

PARTICIPATION AGREEMENT
(Rural Electrification and Renewable Energy Development Project
Part-C IDCOL Renewable Energy Programme)

between

...

and

INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED

Dated ... 200...

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PARTICIPATION AGREEMENT

AGREEMENT, dated the ... day of ... 200..., between ... (hereafter the **Participating Organization** or "**PO**") having its registered Head Office at ... and **INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED**, ("**IDCOL**") having its registered Head Office at UTC Building, 16th Floor, Kawran Bazar, Dhaka - 1215.

WHEREAS:

- (A) by the Development Credit Agreement ("**Credit Agreement**") dated July 16, 2002 between the Government of Bangladesh ("**GOB**") and International Development Association ("**IDA**"), the former has received a Credit ("**IDA Credit**") for the purpose of implementing the Rural Electrification and Renewable Energy Development Project (the "**Project**") proposed by IDA;
- (B) by a Financing and Programme Agreement dated 22 December 2005 between GOB and KfW, Frankfurt am Main ("**KfW**") the GOB has received a Credit ("**KfW Credit**") and a Grant ("**KfW Grant**") for further expansion of the Project;
- (C) by the Global Environment Facility Trust Fund Grant Agreement ("**Grant Agreement**") of even date between the GOB and International Bank for Reconstruction and Development ("**IBRD**") acting as an implementing agency of the Global Environment Facility ("**GEF**") the GOB has received a Grant ("**GEF Grant**") for the purpose referred to in paragraph (A) above;
- (D) by a Financing and Programme Agreement dated 22 December 2005 between GOB and KfW, Frankfurt am Main ("**KfW**") the GOB has received a Credit ("**KfW Credit**") and a Grant ("**KfW Grant**") for further expansion of the Project;
- (E) by a Financing Agreement dated 20 March 2006 between IDCOL and Deutsche Gesellschaft fur Technische GmbH ("**GTZ**") IDCOL has received a Grant ("**GTZ Grant**") for further expansion of the Project;
- (F) by the Agency and Administration Agreement dated October 2, 2002 between GOB and IDCOL, the latter has been selected as an Implementing Agency of the GOB to administer part of the Credit and Grant with the objective to develop, and promote, through Participating Organizations referred to hereinafter, Photo Voltaic ("**PV**") Solar Home Systems ("**SHSs**"), wind hybrid, mini-hydro and biomass Subprojects as provided under Part –C of Schedule 2 to the Credit Agreement and Part –C of Schedule 2 to the Grant Agreement;
- (G) by the Subsidiary Loan Agreement dated 7 May 2006 signed between the IDCOL and GOB, IDCOL has been selected to channel KfW financing for further expansion of the Project;
- (H) a total of 13 (thirteen) Supplier and Lender Participating Organisations, described below, are implementing IDCOL part of the Project and have installed 64,362 SHSs by February 2006;
- (I) IDCOL is intending to engage new Supplier and Lender Participating Organisations; and
- (J) the PO has undertaken PV SHSs Subproject ("**Subproject**") and requested

IDCOL (a) for Grants for capital buydown of SHSs and institutional development of the PO; and/or (b) to Refinance the loans extended by the PO to the SHS Purchasers (the “Households”) for the purchase, installation and maintenance of SHSs within the Subproject Areas, and IDCOL has agreed to provide the Grants and Refinance as aforesaid, on the basis of foregoing and in accordance with the terms and conditions set forth in this Agreement;

NOW THEREFORE, the parties hereto hereby agree as follows:

ARTICLE I

Definitions and Interpretations

Section 1.01. *Definitions.* Unless the context otherwise requires, in this Agreement-

- (a) “Accounting Principles” means the accounting principles, which are generally accepted in the People’s Republic of Bangladesh and applied on a consistent basis;
- (b) “Approved Solar Equipment” means equipment for SHSs approved by the Technical Standards Committee formed by IDCOL;
- (c) “Authorized Representative” means any person designated by the PO or IDCOL as its representative;
- (d) “Availability Period” means the period that will be available from the date of this Agreement to the date falling 35 months thereafter for IDCOL’s Grants under Section 3.04 and 3.05, and Refinance under Section 3.06;
- (e) “Business Days” means days during which Banks are open in Dhaka;
- (f) “Cure Period” means the period as referred to in Section 8.03;
- (g) “Disbursement” means any amount of the Grant and/or Refinance, which is disbursed from time to time by IDOCL to the PO under this Agreement;
- (h) “Dollars” means the lawful currency of the United States of America, the sign “\$” refers to Dollars and “EURO” means the lawful currency of European Union and “EUR” refers to EURO;
- (i) “Events of Default” means the events specified or referred to under Article VIII of this Agreement;
- (j) “Event of Default Notice” means notice specified under Section 8.03(a);
- (k) “First Interest Payment Date” means the date falling after six months of first disbursement;
- (l) “First Repayment Date” means the Interest Payment Date immediately falling after the second anniversary date of each disbursement.

- (m) “Fiscal Year” means the accounting year of the PO commencing each year on January 1 and ending on the following December 31, or such other accounting period of the PO as it may, with IDCOL’s consent, from time to time designate as the Fiscal Year of the PO;
- (n) “GEF” means the Global Environment Facility, a financial mechanism for funding activities in recipient countries aimed at protecting the global environment jointly implemented by the United Nations Development Program, the United Nations Environment Program and the International Bank for Reconstruction and Development (“**IBRD**”);
- (o) “Grace Period” means two years from the first disbursement during which principal refinance will not be repaid as per Section 4.08 while the interest as per Section 4.06 will be payable;
- (p) “Grants” means Grant-A under Section 3.04 and Grant-B under Section 3.05 sourced out of GEF Grant, or KfW Grant or GTZ Grant or any other source subsequently, to be made by IDCOL to the PO;
- (q) “GTZ” means Deutsche Gesellschaft für Technische Zusammenarbeit or German Technical Cooperation, Federal Republic of Germany;
- (r) “Households” include households, individuals, small business and commercial entities and other private entities in the Subproject Areas;
- (s) “Household Instalment Payment” means instalment payment scheduled under loan or lease agreement between the PO and Household;
- (t) “IBRD” means the International Bank for Reconstruction and Development (also known as the World Bank);
- (u) “IDA” means the international organization entitled “International Development Association” and established by its Articles of Agreement among its member countries (“**IDA**”);
- (v) “Interest” means interest as stated under Section 4.06 of this Agreement;
- (w) “Interest Payment Date” means 15 December and 15 June in each year during the term of the Refinance, provided that if such date falls on a day, which is not a business day, the Interest Payment Date shall be the immediately succeeding Business Day.
- (x) “KfW” means KfW, Frankfurt am Main, Federal Republic of Germany;
- (y) “Loans to Households” means the Total Capital Cost of the SHS minus Household Downpayment under Section 3.03 and Grant-A under Section 3.04;
- (z) “Participating Organizations or POs” includes a Micro Finance Institution, Non Governmental Organization, Supplier/Dealer of Approved Solar Equipment,

