

Government of Pakistan
Alternative Energy Development Board (AEDB)

H # 3, Street # 8, F-8/3, Islamabad.
Tel: +92 51 922947-50, Fax: +92 51 9262977



B/3/16/2007-98

2nd February 2009

Mr. Shahid Ahmad Khan
Chief Operating Officer
Zeni Wind Power (Pvt.) Ltd.
D-94, B-Street,
5th Avenue, Block 5,
Kehkashan, Clifton
Karachi.

Subject: **LETTER OF INTENT FOR 50 MW WIND POWER GENERATION PROJECT IN GHARO ~ KETI BANDAR WIND CORRIDOR**

In terms of the provisions of the Guidelines for Determination of Tariff for Wind Power Generation 2006 and in consistence with the Policy for Development of Renewable Energy for Power Generation 2006 (Policy), The GoP hereby confirms its interest in your proposal for establishing an approximately 50 MW wind power generation project in Gharo ~ Keti Bandar wind corridor. The Sponsor(s) has proposed to develop the project on its own land validated by AEDB with respect to its bearings in the wind corridor. AEDB has no obligation to provide land to the Sponsor(s) for the project.

2. The Sponsor(s) is required to complete the Feasibility Study for the subject project, at no risk no cost to, and without any obligation on part of, the GoP and its agencies, within a period of eighteen (18) months from the date of issuance of this LOI. Upon the issuance of this LOI by AEDB, the Sponsor(s) is required to post a bank guarantee in favour of the AEDB of the value of US\$ 500 per MW of the project's installed capacity, valid for a period extending six months beyond the original validity of the LOI.

3. The Sponsor(s) is required to carry out the Feasibility Study, complete, at internationally acceptable standards and in accordance with the terms and conditions stipulated in the Policy. The Feasibility Study must include micro-siting details, detailed, soil tests reports, technical details pertaining to wind turbines to be used in the wind farm, electrical studies; including but not limited to Short-circuit study, Power Quality study, Load Flow Study and Stability study, project cost, financing plan, carbon credits, financing terms, tariff calculations and assumptions for financial calculations including economic/financial analysis. The Sponsor is also advised to liaise with the power purchaser while determining site, project layout, sub-station design and layout and the transmission line and interconnection arrangements etc.

4. The validity of this LOI is eighteen months (18), where after it will automatically lapse immediately. Issuance of this LOI or the lapsing of its validity, or your conducting a feasibility study there under, cannot form the basis of any claim for compensation or damages by the Sponsor(s) or the project company or any party claiming through them against the Government of Pakistan / AEDB or any of its agencies, employees or consultants on any grounds whatsoever, during or after the expiration of its validity.

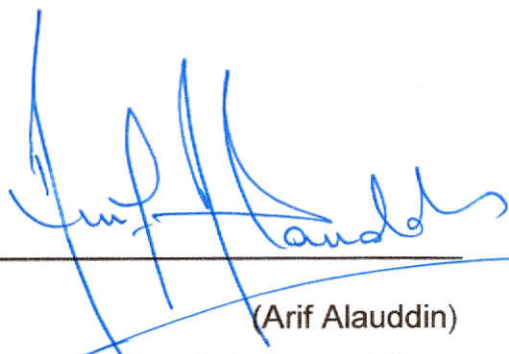
5. The Sponsor is therefore required to complete the Feasibility Study for the subject project within the validity of this LOI. In case there is a delay in completion of the Feasibility Study or procurement of land within the validity of this LOI, a one-time extension may be granted upto a maximum period of 180 days, provided that AEDB is satisfied that the Feasibility Study is being conducted in a satisfactory manner and is likely to be completed shortly. Further more if the said feasibility study is technically approved by the Panel of Experts and later the tariff proposed is not agreeable between NEPRA and Sponsor(s), the bank guarantee less 10% deduction for administrative and ancillary charges, would be returned to the Sponsor(s).

6. In case, if the Sponsor(s) fails to meet the relevant milestones mentioned in the (Policy) standards, AEDB will terminate this LOI and encash the bank guarantee.

