



Project Funding General Conditions and Guidelines

We would like to inform you that our organization has more than twenty years of experience in project financing worldwide by preparing, adjusting contracts, and guiding project owners to achieve their objectives. Our financial sources have an outstanding resume and credit which can be verified and authenticated through the international banking system and our corporation hereby declare its readiness on behalf of our financial partners to collaborate and assist our clients seeking qualified and reliable sources with appropriate conditions for execution of their projects.

The most prevalent method to obtain a loan and finance the project/s worldwide is generally identical and complies with the following terms and conditions:

- 1- Every interested party/applicant shall be a bank credit customer.
- 2- Having the ability to provide 5-20% equity share of the loan value as a 799 Blocked Fund or being able to provide SBLC/BG, with a value of 25% higher than Blocked Fund amount or in the exceptional case being able to absorb the cost of issuance of bank instrument enabling financial participation during due diligence to secure required Bank Guarantee with acceptable value.
- 3- Cash deposit will remain as a Blocked-Fund in borrower's account then on the bank-to-bank basis this available cash deposit will be advised to the lender's bank by swift code MT-799.
- 4- Based on primary Loan Agreement or Joint venture Investment Agreement signed by both parties and upon completion of verification/ authentication of blocked-fund MT-799 already issued by the borrower' bank or BG and SBLC under MT 760, within 45-60 days, confirmation of funding by lender's bank and through swift MT 103 will be advised to the borrower's bank undertaking payment order proportionally to cover first tranche of loan based on the developmental status and progress of project.
- 5- The amount of cash transfer required for execution of the project shall be processed proportionally as per project progress report/ submitted in advance to the lender.
- 6- Blocked Fund and SBLC/BG provided by the Borrower/ Investee is considered as Guarantee and will be collateralized by the Lender/Investor.



7- All shares and assets of the project owner will be held in lien by the lender as collateral, and upon payment of each portion of principal and the relevant interest amount, the value of shares equal to the paid amount will be transferred to the borrower until such a time the total payment of the principal amount and accrued interest amount are fully paid off by the borrower thereafter all shares all shares will be transferred to the project owner and the lien of project will totally be released by the lender.

8- Considering the amount of loan required by the borrower the following percentage of equity shares/ proof of funds needs to be verified on the bank-to-bank basis and currently are in effect for the financial participation / Due Diligence between bankers of two parties:

Amount of Loan Equity Share of Borrower

“Required by the BORROWER” “Required by the Lender”

A- 10-50 Million Euro 20-30 %

B- 50-100 Million Euro 10-20 %

C- Over 100 Million Euro 5-10 %

Please note that the varied amount/percentage of equity shares to be provided by the borrower mainly depends on its credit facilities, credibility of banker, viability and total cost of the project, the nature of products, its demand in a competitive target market, business plan and feasibility studies.

Needless to mention that Feasibility Studies and Business Plan prepared by a well-known reputable Engineering Consultancy Company and its resume with proven track record of past performance will be considered as the determinant factor in the assessment of the proposed project.

9- Applicant's project feasibility study shall be approved and confirmed by Lawyer team or Consultant team and finally the lender's bank.

10- Required machinery, equipment, materials and components defined in the project shall be ordered on mutual agreement and in compliance with the established international standards and with procurement priority given to the borrower's local suppliers/manufacturers.

As a financier, we would prefer to start dealing with those applicants who are able to meet above mentioned terms and conditions but unfortunately, the majority of investees are out of this framework but still expecting our support to obtain loans without having any cash equity/bank credit which is very essential condition for issuing bank instruments against project cost.



Regarding the above and in order to find suitable financing methods through legal procedure and free from any risk, we held intensive meetings with our lawyers and banking experts over the past years and came up with the applicable proposal to tackle some investors' financial restrictions. However, in any scenario, the applicants shall have the potential to cover initial expenses as listed below:

A- Advisors/consultants, facilitators/ brokerage fees B- Lawyer's fee

C- Lender's team travelling/ accommodation expenses for the purpose of visiting the project location, and verification of all submitted documents, permissions, approvals, will be born by the project owner in advance:

-Taking round -trip flight tickets (Business Class). -Lodging in five star hotels and local transportation.

D- Notarization fee in certain projects E- Insurance fees in certain projects

Needless to mention that upon receiving the Application for Project Funding, along with the required documents, we proceed with the assessment of project in all aspects (If necessary followed by further mutual correspondence, clarifications, and negotiations) which might result in primary approval by the Lender, then scheduling for Lender' Authorized Delegates to visit site, verifying all required documents/approvals which had been previously submitted to the lender and finally depending on successful outcomes both parties' signatories will hold TTM to proceed with signing of MOU Or Service Consultant Agreement.

Upon verifying borrower's Blocked fund (MT-799) provided or BG and SBLC by the project owner/banker It will take between 45-60 days for the lender's banker to issue MT 103 in order to advise borrower's Bank swift officer for first tranche of the project cash flow to be paid as cash transfer proportionally based on project status and developmental basis.

The Framework to get the Loan

1- Preparing and submitting an Application for Project Funding by the Project Owner/Borrower as per Financier's form, to be signed by the signatory bearing a corporate seal on the official letter head.

2- Exhibiting legal permits and licenses proving that there is no ban or lien in transferring corporate shares or pledges.



3- In order to avoid tax-related issues and complications of financial transactions, we recommend registering a company in one of the Free Zone territories.

4- In our suggested procedure there will be parties (Project Owner/Borrower, Lender group team, and the Lender bank turning the bank instrument into a cash loan.) All parties are involved in prospective contract and the project financing will be executed by means of a bank instrument issued by one of the prime banks representing the lender. It is more convenient for lender if the borrower has enough bank credit enabling investor to obtain bank credit.

5- The time span of the loan will be between 5-10 years including the grace period of two years with an annual interest rate of 3-5% on Euro, USD, Pound Sterling currency depending on the viable projects and final products lucrative in the local/global market, the amount of loan, the political and economical risk of applicant's country.

6- Our lenders are most interested in financing projects in the field of Oil & Gas, Petrochemical Plants, Renewal Energy, High Scale Hotels & Hospitals, Commercial & Residential Complexes. More over purchasing Commercial Airplanes, Vessels and Ships (Date of manufacturing, Brand, insurer, and type of insurance will be our major concern for assessment) are among of their fields of interest since investors consider them as the Guarantee to reimburse principal & interest amount duly.

Notice:

we don't have problem with other projects but we need checking with legally team and risk management team in the first step.

7- the project owner/Borrower pursuant to the procedure and the requirements of the lender/investor provided the following documentation: -Letter of Intent

-Client Information Sheet

-Company Certificate and Passport copy -Business Plan and cash flow

-Board Resolution Letter

-Bank POF or BCL and Bank ready willing able (RWA)

8- We will accept any of the following as collateral from top European banks; Bank Guarantee /Stand By letter of Credit /Letter Of Credit /Promissory Note with bank confirmation and endorse and Sovereign Guarantee about government projects.



While we respect all applicants, we would only consider those applicants and enter into Funding Agreement who are able to meet the above-mentioned required conditions.

Should you have any questions regarding aforementioned conditions, please do not hesitate to contact our representative/s as per information provided to you.