Commercial Bank, Merchant Bank, Leasing Companies, or other Private Entities that is a party to this Agreement;

- (aa) “PBS” means Palli Bidyut Samity, a rural cooperative owned and operated by REB;
- (bb) “Proceeds Account” means an interest-bearing Bangladesh Taka account to be opened by the PO in its name with a reputable bank or financial institution acceptable to IDCOL, to which all IDCOL Grants and Refinance under this Agreement; all Households downpayment and Instalment Payments; PO’s investment proceeds; and any other receivables under this agreement or Transaction Documents shall be deposited from time to time;
- (cc) “REB” means the Rural Electrification Board established by GOB under Rural Electrification Board Ordinance No. LI of 1977, with the objectives to take measures for effective use of electric power for development of the rural economy of the country;
- (dd) “Refinance” means the Refinance referred to in Section 3.06 and sourced out of the IDA Credit, or any other sources subsequently, to be made by IDCOL to the PO;
- (ee) “Release Date” means the date on which all monies payable under this Agreement shall have been fully paid in accordance with the provisions hereof;
- (ff) “Repayment Date” means each of the First Repayment Date and each Semi-Annual Date falling thereafter until outstanding reduces to zero;
- (gg) “Subproject/Subproject Activities” includes sale, supply, lease, purchase, micro-finance and income generation activities; and installation, operation, and maintenance of Approved Solar Equipment in the Subproject Areas;
- (hh) “Subproject Areas” means (1) geographical areas outside the grid electrification master plan of REB; (2) areas that do not qualify for grid electrification based on the revenue ratio criteria of REB; (3) remote households not qualified for grid electrification services by PBS; and (4) islands disconnected from the mainland; and isolated pocket areas, etc.;
- (ii) “Supplier Participating Organisation” means the PO defined in Section 2.01 below;
- (jj) “Supplier and Lender PO” means the PO defined in Section 2.03 below;
- (kk) “Suspension or Cancellation Notice” means notice specified under Section 4.12;
- (ll) “Taka” means lawful currency of Bangladesh;
- (mm) “Total Capital Cost of the SHS” means total costs of the Approved Solar Equipment;
- (nn) “Transaction Documents” means this Agreement, sales agreements or credit finance agreements, or other agreements relating to the lease or sale of SHSs between the PO

and Households; and between the PO and suppliers, manufacturers, dealers or distributors of Approved Solar Equipment.

Section 1.02. Interpretation. In this Participation Agreement, unless the context otherwise requires -

- (a) headings are for convenience only and do not affect the interpretation of this Agreement;
- (b) words importing the singular include the plural and vice versa;
- (c) a reference to a natural person includes any company, trust, joint venture, association, corporation or other body corporate and any authority;
- (d) a reference to a Section, Article, party or Schedule is a reference to that Section, Article, party or Schedule to this Agreement;
- (e) a reference to a document includes an amendment or supplement to, or replacement or novation of, that document but disregarding any amendment, supplement, replacement or novation made in breach of this Agreement; and
- (f) a reference to a party to a document includes that party's successors and permitted assigns.

ARTICLE II

Participating Organizations

Section 2.01. Supplier PO. A PO that supplies Approved Solar Equipment to Households in the Subproject Areas.

Section 2.02. Lender PO. A PO that extends Loans or micro-credit to Households in the Subproject Areas under Section 3.01.

Section 2.03. Supplier and Lender PO. A PO that supplies Approved Solar Equipment and extends Loans or micro-credit to Households in the Subproject Areas under Section 3.01.

Section 2.04. Inapplicability.

- (a) Sections 3.01, 3.02, 3.03, 3.05, 3.06, 3.07, 4.03, 4.05(c), 4.05, 4.06, 4.07, 4.08, 4.09, 4.10, 4.15, 5.01(b), 5.02(b), 7.03, 7.04(h), 7.04(i), 7.04(j), 7.05, 7.06 and 9.04 of this Agreement will not apply to a PO referred to in Section 2.01.
- (b) Section 3.04 of this Agreement will not apply to a PO referred to in Section 2.02.
- (c) Section 4.05(b) of this Agreement will not apply to a PO referred to in Section 2.02 and 2.03.

ARTICLE III

Loans to Households

Section 3.01. Loans to Households. Loans or micro-credit given to Households by PO referred to in Section 2.02 and 2.03 for the purchase of Approved Solar Equipment.

Section 3.02. Terms of Loans to Households.

(a) IDCOL and the PO will agree upon the interest rate and tenor of Loans or micro-credit to Households under Section 3.01 in a way that it renders the instalment payments of such loan affordable to Households.

(b) The PO shall use the format of loan or lease agreement attached hereto as Schedule V or substantially in the form acceptable to IDCOL, while making loan or micro-credit to the Households under Section 3.01.

Section 3.03. Households' Down Payment. Prior to each application for the Loans to Households as per Section 3.01, the Household will make a down payment equal to minimum 10% of the Total Capital Cost of each SHS.

Section 3.04. Grant-A.

(a) IDCOL will provide Grant-A as per Schedule below, per system per Household, to the PO referred to in Sections 2.01 and 2.03 with a view to buy down the Total Capital Cost of the Approved Solar Equipment supplied by the PO in the Subproject Areas.

Schedule for Grant-A

SHSs	Amount of Grant per system per Household
Up to 100,000 SHSs under the Project	Taka equivalent to EUR30
For further SHS under the Subproject	To be determined

(b) IDCOL, from time to time, will notify the PO about the availability of Grant-A amount, per system per Household, under paragraph (a) above.

Section 3.05. Grant-B.

(a) IDCOL will provide Grant-B as per Schedule below, per system per Household, to the PO referred to in Section 2.02 and 2.03 for its Institutional Development if the PO extends Loans to Households as per Section 3.01.

Schedule for Grant-B

SHSs	Amount of grant per system per Household
Up to 100,000 SHSs under the Project	Taka equivalent to EUR8
For further SHS under the Subproject	To be determined

(b) IDCOL, from time to time, will notify the PO about the availability of Grant-B amount, per system per Household, under paragraph (a) above.

Section 3.06. *Refinance*. Without prejudice to Section 4.01(a), if the PO referred to in Section 2.02 and 2.03 extends Loans or micro-credit to Households as per Section 3.01, it will receive from IDCOL 80% Refinance of that loans or micro-credit as per Section 4.01 and in accordance with the eligibility criteria set forth under Section 4.03 and other terms and conditions of this Agreement.

Section 3.07. *PO Investment*. After IDCOL Refinance under Section 3.06, the remaining 20% of PO Loans or micro-credit to Households under Section 3.01 will be the PO's investment in each SHS.

