

CONVENIO DE COOPERACIÓN ECONÓMICA Y TÉCNICA ENTRE EL GOBIERNO DE LA REPÚBLICA POPULAR CHINA Y EL GOBIERNO DE LA REPÚBLICA DE PANAMÁ

El Gobierno de la República Popular China y el Gobierno de la República de Panamá, movidos por el deseo de desarrollar aún más las relaciones amistosas y la cooperación económica no reembolsable y técnica entre los dos países, han llegado al presente acuerdo a tenor de los siguientes artículos:

ARTÍCULO I

Atendiendo a la necesidad del Gobierno de la República de Panamá, el Gobierno de la República Popular China conviene en proporcionar al Gobierno de la República de Panamá cooperación económica no reembolsable. Los fondos de la cooperación serán destinados a financiar proyectos de desarrollo de recurso humano y becas. Los detalles específicos serán determinados posteriormente por ambas Partes mediante la suscripción de otros acuerdos y de Planes de Trabajo / Comisiones Mixtas.

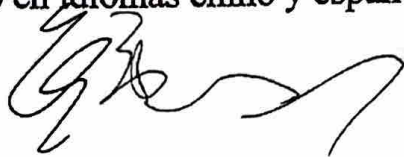
ARTÍCULO II

La Corporación Bancaria de Desarrollo de China y Viceministerio de Asuntos Multilaterales y Cooperación del Ministerio de Relaciones Exteriores de la República de Panamá informarán periódicamente a los dos Gobiernos la situación de la cooperación que derive en el marco de este Acuerdo.

ARTÍCULO III

El presente Convenio entrará en vigor a partir del día de su firma y su validez se mantendrá hasta el día en que ambos Gobiernos hayan cumplido con todas las obligaciones establecidas en el mismo.

Hecho y firmado en Beijing, el día 17 de noviembre del año 2017, en dos ejemplares originales, uno para cada parte y cada uno de los cuales está escrito en idiomas chino y español, siendo ambos textos igualmente válidos.



**Por el Gobierno de la República
Popular China**

**Por el Gobierno de la República de
Panamá**



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

Bank of China Limited

Empresa de Transmisión Eléctrica S.A.

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



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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.



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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

**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 People's 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.



The Export-Import Bank of China



MEMORANDUM OF UNDERSTANDING

ON

COOPERATION MECHANISM

BETWEEN

**THE MINISTRY OF ECONOMY AND FINANCE OF THE
REPUBLIC OF PANAMA**

AND

THE EXPORT-IMPORT BANK OF CHINA

Dated _____

This MEMORANDUM OF UNDERSTANDING (hereinafter referred to as this "MOU") is made by and between the Ministry of Economy and Finance of the Republic of Panama (hereinafter referred to as "MEF") and the Export-Import Bank of China (hereinafter referred to as "CEXIM").

MEF and CEXIM are hereinafter collectively referred to as "the Parties", and individually referred to as "Each Party".

WHEREAS

The Parties intend to establish long-term cooperative relations in order to achieve significant social and economic benefits through projects in various sectors and wish to set up a working mechanism for cooperation in the long term (hereinafter referred to as the "Cooperation Mechanism").

THEREFORE

After friendly negotiations, the Parties hereby agree to establish the Cooperation Mechanism as follows:

Article 1 General Provisions

- 1.1 The main purpose of the Cooperation Mechanism is to enhance long-term win-win relationship between the Parties, as well as to fully realize the social and economic benefits of projects financed by CEXIM.
- 1.2 The Cooperation Mechanism is built up to optimize identification and inspection process of the projects to be supported by CEXIM, promote the cooperation on national planning, establish a stable and efficient communication platform, and strengthen dialogues and trainings between the Parties.
- 1.3 In order to ensure smooth and efficient operation of the Cooperation Mechanism, Each Party shall establish a working team responsible for regular communication and correspondence.

Article 2 Scope of the Cooperation

- 2.1 Subject to Each Party's internal rules and policies, the Parties agree to assist qualified Panamanian and Chinese enterprises in practicable means to obtain financing support

for projects located in Panama from **CEXIM** with cooperation from **MEF** and/or the relevant government authority, including timely completion of approval through necessary procedures in accordance with applicable legislation.

2.2 **CEXIM** agrees to make best efforts to provide **MEF**, when necessary, with relevant information concerning Chinese enterprises and projects of the cooperation under this MOU, provided that such information is available to **CEXIM**.

2.2.1 The Concessional Loan Department of **CEXIM** is arranged or designated to implement the cooperation on concessional loan.

2.2.2 The Corporate Banking Department of **CEXIM** is arranged or designated to implement the cooperation on self operated loan.

2.3 **MEF** agrees to make best efforts to provide **CEXIM**, when necessary, with relevant information and materials concerning Panamanian enterprise partners, investment opportunities and projects of the cooperation under this MOU for the purpose of facilitating **CEXIM** to evaluate such projects.