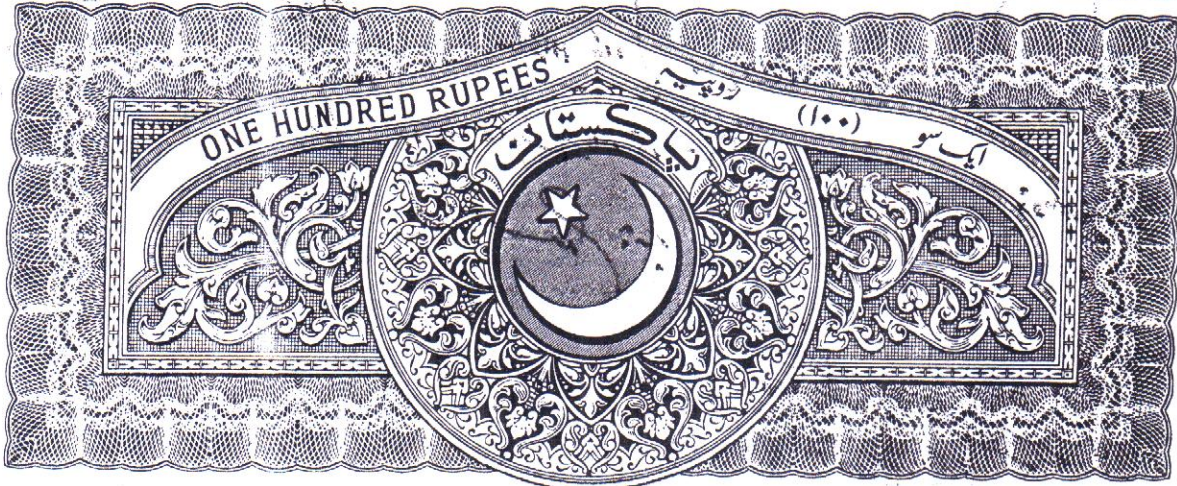
7. This LOI has been issued in duplicate on the date hereof, and it shall come into affect when one copy is received by AEDB after having duly countersigned by you. Nevertheless, this LOI shall lapse if the countersigned copy is not received at AEDB within 15 days of its issuance.



(Malik Shahid Ahmed Khan)
Chief Operating Officer
Zeni Wind Power (Pvt.) Ltd.



(Arif Alauddin)
Chief Executive Officer
AEDB

**BANK GUARANTEE**

**To: The Alternative Energy Development Board
Government of Pakistan
House No: 3, Street No: 8
F-8/3, Islamabad**

Bank Guarantee No: 208/2009

Date of the Guarantee: (02-02-2009)

**Amount of the Guarantee: USD: 25,000.00
(United State Dollars Twenty Five Thousand Only)**

Date of Issuance: (02-02-2009)

Validity up to: (01-02-2011)

THIS GUARANTEE is executed at Islamabad on this 2nd day of February 2009.

We Habib Bank Limited having our registered office at 4th Floor Habib Bank Tower Jinnah Avenue Blue Area Islamabad Pakistan and branch office at Habib Bank Tower Corporate Centre Islamabad Pakistan (hereinafter referred to as the "**Guarantor**", which expression shall mean and include its successors, administrators, assigns and legal representatives, whether jointly or severally);

On the request and on behalf of M/s ZENI WIND POWER (PVT) LIMITED, House No: 7, Street No: 90 Sector G-6/3 Islamabad (hereinafter referred to as the ["Sponsor(s)"/ "Project Company"], which expression shall mean and include [its/their] successors, executors, administrators, permitted assigns, legal representatives, whether jointly or severally);

In favour of the Alternative Energy Development Board ("AEDB") (hereinafter referred to as the "**Beneficiary**", which expression shall mean and include its successors, administrators and legal representatives, whether jointly or severally).



WHEREAS:

- A. Upon the request and proposal of the Sponsor(s) to set up an electricity generation facility utilising wind as the renewable energy resource in Pakistan, the Beneficiary has issued a Letter of Intent (the "LOI") to the [Sponsor(s)/Project Company] dated

- B. As required by the Beneficiary in terms of the LOI, and in consideration thereof, the Guarantor, at the request and on behalf of the [Sponsor(s)/Project Company], hereby furnishes this irrevocable, unconditional, without recourse, on demand bank guarantee (hereinafter referred to as the "Guarantee") in favour of the Beneficiary in order to secure the performance of the Sponsor's obligations under the LOI, being the conduct and completion of a feasibility study ("Feasibility Study") in accordance with the requirements stipulated in the LOI (hereinafter referred to as the "Guaranteed Obligation").