ARTICLE IV

IDCOL Grants and Refinance

Section 4.01. *IDCOL Grants and Refinance*.

(a) On the basis of approved business plan of the PO, and without prejudice to sections, 3.04, 3.05 and 3.06 and the proviso hereunder, IDCOL agrees to provide Grant-A as per Section 3.04, Grant-B as per Section 3.05, as applicable, and Refinance as per Section 3.06 up to the maximum of US\$1,541,000 equivalent in Taka, to the PO during the Availability Period and the PO agrees to receive these Grants and Refinance amount in accordance with the terms and conditions of this Agreement.

Provided the Refinancing amount shall not exceed US\$230 equivalent in Taka per system in case of IDA Credit and EUR176 equivalent in Taka in case of KfW Credit, which shall be reviewed and confirmed semi-annually by IDCOL.

(b) The IDCOL refinance amount will be revised based on the availability of fund and annual review by IDCOL of the PO's performance in terms of meeting the target projected by the PO in its business plan.

(c) IDCOL Grants and Refinance amount is meant for the purposes specified in Sections 3.04, 3.05 and 3.06, as applicable.

(d) The exchange rate of Taka against Dollars or EUR, as applicable, as of the date of replenishment by the World Bank or KfW, as applicable, will be used while making disbursements by IDCOL. This rate will be reviewed every six months to establish the applicable exchange rate for the relevant six months period and accordingly all disbursements made during such period will be adjusted.

(e) Unless otherwise agreed by IDCOL in writing, IDCOL's Grants and

Refinance commitment, as applicable, may be cancelled by IDCOL by serving notice in writing to the PO, if the PO fails to draw its first disbursement upon satisfying the relevant Conditions Precedent within 60 days from the date of this Agreement.

Section 4.02. *Eligibility Criteria for PO referred to in Section 2.01.* - Without prejudice to Conditions Precedent for Disbursement set forth under Section 5.01 (a), the PO shall have to satisfy the following criteria to be eligible for IDCOL Grant under Section 3.04, namely,

(a) it is validly existing in Bangladesh for at least two years with proven experience in Subproject activities; and

(b) it has a minimum equity (including capital fund) of Taka 1,000,000.

Section 4.03. *Eligibility Criteria for PO referred to in Section 2.02 and 2.03.* Without prejudice to Conditions Precedent for Disbursement set forth under Section 5.01 (b), the PO shall have to satisfy the following criteria to be eligible for IDCOL Grants and Refinance, as applicable, under Sections 3.04, 3.05 and 3.06, namely,

(a) it complies with all criteria under Section 4.02;

(b) its business plan has been approved by IDCOL;

(c) it segregates its SHS micro finance operating activities into a Special Project Vehicle (“SPV”), the operating result of which are detailed in audited financial Statement;

(d) its loan recovery rate is at least 80%; and

(e) it maintains a debt:equity ratio which under no circumstance will exceed 4.0, to be certified annually by auditor.

Section 4.04. *Targets.* Subject to the approved business plan of the PO referred to in Section 4.03 and annual review by IDCOL, the PO will sell or lease, supply, finance, as applicable, and install and maintain various sized SHS, e.g, 20 Wp, 36 Wp, 40 Wp, 50 Wp, 75 Wp, or others, as shall be approved by the Technical Standard Committee, and in accordance with the below:

Year	SHSs
First year after the date of this Agreement	...
Second year after the date of this Agreement	...
Third year after the date of this Agreement	...

Section 4.05. *Disbursements.*

(a) The PO may request disbursements of the Grants and/or Refinance, as applicable, under Sections 3.04, 3.05 and 3.06 by delivering to IDCOL, at least twenty one (21) Business Days prior to the proposed date of disbursement, a Disbursement Request in form attached hereto as Schedule I, and a receipt substantially in form attached hereto as Schedule II.

(b) Upon submission of the Disbursement Request by the PO referred to in Section 2.01, IDCOL will disburse Grant-A amount as per Section 3.04 in favour of the PO on fulfilment of Conditions Precedent set forth in Section 5.01(a) and requirements under Section 9.05.

(c) Upon submission of the Disbursement Request by the PO referred to in Section 2.02 and 2.03, IDCOL will disburse the Grants and Refinance amount as per Sections 3.04, 3.05 and 3.06, as applicable, in the Proceeds Account on fulfilment of Conditions Precedent set forth in Section 5.01(b) and requirements under Section 9.05.

(d) The number of Disbursements shall not be more than 12 in a year.

Section 4.06. *Interest.* The PO shall pay interest at the rate of six percent (6%) per annum on the refinanced amount under Section 3.06 calculated on outstanding balance with effect from the First Interest Payment Date.

Section 4.07. *Accounts.* At least thirty (30) days prior to first disbursement date, the PO will open and maintain following bank accounts (**Subproject Accounts**) with a bank acceptable to IDCOL (**Account Bank**):

(a) *Proceeds Account.*

(i) A proceeds account to which all IDCOL Grants and Refinance, PO investment, Households' downpayment and Instalment Payment proceeds, and all other receivables under this Agreement or Transaction Documents including Performance Liquidated Damages (PLDs), Delay Liquidated Damages (DLDs) and insurance proceeds will be deposited.

(ii) Subject to the terms and conditions of this Agreement, all proceeds deposited in the proceeds account will be used, to -

(A) refinance Loans to Households under Section 3.01;

(B) make payments to the supplier of Approved Solar Equipment;

(C) meet operating expenses of the PO including its institutional development; and

(D) make repayments as per Section 4.08.

(iii) The PO will be required to have its cheques countersigned by IDCOL before making any withdrawal from the proceeds account, if IDCOL delivers to the PO -

(A) any Events of Default Notice; or

(B) any Suspension or Cancellation Notice.

Provided that IDCOL may waive this right if the PO delivers adequate

guarantee to the satisfaction of IDCOL regarding smooth operation of the PO and scheduled debt service under this Agreement.

(b) ***Debt Service Reserve Account.***

- (i) A Debt Service Reserve Account (“**DSRA**”) which will be funded by the PO up to its required balance equal to one repayment instalment under this Agreement, as shall be determined by IDCOL, two months prior to First Repayment Date.
- (ii) The PO may use the balance in the DSRA on providing adequate guarantee to the satisfaction of IDCOL; and until IDCOL delivers any Events of Default Notice or Suspension or Cancellation Notice.

Section 4.08. *Repayments.*

(a) The PO will repay the principal Refinanced amount referred to in Section 3.06 on each Interest Payment Date and including the First Repayment Date semi-annually in 17 equal instalments.

