

**Power China of Renewable Energy Ltd. Co.; Power China Guizhou Engineering Corp. -
Hichens, Harrison & Co - MEMORANDUM OF UNDERSTANDING**

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MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) is entered into on 28 March 2018 between Power China of Renewable Energy Ltd. Co., Power China Guizhou Engineering Corp. (herein referred to as POWER CHINA) and HICHENS, HARRISON & CO (herein referred to as HICHENS) or hereinafter individually called a “Party” and collectively the “Parties”.

It is the intention that this MOU be amended to a Services Agreement to be prepared based upon the principles outlined herein.

1. INTRODUCTION

POWER CHINA, is both a recognized global leader and China’s largest international “Engineering – Procurement – Construction (EPC)” contractor for hydropower – thermal – solar – wind renewable energy generation developments, transportation infrastructure, environmental and other Projects, to engage in businesses of power plant EPC, operation, technological innovation, environmental protection, overseas investment and acquisition.

HICHENS is professional, well established Brazilian company focused upon project identification and implementation including provision of direct investment as well as facilitation of financing for Projects in South America in the Power, Infrastructure and other related sectors. HICHENS shares POWER CHINA’s focus in the various geographical areas and market sectors and together the combined natural synergies of the Parties will be structured to mutually reinforce the businesses of both “Parties”. HICHENS enjoys more than 2-generations of business and political leaders including business contacts throughout in Europe, North and South America, focus on the United States of America, Brazil and Argentina, African Countries, focus on de the South Africa and Sub-Saharan Africa.

2. SCOPE AND CONDITIONS OF COOPERATION

This Memorandum of Understanding (MOU) outlines the scope of cooperation among POWER CHINA and HICHENS. Cooperation shall be done upon an agreed “Project-by-Project” basis.

3. AREAS OF COOPERATION

As an investor and EPC contractor, POWER CHINA undertakes international projects throughout the global environment in their core business areas. As described herein this MOU, POWER CHINA is interested in expanding EPC (engineering – procurement – construction), EPC-F (engineering – procurement – construction – financing/funding) and M&A business, focusing on the electric and



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renewable energy sectors in Europe, North and South America and African Countries, focusing on the United States of America, Europe, Brazil, Argentina and Sub-Saharan Africa. HICHENS together represent a natural business partner.

HICHENS are desirous to provide project introduction and financing services to POWER CHINA. For the start of the POWER CHINA - HICHENS cooperation, the joint focus will be on POWER CHINA's interested business. The scope of cooperation may expand in the future.

POWER CHINA will review, within an appropriate duration, any outline of prospect projects presented by HICHENS and confirm (i) whether the prospect project is known and currently being actively marketed and pursued by POWER CHINA, (ii) whether the prospect project is not of interest to POWER CHINA.

HICHENS, with their vast knowledge and professional contacts, will provide advisory assistance to POWER CHINA for (i) preparation of expressions of interest, (ii) provision of market intelligence for projects of POWER CHINA interest, (iii) preparation of tender documents, (iv) tender/contract negotiation with the respective clients, (v) be available to provide timely follow-up and support to POWER CHINA as may be appropriate for project contracts awarded to POWER CHINA.

4. IMPLEMENTATION OF THE FRAMEWORK AGREEMENT

HICHENS will identify and propose to POWER CHINA, potential project prospects within POWER CHINA's interested business for which all project approvals, permits and other requirements are in-place, i.e. ready to commence design – construction implementation subject to finalization of project funding arrangements. Projects without the above implementation requirements in place, including but not limited to necessary feasibility, environmental and other studies, will not be pursued at this time.

Upon review and assessment of HICHENS prospects, POWER CHINA will identify and mutually agree with HICHENS the outline of prospective project(s) that will be jointly focused upon and undertaken on a "stand-alone and Project-by-Project basis".

For mutually agreed Projects, both POWER CHINA and HICHENS will make available and share all information and documentation, including Project-specific marketing intelligence, between the parties to better ensure cooperation success.

Unless mutually agreed otherwise in writing, nothing in this MOU shall be interpreted as a "sole-source" and binding commitment between the parties except for mutually agreed project prospects.