NOW THEREFORE, this Guarantee witnesseth as under:-

1. In the event that the [Sponsor(s)/Project Company] defaults in, delays, or fails, to perform the Guaranteed Obligation, of which event the Beneficiary shall be the sole arbiter, the Guarantor shall, on the Beneficiary's first written demand, pay to the Beneficiary the entire sum of, or any part of, the Guaranteed Sum as specified in the Beneficiary's written demand within three (3) days of the receipt of the written demand (the "Due Date"). Such first written demand of the Beneficiary shall only state that the Sponsor has defaulted in, or delayed, or failed, to perform the Guaranteed Obligation stated in the written demand under and in accordance with the terms of the LOI.

2. The Guarantor hereby binds itself unconditionally and irrevocably, and undertakes and guarantees to pay the Guaranteed Sum, as primary obligor and not merely as surety, on first written demand of the Beneficiary, without protest or demur and without reference, notice or recourse to the Sponsor(s) or to the Project Company or any other person, and hereby expressly waives all rights to deny its obligation to the Beneficiary irrespective of any dispute, difference or disagreement between the Sponsor(s)/Project Company and the Beneficiary or contest by any other party or person.

3. At any time during the validity of this Guarantee, the Beneficiary may, at its sole discretion and decision, demand payment of the entire Guaranteed Sum, or any part thereof, from the Guarantor. The decision of the Beneficiary as to the Sponsor(s) / Project Company's default, delay, or failure in performing the Guaranteed Obligation shall be final and binding on the Guarantor, which shall not be questioned by the Guarantor in any manner whatsoever.



4. This Guarantee shall remain in full force and be effective for a period up to 01-02-2011 (expiry date).
5. The Beneficiary may, if and when and in such manner as the Beneficiary in its sole discretion deems appropriate, grant time or other indulgence to or accept or make any composition or arrangement with the Sponsor(s) and/or the Project Company and such acts shall not in any way whatsoever discharge the Guarantor from its obligations under this Guarantee.
6. The Guarantor's obligations as set out in this Guarantee shall be continuing obligations and shall not be modified or impaired upon the happening, from time to time, without the Guarantor's assent or otherwise, of any act or omission, or any circumstances or events which would otherwise discharge, impact or otherwise affect any of Guarantor's obligations contained in this Guarantee.
7. Demands under this Guarantee may be made from time to time in accordance with its terms. Partial payments of the Guaranteed Sum shall not discharge this Guarantee and this Guarantee shall remain in full force and effect in accordance with its terms for the difference from time to time between the aggregate total of the partial payments made and the Guaranteed Sum.
8. No delay or failure to exercise any right or remedy under this Guarantee by the Beneficiary shall constitute a waiver of such right or remedy. No single or partial exercise of any right or remedy shall preclude any other or further exercise thereof or of any other right or remedy. No waiver by the Beneficiary shall be valid unless made in writing.
9. No set-off, counter claim, reduction, or diminution of any obligation that the Guarantor has or may have against the Beneficiary shall be available to it against the Beneficiary in connection with any of its obligations to the Beneficiary under this Guarantee. The Guarantor shall make all payments under this Guarantee in United States Dollars (or equivalent Pakistan Rupees at the rate prevalent on the business day preceding the date on which payment is made under this Guarantee) and in full, without set-off or counterclaim and free and clear of any deductions or withholdings in immediately available, freely transferable, cleared funds for value on the Due Date to the Beneficiary, provided that if the Guarantor is required to make any deduction or withholding from such payments under applicable law, it shall pay to the Beneficiary such additional amount necessary to ensure that the Beneficiary receives an amount equal to the amount which it would have received had no such deduction or withholding been made.



10. The Guarantor hereby declares and confirms that under its constitution and applicable laws and regulations, it has the necessary power and authority, and has obtained all necessary authorizations, approvals and consents thereunder to enter into, execute, deliver and perform the obligations it has undertaken under this Guarantee, which obligations are valid and legally binding on and enforceable against the Guarantor under the Laws of Pakistan, and that the signatory (ies) to this Guarantee are the Guarantor's duly authorized officers.
11. This Guarantee shall be governed by the laws of Pakistan.
12. Capitalised terms not otherwise defined herein shall bear the meaning ascribed to them in the LOI.


Issued at Islamabad on 2nd day of February 2009 on behalf of Habib Bank Limited Corporate Centre Islamabad.