(b) In case of Refinancing made from IDA Credit, all repayments of principal Refinanced amounts under this agreement shall be made by the transfer of immediately available funds in Taka to -

Infrastructure Development Company Limited
Repayment Account in BDT under IDA/REREDP Credit No. 3679-BD (IDCOL Part)
Bangladesh Bank
Dhaka, Bangladesh.

(c) In case of Refinancing made from IDA Credit, 97% of all interest payment, as referred to in Section 4.06, shall be made by the transfer of immediately available funds in Taka to the Repayment Account referred to in paragraph (b).

(d) After complying with paragraph (c), the remaining 3% of all interest payment, as referred to in Section 4.06, shall be made by the transfer of immediately available funds in Taka to -

Account Number 031433001981
Infrastructure Development Company Limited
Janata Bank Sher – e – Bangla Nagar Branch
Dhaka - 1207.

(e) In case of Refinancing made from KfW Credit, all repayments of principal Refinanced amounts and interest accrued thereon as per Section 4.06 under this Agreement shall be made by the transfer of immediately available funds in Taka to IDCOL’s account designated in paragraph (d) above.

Section 4.09. *Prepayments.*

(a) The PO giving not less than thirty (30) days’ prior notice to IDCOL may

prepay the IDCOL Refinance amount under Section 3.06 on an Interest Payment Date in whole or in part (but, if in part, in a minimum aggregate of Tk. 200,000 (Taka two hundred thousand) and integral multiple of Tk 50,000 (Taka fifty thousand)).

(b) The PO shall prepay IDCOL Refinance amount by PLDs, DLDs, and insurance proceeds receivable or received under this Agreement or any Transaction Documents.

Provided subject to the approval by IDCOL of any restoration plan submitted by the PO, the insurance proceeds receivable or received under any Transaction Documents may be used for restoration of the damaged systems under the Subproject.

(c) The amount prepaid shall be applied against the Repayment Instalments under Section 4.08 in inverse order of maturity.

Section 4.10. *Late Payment.* Without prejudice to remedies available to IDCOL under Section 8.07 or otherwise, if the PO fails to make any payment of principal Refinance or interest, on or before the due date as specified in this Agreement, or if not so specified, as notified by IDCOL to the PO, the PO shall pay a late payment charge which shall be –

(a) on any interest overdue (other than principal), interest at the rate of 2%; and

(b) on any overdue amount of principal Refinance, at the rate of 2% per annum over and above the interest rate specified in Section 4.06; and in each case from the date any such payment became due until the date of actual payment.

Section 4.11. *Suspension or cancellation of Grants and Refinance, as applicable, by IDCOL.* IDCOL may at any time suspend the undrawn amounts of all Grants and Refinance under this Agreement, if -

(a) the Credit Agreement, as referred to in the preamble to this Agreement, between GOB and IDA is suspended or cancelled for whatever reasons;

(b) the Grant Agreement, as referred to in the preamble to this Agreement, between GOB and IBRD acting as an implementing agency of the GEF is suspended or terminated for whatever reasons;

(c) The Financing and Programme Agreement as referred to in the preamble to this Agreement, between GOB and KfW is suspended or cancelled for whatever reasons;

(d) the Agency and Administration Agreement, as referred to in the preamble to this Agreement, between IDCOL and GOB is suspended or cancelled for whatever reasons;

(e) it becomes unlawful for IDCOL to give effect to any of its obligations under this Agreement;

(f) a right of suspension or cancellation arises under Section 8.02 (a);

(g) the GOB suspends or terminates the right of the PO to use the proceeds of the Grants and Refinance, as applicable, upon the failure by the PO to perform any of its obligations under this Agreement;

(h) IDCOL evaluates PO's performance, as referred to in Section 9.06, to be negative.

Section 4.12. Notice of Suspension or Cancellation. IDCOL will provide to the PO a notice ("**Suspension or Cancellation Notice**") in writing within 15 days of occurrence of any events described in Section 4.11.

Section 4.13. Effect of Suspension or Cancellation by IDCOL.

(a) Notwithstanding any suspension or cancellation by IDCOL under Section 4.11, all the provisions of this Agreement shall continue in force and effect except the right of the PO to receive Disbursement in respect of the amount so suspended or cancelled.

(b) All outstanding amounts under this Agreement will become immediately payable by the PO to IDCOL if IDCOL suspends or cancels Grants or Refinance under this Agreement.

Section 4.14. Termination of Agreement.

(a) *Termination by the PO.* - The PO may, by not less than thirty (30) days' prior notice in writing to IDCOL, terminate this Agreement, provided that it will immediately pay all outstanding amount under this Agreement.

(b) *Termination by IDCOL.* - Without prejudice to any provisions in this Agreement IDCOL may, by not less than fifteen (15) days' prior notice ("**Termination Notice**") in writing to the PO, terminate this Agreement.

(c) All outstanding amounts under this Agreement will become immediately payable by the PO to IDCOL on delivery of Termination Notice under paragraph (b) above.

Section 4.15. Taxes. All payments by the PO under this Agreement shall be made without any deduction and free and clear of any taxes except to the extent that the PO is required by law to make payments subject to any taxes. If any amount in respect of taxes must be deducted from any amount payable by the PO to IDCOL, the PO shall pay such additional amount as may be necessary to ensure that IDCOL receives a net amount, which it would have received had payments subject to taxes not been made.

Section 4.16. Computation of Interest. Interests on the Refinance amounts and other charges, if any, shall be computed on the basis of actual number of days elapsed and three hundred and sixty (360) days a year.

Article V

Conditions Precedent to Disbursement

Section 5.01. *Conditions Precedent to First Disbursement.* The obligation of IDCOL to make first disbursement to the PO is subject to the fulfilment of following preconditions, namely,

- (a) for the PO referred to in Section 2.01 requesting for Grant-A under Section 3.04:
 - (i) copy of Memorandum of Association, or Charter, of the PO with a Board of Directors, or Trustee Board, resolution enabling the PO to carry out the business of selling, purchasing, installing, maintaining and financing SHSs; enter into this Agreement; and receive Grant and Refinance from IDCOL hereunder shall have been furnished;
 - (ii) all governmental approvals, licenses or consents required for the carrying out of the business of the PO shall have been obtained and are in force; or arrangements, to the satisfaction of IDCOL, shall have been made for their procurement;
 - (iii) legal opinion in form attached hereto as Schedule IV is obtained;
 - (iv) Request for Disbursement under Section 4.05 shall have been made attaching the Certificate of Installation and Acceptance of the SHS the form attached hereto as Schedule III.

(b) for the PO referred to in Section 2.02 and 2.03 requesting for Grants and Refinance, as applicable, under Sections 3.04, 3.05 and 3.06:

- (i) copy of the bank receipts, supported by current bank statement, regarding deposit of the Households' Down Payment as per Section 3.03 shall have been furnished;
- (ii) compliance with paragraph (a) (i)(ii) and (iii) above with following addition, namely,
 - (A) copy of loan or lease Agreement between the PO and Households under Section 3.01 in form, or substantially in form, attached hereto as Schedule V shall have been furnished;
- (iii) creation of effective and continuing lien on the Subproject Accounts referred to in Section 4.07 in favour of IDCOL which is acknowledged by the Account Bank.