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5. CONFIDENTIALITY

The Parties hereto shall treat confidentially the knowledge and information coming from the sphere of this MOU which they have access within the scope of this MOU even beyond its duration, provided the government agency, semi-government agency, administrative or judicial authority requests, the receiving part could disclose relevant confidential information.

Neither Party, nor any of their officers, employees or agents shall make any public announcement of any kind regarding the existence or terms of any agreement between the parties without the prior written consent of the other Party.

Both POWER CHINA, HICHENS will provide to each other project information and data that may be used only upon the mutually agreed prospects and project(s). For such, both POWER CHINA, HICHENS shall keep all information provided to it by the other Party "strictly confidential" and shall not share such information except as may be required for specific agreed advancement and development of the project.

Documents which have been exchanged with each other cannot be used by the receiving Party for other purposes without written approval of the other Party.

Neither Party shall be responsible for or liable to the other Party for information and data which may be available in the public domain and not covered by any intellectual property (IP) rights and/or patent(s).

It shall be clearly understood and agreed that after the naming of a prospective project for cooperation, there shall be no consideration for acquisition of the project by either of the parties without written approval between the respective parties.

6. COMPENSATION AND RESPONSIBILITY FOR PROSPECT DEVELOPMENT COSTS

Unless mutually agreed otherwise, both POWER CHINA, HICHENS shall be responsible for the control and management of their work performance in addition to their own costs for all of their respective activities including but not necessarily limited to project development, proposal preparation – negotiation – project implementation phases.

In general, it is the intention that neither Party will receive from the other Party any compensation associated marketing and developing costs including all efforts and works leading up to and including project tender, award and implementation. POWER CHINA will be compensated through implementation of the project while HICHENS will be compensated from other Parties that excludes POWER CHINA. If for any reason, there is to be any consideration for compensation between the

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Parties, then such specific details shall be discussed and mutually agreed in writing in advance of either Party's commitment to the respective project.

If either Party considers that direct costs for marketing, development, project negotiation costs et cetera, shall be shared between the parties provided such have been discussed and mutually agreed prior to the incurring of any expenses and costs.

7. DURATION OF THIS AGREEMENT

This MOU shall be effective for 3-years from signing by Parties. During the validity of this MOU, it may be terminated under the following conditions:

- i. Written consent of all the Parties;
- ii. Material breach by one of the Parties hereto of this agreement;
- iii. Bankruptcy or liquidation of either Party.
- iv. The Parties hereto have reached any new written agreement which replaces or supersedes this MOU.

8. GOVERNING LAW AND DISPUTE

This Agreement shall be governed by and construed in accordance with the laws of Singapore.

Any dispute between the Parties that cannot be settled by agreement and that relates to the interpretation, carrying out of obligations, breach, termination and enforcement of this MOU or in any way arises out of or is connected with this MOU shall be submitted to the International Court of Arbitration of the Singapore International Arbitration Centre ("SIAC") in accordance with the Arbitration Rules of the Singapore International Arbitration Centre ("SIAC Rules") for the time being in force.

Regarding the procedure, especially with respect to taking evidence, the Arbitral Tribunal shall apply Singapore law. Arbitration proceedings shall be in the English language. The venue of arbitration shall be Singapore.

9. OTHERS

The Parties hereto expressly agree that neither Party is authorized or entrusted with any power, authority or right under this MOU to make any binding commitment or to incur any debt and liability for and on behalf of the other Party. The Party who makes such commitment or incurs such debt and liability shall be held solely liable for its legal consequences and shall keep the other Party fully indemnified from any consequent losses or damages.



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Each Party shall strictly comply with all applicable laws of the Territory during implementing this MOU, and each Party shall solely bear any legal consequences for his own activities in connection with this MOU.

10. MOU SIGNATURES


IN WITNESS WHEREOF, the Parties hereto have executed this Agreement in triplicate by their authorized representatives the day and year first before written in accordance with their respective laws.


For and on behalf of

For and on behalf of

Hichens, Harrison & Co

**Power China of Renewable Energy Ltd.
Co.; Power China Guizhou Engineering
Corp.**

Signature: 
Name: **Pedro A. Moreira Leite**
Title: **President**

Signature: 
Name: **Li Kun (Wise Li)**
Title: **General Manager of Overseas
Business Department**



中国电建
POWERCHINA