Article 3 Regular Communication Platform

3.1 The Parties shall convene meetings on a regular basis, for comprehensive and systematic communication of the progress and problems concerning projects financed by **CEXIM**.

3.1.1 The meetings shall be held in China or in Panama annually or biennially, which shall be jointly chaired by a manager-level-or-above official from the Concessional Loan Department of **CEXIM** and a director-level-or-above official from relevant department of **MEF**.

3.1.2 During the meetings, the Parties shall review or evaluate on-going projects, deliberate on the problems or challenges, and work out mutually acceptable solutions.

3.1.3 At the end of the meetings, the Parties shall sign the minutes of meeting to summarize the issues and problems discussed, and designate the departments responsible for following up and implementing the actions agreed during the meetings.

3.2 Each Party shall promptly notify each other by written letters or e-mails once any significant problem or challenge is spotted during appraisal and implementation of the projects. If necessary, the Parties shall delegate a joint mission to cope with the problems or challenges.

Article 4 Technical Cooperation and Training

4.1 **MEF** can apply to **CEXIM** for pre-project technical assistance for sectors or projects focused by the Government of the Republic of Panama. If necessary, **CEXIM** will engage Chinese industry experts or consulting firms to assist the Government of the Republic of Panama in national planning and/or project consulting.

4.2 **CEXIM** plans to hold trainings on a regular basis in the Republic of Panama or in China. The topics of the trainings include priority sectors and projects for both Parties. If necessary, **CEXIM** can hold specific trainings for officials of the Republic of Panama. The Republic of Panama can suggest on the location and content of the trainings, and shall provide assistance and support for trainings held in the Republic of Panama.

Article 5 Working Teams

5.1 Within one (1) month after signing of this MOU, Each Party shall designate officials to establish a working team under the Cooperation Mechanism.

5.1.1 **CEXIM**'s working team shall be composed of a General Manager/ Deputy General Manager from the Concessional Loan Department or the Corporate Banking Department (as the team leader), and relevant Division Chief and Country Officers from both departments.

5.1.2 **MEF**'s working team or corresponding entity shall be composed of the relevant senior and subordinate officials designated by the highest authority of the Ministry of Economy and Finance.

5.2 The team leader of Each Party shall be responsible for management and organization of the working team. The team members shall be responsible for daily affairs and regular communications between the Parties.

5.3 Each Party shall notify the other Party by written letters or e-mails within five (5)

working days in case that there is any adjustment of personnel in the working team.

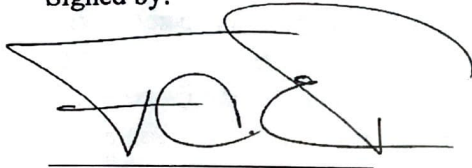
5.4 If feasible, CEXIM will explore the possibility of establishing a regional office in the Republic of Panama.

Article 6 Miscellaneous

- 6.1 This MOU is only a statement of intention of the Parties to strengthen cooperation and communications and constitutes the basis for specific cooperation between the Parties and is NOT legally binding on either of the Parties under any jurisdiction, except for the provisions under Article 6.2. The Parties have not made any commitment or entered into any agreement on any individual project.
- 6.2 The Parties agree that either Party shall not, without the prior written consent of the other Party, disclose to any third party or the public any information or materials related to the other Party or acquired during the execution or performance of this MOU, except for information required to be disclosed by any applicable laws and regulations.
- 6.3. The Cooperation Mechanism shall always comply with relevant policies and regulations set by both Parties. If modification of the policies or regulations occurs and conflicts with contents of this MOU, the Parties shall comply with the modified policies and regulations, and this MOU shall be amended accordingly.
- 6.4 Each Party may, by giving no less than three (3) months prior written notice to the other Party, terminate this MOU, and this MOU shall terminate on the date specified in such written notice. If no specific termination date is provided in such notice, this MOU shall terminate on the day falling three (3) months after the date on which such notice is given.
- 6.5 Any different understanding on any article of this MOU or any dispute arising from the performance of this MOU between the Parties shall be solved through amicable negotiation between the Parties.
- 6.6 This MOU shall become effective on the date of the execution by the authorized representatives of the Parties.
- 6.7 This MOU is made in both English and Spanish versions in two originals, one for Each Party. Both language versions shall have equal force. In case of any discrepancy or conflict between the two language versions, the English language version shall prevail.

IN WITNESS WHEREOF, the Parties hereto have caused this MOU to be duly signed on their respective behalf, by their duly authorized representatives, on the date of November 17, 2017.

Signed by:



Name:

Mr. Francisco Carlo Escobar Pedreschi

Title:

Ambassador of the Republic of Panama in
the People's Republic of China

On behalf of:

The Ministry of Economy and Finance of
the Republic of Panama

Signed by:



Name:

Ms. Hu Xiaolian

Title:

Chairman of the Export -Import Bank of China

On behalf of:

The Export-Import Bank of China