Section 5.02. *Conditions Precedent to All Disbursements.* The obligation of IDCOL to make any disbursement under this Agreement is subject to the fulfilment of following preconditions, namely,

- (a) for the PO referred to in Section 2.01 requesting for Grant-A under Section

3.04:

- (i) section 5.01 (a) is complied with;
- (ii) no Event of Default has occurred, is continuing or likely to occur;
- (iii) Representations and Warranties made under Article VI of this Agreement are true on and as of the date of the relevant Disbursement;
- (iv) no change in the condition of the PO has occurred which is likely to materially or adversely effect the operation of the Subproject; and
- (v) no litigation or other proceedings has been current, or is likely to be instituted, which if adversely determined would materially affect the operation of the Subproject.

(b) for the PO referred to in Section 2.02 and 2.03 requesting for Grants and Refinance, as applicable, under Sections 3.04, 3.05 and 3.06:

- (i) section 5.01(b) is complied with; and
- (ii) all items of paragraph (a) above are complied with.

ARTICLE VI

Representations and Warranties

Section 6.01. - The PO represents and warrants as follows:

(a) Status. it is a Non Governmental Organisation duly organised and validly existing under the laws of the People's Republic of Bangladesh;

(b) Corporate Power. it has the corporate power to own its assets, carry on its business as it is being conducted and to enter into, and perform its obligations under this Agreement;

(c) Corporate Authority. it has the power to enter into and perform, and has taken all necessary action to authorize the entering into, performance and delivery of, this Agreement;

(d) Dedicated Staff. it has adequate and trained dedicated staff to operate the Subproject successfully;

(e) Validity. this Agreement constitutes, or when executed in accordance with its terms, will constitute, its legal, valid and binding obligation enforceable against the PO in accordance with its terms and, so far the PO is aware, is in full force and effect;

(f) No Conflict. the execution, delivery and performance by it of this Agreement will not violate or conflict with –

(i) any law, rule or regulation or governmental approval or judicial order to which it is subject in any material respect;

(ii) the constitutional documents of the PO;

(g) Authorizations and Approvals. all material authorizations required in connection with entering into, performance and validity and enforceability of this Agreement have been obtained and are in full force and effect so far as the PO is aware and no steps have been taken to revoke or cancel any such authorizations obtained or effected;

(h) Immunity. the PO, its properties and assets do not enjoy any right of immunity from set-off, suit or execution in respect of its obligations under this Agreement;

(i) Proceedings. no litigation, arbitration or administrative or other proceedings are current, or to its knowledge, pending or threatened which, if adversely determined, would have a Material Adverse Effect on the Subproject;

(j) Accounting Principles. it maintains accounting principles as described under Section 1.01(a);

(k) Environmental Compliance. it has been in compliance with all Bangladesh environmental laws and regulations relevant for the operation of the Subproject; and

(l) Funding by others: it has not received any funding from any other donors or funding agencies to carryout the Subproject Activities.

ARTICLE VII

Undertakings

Section 7.01 Record Keeping. - The PO undertakes that it,

(a) will maintain proper record of accounts using the accounting principles as described in Section 1.01(a);

(b) shall procure that IDCOL be allowed access to inspect the accounting books, records and other data related to the Subproject which are in the possession or control of the PO;

(c) shall procure that GOB be allowed access to inspect by itself, or jointly with IDA, the Subproject sites, Subproject activities and any relevant records and documents;

Section 7.02 Furnishing of Information. – The PO undertakes that,

(a) it will furnish to IDCOL:

(i) as soon as the same are available (and in any event within forty five (45) days of the end of each financial year) its audited accounts for that financial year;

(ii) its monthly financial statements along with a letter signed by the managing director, certifying that the covenants made under this Agreement have been met;

(iii) all of its half yearly financial statements using the format approved by IDCOL showing performance against budget as referred to in Section 7.04;

(iv) notice of any Events of Default that has occurred or is likely to occur.

(b) it, if so requested by the GOB, shall furnish to the GOB any information regarding the administration, operation and financial condition of the PO.

Section 7.03 *Financial Undertakings*. The PO will maintain a ratio of operating revenues to operating expenses (including debt service) of at least 1.5. This ratio is to be calculated, on an aggregate basis, in each semi-annual period.

Section 7.04 *Operation and Maintenance*. – the PO further undertakes that it,

(a) shall diligently maintain and operate the Subproject in a safe, efficient and business like manner;

(b) shall, between 120 to 90 days before the start of each year with effect from the first disbursement, provide to IDCOL a draft annual operating budget of the Subproject showing the likely expansion of Subproject activities for approval; provided that -

(i) if IDCOL does not reject the draft operating annual budget in writing to the PO within 30 days of its receipt, that draft annual operating budget as referred to in paragraph (b) above shall become the operating budget for that year;

(ii) acting reasonably, if IDCOL rejects the draft annual operating budget and IDCOL and PO do not reach an agreement on such budget, the operating budget of that year will be compiled using items in the previous year's operating budget;

(c) shall not change its business during the tenor of the Grant and Refinance;

(d) will always comply with Section 6.01 (g);

(e) will comply with all law and regulations in respect of payment of taxes or other payment required by the government or any lawful authority;

(f) will comply with Section 6.01(d);

(g) will provide after sale maintenance support to Households for at least five years, and will not charge any extra fees or cost from the Households except as may be stipulated in the warranty documents for any subsequent repair or replacement of the Approved Solar Equipment during the warranty period;

(h) will not incur any indebtedness except the permitted refinancing by IDCOL;

(i) will comply with Section 4.07;

(j) will not enter into any contract with third party which might have material and adverse effect on the security of IDCOL;

(k) will always comply with Section 6.01(k);

(l) will forthwith inform IDCOL whenever the Households shift the SHSs from the place of original installation; and

(l) will not abandon the Subproject.

Section 7.05. *Distributions*. If an Event of Default shall occur and IDCOL delivers a notice thereof to the PO, the PO will have to have its bank cheques countersigned by IDCOL before making any transfer or distribution of money from the Secured Accounts.

Section 7.06. *Negative Pledge*. No further encumbrances over Subproject Accounts will be allowed unless approved by IDCOL in writing.

Section 7.07. *Funding by others*: The PO shall not claim or receive any funding from any other donors or funding agencies, except IDCOL, to carryout the Subproject Activities.

Section 7.08. *Geographic location of SHS*. The PO will provide the data related to the location of the SHS installed using Global Positioning System, as required by IDCOL, along with the disbursement request.