For and on behalf of
Habib Bank Limited
 Corporate Centre Islamabad

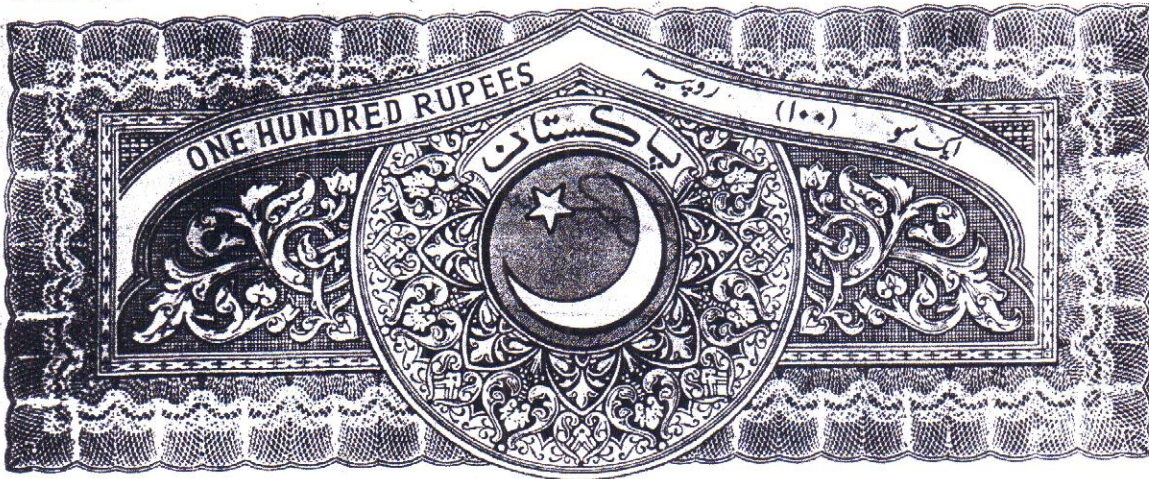
For **HABIB BANK LIMITED**
 Corporate Centre, Blue Area,
 ISLAMABAD
 Officer
QAISER MEHMOOD ALI
 MANAGER (PA # 10676)

Manager:
IMRAN SAYEED KHAN
 Head Trade Services
HABIB BANK LIMITED
 Corporate Centre
 Islamabad

WITNESSES

1. 
ALTAN WAHEED MALIK
 AVPI Senior Relationship Manager
HABIB BANK LIMITED
 Corporate Centre HBL Tower
 Blue Area Islamabad

2. 
ZEESHAN ASLAM MALIK
 Relationship Manager (CBG)
HABIB BANK LIMITED
 Corporate Centre, HBL Tower
 Blue Area, Islamabad



To: The Alternative Energy Development Board
Government of Pakistan
House No: 3, Street No: 8
F-8/3, Islamabad

Bank Guarantee No: 208/2009
Date of the Guarantee: (02-02-2009)
Amount of the Guarantee: USD: 25,000.00
(United State Dollars Twenty Five Thousand Only)
Date of Issuance: (02-02-2009)
Validity up to: (02-05-2011)

**AMENDMENT IN BANK GUARANTEE NO: 208/2009 DATED 02-02-2009
FOR USD: 25,000.00**

At the request of our Client M/s Zeni Wind Power (Pvt.) Limited, House No 7, Street No 90, Sector G-6/3 Islamabad, we hereby amend the above Bank Guarantee as under:-

- The value of the Bank Guarantee is increased by USD: 25,000.00 (US Dollars Twenty Five Thousand Only) making the new value of the Bank Guarantee to read as USD: 50,000.00 (US Dollars Fifty Thousand Only)
- The expiry date of the above Bank Guarantee is amended to read as 02-11-2011 instead of 02-05-2011.

All other terms and conditions remain unchanged.

This amendment constitutes an integral part of, and must be attached to the original Bank Guarantee.

Amended/Extended at Islamabad on this 30th day of April 2011 on behalf of Habib Bank Limited Corporate Centre Islamabad.

For HABIB BANK LIMITED
Corporate By Blue Area,
ISLAMABAD

AFTAB ZAIDI
Asst. Manager
PA # 11765

IMRAN SAYEED KHAN
Head Trade Services
PA No 6098

Received
[Signature]
24/04/11