIM*, on the basis of adhering to the principle of voluntariness, 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 MOU and performing the responsibilities of each Party.
- (C) The Parties are willing to enter into this MOU to reflect their intention and preliminary understanding.

**NOW THEREFORE**, the *CEXIM* and *ETESA* hereby agree as follows:

1. This MOU confirms the Parties' intent to explore and potentially collaborate in the areas set forth herein and describes only the intent of the Parties. Except as otherwise provided herein, this MOU does not create any legally binding obligations on either Party and does not create any rights enforceable by 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.
2. *ETESA* and *CEXIM* 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 the Republic of Panama and People's Republic of China respectively.

ETESA may apply for financing from CEXIM for the direct or indirect purchase of Products and/or Services from China according to applicable law. CEXIM is considering providing the following financial services to ETESA to support its cooperation with Chinese enterprises in specific projects:

(1) Short term financing for working capital;

(2) Long term financing for fixed assets investment and/or construction contracting projects.

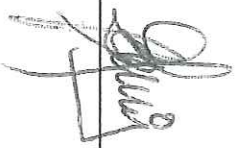
CEXIM has the right to decide at its own discretion whether to provide the finance and the terms and conditions thereof based on its evaluation and appraisal.

3. The Parties intend to establish a joint working group which they expect will have regular meetings, communication and interaction.
4. Excluding the laws and regulations and provisions set by the regulatory authorities, no Party shall disclose any confidential data and information in relation to the other Party or the MOU or acquired during the execution or performance of this MOU, whether through public announcements or direct provision to a third party, without the express permission of the other Party in writing.
5. No Party shall assign any part of its rights and obligations under the MOU without the express permission of the other Party in writing.
6. Supplementary Provisions
  - (1) No Party shall make any changes or amendments to this MOU without confirmation by the other Party in writing. Upon mutual agreement between the 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 by the legal representatives or authorized signatories of the two Parties.
7. Non-Binding Effect

Other than those obligations in clause 4,5,6,7, 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.
8. Any different understanding on any clause of this MOU or any dispute arising from the performance of this MOU between the Parties shall be solved through amicable negotiation.

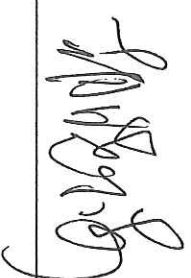
IN WITNESS WHEREOF, the Parties acting through their duly authorized representatives, have caused this MOU to be duly executed on the date first written above in two originals in English, one for each Party.

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



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**The Export-Import Bank of China**



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