ARTICLE VIII

Events of Default

Section 8.01. – It shall be an event of default on the part of the PO, if,

(a) *Non-payment*. it fails to make repayment in accordance with Section 4.08;

(b) *Breach of Representations and Warranties*. it commits breach of any Representations and Warranties under Article VI that IDCOL determines to have material and adverse effect on the Subproject;

(c) *Breach of Undertakings*. it commits breach of any undertakings under Article

VII that IDCOL determines to have material and adverse effect on the Subproject;

(d) Government Action. government takes any action to nationalize, expropriate or confiscate the PO and/or its assets;

(e) Failure to Achieve Target. it fails to comply with Section 4.04 and to provide an explanation acceptable to IDCOL for such non-compliance;

(f) Declaration of Insolvency by Court. it is declared insolvent by any court;

(g) Insolvency proceedings by the PO. any insolvency, bankruptcy or reorganization proceedings is undertaken by the PO that has not been discharged within thirty (30) days of its institution; and

(h) Insolvency proceedings by the Creditor. any insolvency proceeding is undertaken against the PO by any creditor of the PO that has not been discharged within thirty (30) days of its institution.

Section 8.02 Remedies upon an Event of Default. If IDCOL becomes aware, or is notified by the PO, of occurrence or likelihood of any Events of Default, it may,

(a) suspend or cancel its commitment to provide any undisbursed Grants and Refinance under this Agreement;

(b) declare all amounts outstanding due and immediately payable;

(c) require the PO to have its cheques countersigned by IDCOL before making any withdrawal from Subproject Accounts.

Section 8.03. Cure Period. (a) If IDCOL becomes aware, or is notified by the PO, of occurrence or likelihood of any Events of Default that IDCOL determines to be curable, it will send to the PO a notice in writing (“**Notice of Events of Default**”) requiring the latter to cure the relevant default within 30 days of its occurrence.

(b) If the PO fails to cure the default referred to in paragraph (a) above within the Cure Period, IDCOL may exercise remedies under Section 8.02 or any other available remedies.

Section 8.04. Savings of Rights. No course of dealing and no delay in exercising, or omission to exercise any right, power or remedy accruing to IDCOL upon any Events of Default of the PO, shall impair any such right, power or remedy or be construed to be a waiver thereof, or any acquiescence therein, nor shall the action of IDCOL in respect of any Event of Default, or any acquiescence therein, affect or impair any of its right, power or remedy in respect of other Events of Default.

ARTICLE IX

Miscellaneous Provisions

Section 9.01. Governing Law and Jurisdiction. This agreement is governed by and shall be construed with the laws of the People's Republic of Bangladesh.

Section 9.02. Dispute Resolution. (a) *Negotiation.* Any dispute that may arise between the PO and IDCOL in connection with or under this Agreement shall be tried to be amicably resolved through mutual negotiation of both parties.

(b) *Mediation.* If any dispute referred to in paragraph (a) above arises and cannot be resolved through negotiation, it will be referred to a third party mediator selected by both parties for a mediated resolution; and the cost of such mediation will be shared jointly by both parties.

(c) *Arbitration.* In case a dispute is not resolved through methods as per paragraphs (a) and (b) above, it shall be referred to arbitration under the Arbitration Act 2001 (the “Act”) of Bangladesh as the last resort; the arbitral award thereon shall be final and binding; and the cost of such arbitration shall be shared jointly by the parties or as may otherwise be determined under the Act.

Section 9.03. Successors and Assigns. This Agreement shall bind, and inure to the benefit of, the respective successors and permitted assignees of the parties. IDCOL shall give the PO at least fifteen (15) days' written notice before making any such assignment.

Section 9.04. Consultancy, training, SHS tools and publicity materials.

(a) IDCOL will provide consultancy, training, SHS tools and publicity materials to the PO.

(b) IDCOL will bear 80% of the costs related to the activities mentioned in paragraph (a) above, whereas the PO will have to bear the rest 20% of such costs.

(c) IDCOL and the PO will reach prior agreement about the scale, cost etc. of activities mentioned in paragraphs (a) above.

Section 9.05. Monitoring and Random Verification by IDCOL. IDCOL will monitor the PO and make random verification of its performance statements including visiting Households to ensure that:

(a) the PO is using IDCOL Grants and Refinance for the purposes intended under this Agreement;

(b) the PO referred to in Section 2.02 and Section 2.03 is providing after sale services of the SHSs; and

(c) Households are satisfied with their SHSs.

Section 9.06. Evaluation of Performance of PO. IDCOL will annually evaluate the performance of the PO, and, based upon the evaluation, decide whether to continue or suspend or cancel its line of Grants and Credits to the PO.

Section 9.07. Amendment and waiver.

(a) Any provision of this Agreement may be amended by mutual agreement of the parties in writing.

(b) Any waiver of any right under this agreement must be in writing and signed by the parties.

Section 9.08. Confidentiality. IDCOL undertakes to keep all information referred to under Section 7.02 confidential and not to disclose to any third party unless such disclosure is:

(a) incidental to or in connection with this Agreement;

(b) required by an order of a court of competent jurisdiction whether in pursuance of any procedure for discovering documents or otherwise;

(c) made to its officers and employees, or other professional advisors;

(d) required to be made before any banking, taxation, or other governmental or regulatory authority who is lawfully entitled to that disclosure.

Section 9.09. Set-off. IDCOL may set-off any matured obligation owed by the PO under this Agreement against any obligation (whether or not matured) owed by IDCOL to the PO, regardless of the place of payment.

Section 9.10. Indemnity. The PO shall, on demand, forthwith indemnify IDCOL against any loss or liability, which IDCOL incurs as a consequence of any late payment by the PO under Section 4.10.

Section 9.11. Authorized Signatories.

(a) The PO shall furnish to IDCOL, in form and substance satisfactory to IDCOL, evidence of the authority of the person or persons who will, on behalf of the PO, sign the Disbursement Request and Certificates under this Agreement, or take any action or execute any document required or permitted to be taken or executed by the PO under this Agreement.

(b) The PO shall furnish to IDCOL the authenticated specimen signature of each such person under paragraph (a) above.

Section 9.12. Survival of Agreement. This Agreement shall continue in force in accordance with the terms and conditions hereof until the Release Date.

Section 9.13. Subrogation. If the PO referred to in Section 2.02 and 2.03 becomes insolvent, bankrupt, incapable to continue its business, or is expropriated/nationalized/confiscated by the government, or ceases to exist; and IDCOL decides to exercise remedies under Section 8.02, all rights of the PO pursuant to loan agreement between the PO and Households as per Section 3.01 and 3.02(b) will be subrogated to IDCOL.

Section 9.14. Recycling of Batteries.

(a) The POs referred to in Section 2.01, 2.02 and 2.03, as applicable, shall, to the satisfaction of IDCOL, make necessary contractual arrangements with the relevant parties, e.g., manufacturer, supplier, and distributor of Industrial Deep Cycle Batteries, for environment-friendly recycling of all such batteries to be used under the Subproject.

(b) As shall be required by IDCOL from time to time, the PO will furnish reports to IDCOL regarding the recycling of batteries as per paragraph (a) above.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed in their respective names on the date first above written.

The common seal of
...
was affixed in the presence of:

)

)

Name: ...
Title: ...

The common seal of
INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED
Was affixed in the presence of:

)

)

Name: ...
Title: ...

Schedule I
Form of Disbursement Request
(Refer to Section ----)

[PO LETTERHEAD/LOGO]
[Address]
[Date]

Executive Director and CEO
Infrastructure Development Company Limited (IDCOL)
UTC Building (16th Floor)
8 Panthapath, Kawranbazar
Dhaka - 1215, Bangladesh

Dear Sir:

Participation Agreement No. []

Request for Disbursement No. []

Please refer to the Participation Agreement dated [], 200... (the "Participation Agreement") between [] (the "PO") and IDCOL.

All terms defined in the Participation Agreement shall bear the same meanings herein.

The PO hereby requests the Disbursements, on or before [], 200..., of the following amount, in accordance with the provisions of Sections []:

Item	Amount (Taka)
KfW/GTZ Subsidy-A	
KfW/GTZ Subsidy-B	
Refinancing	
Total	

The PO requests that such amount be paid to the Proceeds Account (referred to in Section 4.07) of the PO No. ... at the [Name and Address of local commercial bank].

IDCOL has heretofore disbursed the requested amount under the IDCOL Participation Agreement with the PO.

For the purposes of Section [] of the Participation Agreement, the PO hereby certifies as follows:

(a) For the PO as referred to in Section [], requesting Grant-A under Section []

1. Section 5.01 (a) is complied with;
2. No Event of Default as described under Article VIII of this Participation Agreement has occurred, is continuing or likely to occur;
3. Representations and Warranties made under Article VI of this Participation Agreement true on and as of the date of the relevant Disbursement;
4. No change in the condition of the PO has occurred which is likely to materially or adversely effect the carrying out of the Subproject;
5. No litigation or other proceedings has been current, or is likely to be instituted, which if adversely determined, would materially affect the operation of the Subproject; and
6. We have not received, or will not claim, any grant, subsidy, or financing from any funding agency, donor or other third party, except IDCOL, for the solar home systems for which grant and/or refinancing have been requested under this Disbursement Request.

(b) For the PO as referred to in Section [], requesting Grants and Refinancing under Sections []

1. Section 5.01(b) is complied with; and
2. No Event of Default as described under Article VIII of this Participation Agreement has occurred, is continuing or likely to occur;
3. Representations and Warranties made under Article VI of this Participation Agreement true on and as of the date of the relevant Disbursement;
4. No change in the Condition of the PO has occurred which is likely to materially or adversely effect the carrying out of the Subproject;
5. No litigation or other proceedings has been current, or is likely to be instituted, which if adversely determined, would materially affect the operation of the Subproject; and
6. We have not received, or will not claim, any grant, subsidy, or financing from any funding agency, donor or other third party, except IDCOL, for the solar home systems for which grant and/or refinancing have been requested under this Disbursement Request.

The certifications above are effective as of the date of this request and will continue to be effective as of the date of disbursement. If any of these certifications is no longer valid as of or prior to the date of the disbursement hereby requested, the PO will immediately notify IDCOL and will repay the amount disbursed upon demand by IDCOL if disbursement is made prior to the receipt of such notice.

Yours faithfully,

By

Authorized Representative

Schedule II
Form of Disbursement Receipt
(Refer to Section -----)

[PO LETTERHEAD/LOGO]
[Address]
[Date]

Executive Director and CEO
Infrastructure Development Company Limited (IDCOL)
UTC Building (16th Floor)
8 Panthapath, Kawranbazar
Dhaka - 1215, Bangladesh

Dear Sir:

Participation Agreement No. []

Request for Disbursement No. []

We, [Name of the PO], hereby acknowledge receipt of the sum of Taka []
disbursed to us by Infrastructure Development Company Limited (IDCOL) under the
Participation Agreement dated [], 200... signed between ourselves and IDCOL.

Yours faithfully,

By

Authorized Representative

Schedule III
Form of Installation and Acceptance of Solar Home System ("SHS")
(Refer to Section -----)

[PO LETTERHEAD/LOGO]
[Address]
[Date]

Executive Director and CEO
Infrastructure Development Company Limited (IDCOL)
UTC Building (16th Floor)
8 Panthapath, Kawranbazar
Dhaka - 1215, Bangladesh

Dear Sir:

Participation Agreement No. []]

Request for Disbursement No. []]

We, [Name of the PO], hereby certify the installation of Solar Home System ("SHS") of following particulars:

Name of the Households and Address	System Size (Wp)	Model and Serial No.	System Cost (Taka)	Household Down Payment (Taka)	PO Loans (Taka)	Global positioning information of SHS

Yours faithfully,

By:

Authorized Representative

Schedule IV
Form of Legal Opinion

[To be typed on the Letterhead of counsel acceptable to IDCOL]
[Address]
[Date]

Executive Director and CEO
Infrastructure Development Company Limited (IDCOL)
UTC Building (16th Floor)
8 Panthapath, Kawranbazar
Dhaka - 1215, Bangladesh

Dear Sir:

IDCOL Participation Agreement No. [] with [Name of the PO]

At your request, we have acted as Counsel for [name of the PO] in connection to the Participation Agreement dated [, 200...] between [Name of the PO] and IDCOL.

Expressions defined in the Participation Agreement bear the same meanings herein.

In connection with the foregoing and in our capacity as Counsel for [Name of the PO], we have examined the following documents:

- (a) The Participation Agreement;
- (b) The [Charter and Other Constitutional Documents] of [Name of the PO];
- (c) The resolutions of the [Name of the PO]'s Shareholders Meetings or Board of Directors authorizing:
 - (i.) [Name of the PO] to enter into the Participation Agreement;
 - (ii.) A person or persons to sign the Participation Agreement;
 - (iii.) A person or persons to sign the requests for disbursements and all other notices required to be given by the [name of the PO] under the Participation Agreement; and
 - (iv.) [Other relevant resolutions]
- (d) [All relevant governmental consents and authorizations]
- (e) Such other records and documents as we have deemed necessary or appropriate for the purposes of this opinion.

Based on the foregoing, we are of the opinion that:

- (a) [name of the PO] is duly [incorporated/authorized], validly existing and in good standing under the laws of Bangladesh.
- (b) the Charter is in compliance with the laws of Bangladesh and does not contain any provision which contradicts or impairs the participation Agreement;
- (c) [Name of the PO] has good title to all of its long term assets;
- (d) [Name of the PO] has obtained all governmental, corporate, creditors', shareholders' and other necessary licenses, approvals, or consents for:
 - (i.) the Release of Grants and Refinance by IDCOL under the Participation Agreement;
 - (ii.) the carrying out of Subproject Activities in accordance with Section []; and
 - (iii.) the remittance to IDCOL of all monies payable in respect of the Participation Agreement.
- (e) The Participation Agreement has been duly authorized, executed and delivered by [Name of the PO]; and
- (f) [Name of the PO] is current on its tax obligations; or [the PO is a tax-exempt entity].

This opinion is limited to laws of Bangladesh and is given in the premise that the Participation Agreement will be governed by and construed in accordance with Bangladeshi laws.

Yours faithfully,

By

Signature of the Counsel

Schedule V
Form of Loan or Lease Agreements between the PO and Households

[পি.ও.'র লেটার হেড]

সোলার সিস্টেম লীজিং সামগ্রী হিসাবে প্রদানের চুক্তিপত্র

১। আজ তারিখ এ চুক্তিপত্র সম্পাদিত হলো যার প্রথম পক্ষ { পি.ও.'র নাম ও ঠিকানা } এবং দ্বিতীয় পক্ষ :

.....

পিতা/স্বামীর নাম :

ঠিকানা :

২। দ্বিতীয় পক্ষ প্রথম পক্ষের নিকট হতে ওয়াটের সোলার সিস্টেম লীজিং সামগ্রী হিসাবে গ্রহণ করেছেন তার গ্রাহক নং, যা প্রথম পক্ষ কর্তৃক উপরোক্ত ঠিকানায় স্থাপন করা হয়েছে। উক্ত সিস্টেমের বর্ণনা দেয়া হলো :

বিবরণ	সংখ্যা	সিরিয়াল নং	মডেল	আকার/ক্ষমতা (Wp/Ah/V/W)
প্যানেল				
ব্যাটারী				
চার্জ কন্ট্রোলার				
বাতি				
সুইচ				
মাউন্টিং স্ট্রাকচার				

৩। উপরোক্ত সোলার সিস্টেম লীজিং প্রদানের শর্তাবলী নিবন্ধন :

(ক) উপরোক্ত সিস্টেমে উল্লিখিত বৈদ্যুতিক যন্ত্রপাতি সংযুক্ত থাকবে এবং চুক্তি মোতাবেক উল্লিখিত বাতি, টিভি ও অন্যান্য যন্ত্রপাতি ব্যবহার করা যাবে।

(খ) সিস্টেমটির সার্ভিস চার্জসহ বিক্রয় মূল্য টাকা।

(গ) দ্বিতীয়পক্ষ সিস্টেমটির মূল্যবাবদ প্রথম পক্ষকে টাকা পরিশোধ করেছেন।

(ঘ) দ্বিতীয় পক্ষ অবশিষ্ট টাকা টি কিস্তিতে প্রতিমাসে টাকা হিসাবে পরিশোধ করবেন।

(ঙ) দ্বিতীয় পক্ষের জন্য সম্পূর্ণ অর্থ পরিশোধের শেষ সময়।

(চ) দ্বিতীয় পক্ষকে প্রতিমাসের তারিখের মধ্যে কিস্তির টাকা পরিশোধ করতে হবে।

৪। কিস্তির টাকা দ্বিতীয় পক্ষ সঠিক সময়ে পরিশোধ করতে ব্যর্থ হলে {পি.ও.}(প্রথম পক্ষ) অতিরিক্ত সার্ভিস চার্জ প্রয়োগ অথবা প্রয়োজনে সম্পূর্ণ সোলার সিস্টেম খুলে আনার অধিকার সংরক্ষণ করে।

৫। প্রথম পক্ষ [পি.ও.] সোলার সিস্টেমের নিশ্চয়তাপত্র দ্বিতীয় পক্ষকে প্রদান করছে। সোলার সিস্টেমের নিশ্চয়তাপত্র দ্বিতীয় পক্ষ কর্তৃক ব্যবহার বিধিমালা যথাযথভাবে মেনে চলা সাপেক্ষে প্রযোজ্য হবে। {পি.ও.} কর্তৃক প্রদত্ত সোলার সিস্টেমের ব্যবহার বিধিমালা এ চুক্তির অংশ হিসাবে গণ্য হবে।

৬। দ্বিতীয় পক্ষ কিস্তির টাকা সময়মত পরিশোধ না করলে বা চুক্তির কোন শর্ত ভঙ্গ করলে প্রথম পক্ষ আইনের আশ্রয় গ্রহণ করার অধিকার সংরক্ষণ করে, সেক্ষেত্রে প্রযোজ্য নিশ্চয়তাপত্র বাতিল বলে গণ্য হবে।

- ৭। সোলার সিস্টেম ব্যবহার বিধিমালা সঠিকভাবে মেনে চলা না হলে {পি.ও.}-এর প্রতিনিধি বিক্রয়োত্তর নিশ্চয়তাপত্র বাতিল করতে পারবেন।
- ৮। দ্বিতীয় পক্ষ সংযোজিত সিস্টেমটির স্থান পরিবর্তন করতে চাইলে প্রথম পক্ষকে অবশ্যই অবহিত করে সাহায্য নিতে হবে। অন্যথায় সিস্টেমের নিশ্চয়তাপত্র বাতিল বলে গণ্য হবে।
- ৯। সম্পূর্ণ মূল্য পরিশোধ না হওয়া পর্যন্ত উপরোক্ত সোলার সিস্টেমটির মালিকানা {পি.ও.}-এর থাকবে। সম্পূর্ণ মূল্য পরিশোধ হলে উক্ত সিস্টেমের মালিক হবে সংশ্লিষ্ট গ্রাহক এবং সেক্ষেত্রে 'সিস্টেমের সম্পূর্ণ মূল্য পরিশোধ হয়েছে এবং উক্ত সিস্টেমের মালিক সংশ্লিষ্ট গ্রাহক' এ মর্মে {পি.ও.} সনদ প্রদান করবে।
- ১০। দ্বিতীয় পক্ষ, প্রথম পক্ষ {পি.ও.} কর্তৃক নির্ধারিত ব্যাংকের শাখায় অথবা {পি.ও.}-এর নির্ধারিত দপ্তরে পাওনা টাকা পরিশোধ করবেন।

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 ক্রেতার স্বাক্ষর

সাক্ষীগণের নাম, ঠিকানা ও স্বাক্ষর :

- (১) নাম :
 পিতা :
 গ্রাম : ডাক :
 উপজেলা : জেলা :
- (২) নাম :
 পিতা :
 গ্রাম : ডাক :
 উপজেলা : জেলা :

.....
 {পি.ও.}-এর পক্ষে :