

PERFORMANCE BANK GUARANTEE [nr.] dated [date]

- I. We the Undersigned, <BANK NAME> (hereinafter referred to as GUARANTOR), registered at <ADRESS>, <COUNTRY>, represented by <GUARANTOR officer's name and quality>, acting through GUARANTOR's office located in <ADRESS> have taken notice of CONTRACT referenced <CONTRACT NAME>, signed on <DATE>, (such CONTRACT being composed of a CONTRACT AGREEMENT and several annexes and appendices), between

Lageland B.V., a company organized and existing under the laws of Netherlands, registered before the Chamber of Commerce under number 94950210, with registered office at Winschoterdiep 50, 9723AB Groningen, hereinafter referred to as the "CLIENT"; and

[] hereinafter referred to as the "CONTRACTOR"

for the design, manufacturing and supply of a 110 MVA 110/33kV power transformer (hereinafter called: TRANSFORMER) including transport, installation, assembly and testing and commissioning.

- II. GUARANTOR hereby guarantees the due performance by CONTRACTOR of CONTRACTOR's obligations under the CONTRACT.
- III. GUARANTOR hereby irrevocably undertakes on behalf of CONTRACTOR to pay to CLIENT on first demand any sum or sums in aggregate not exceeding EUR [] (say: [] EUROS), which amount represents forty per cent (40 %) of the CONTRACT PRICE at the EFFECTIVE DATE of the CONTRACT.

At the time of the TRANSFER OF OWNERSHIP of the TRANSFORMER which shall be substantiated by proof of payment of the payment milestone under CONTRACT clause 9.1(d) Delivery on Site: 30% of the Contract Price, the amount of the guarantee shall be adjusted to cover ten per cent (10 %) of the CONTRACT PRICE.

At the time of issuance of the PROVISIONAL ACCEPTANCE CERTIFICATE, the amount of the guarantee shall be adjusted to cover five per cent (5 %) of the CONTRACT PRICE in order to guarantee the performance by CONTRACTOR of his obligations during the DEFECTS LIABILITY PERIOD.

- IV. Each demand by CLIENT for payment under this guarantee shall be made in writing by registered post to the following address:
<BANK NAME>
<ADRESS>

GUARANTOR shall promptly notify to CLIENT any change in the above address.

- V. GUARANTOR shall make payment hereunder on first demand without restriction or conditions and notwithstanding any objection by CONTRACTOR. GUARANTOR shall not require CLIENT to justify the breach indicated in its demand for payment, nor shall GUARANTOR have any recourse against CLIENT in respect of any payment made hereunder.
- VI. No alteration in the terms of the CONTRACT made by agreement between CONTRACTOR and CLIENT nor any failure by CLIENT to insist on proper performance of the CONTRACT or to pursue all remedies available to it against CONTRACTOR shall in any way release GUARANTOR from all or any part of its liabilities under this Guarantee.

- VII. GUARANTOR shall pay any sum demanded by CLIENT immediately.
- VIII. This Guarantee shall remain valid from EFFECTIVE DATE to five days following the date of the issuance of the FINAL ACCEPTANCE CERTIFICATE. Immediately upon expiry, this Guarantee shall be returned without delay to GUARANTOR.
- IX. The amount of this Guarantee as established pursuant to paragraph III above shall be reduced by the amount of any payments made by GUARANTOR to CLIENT hereunder.
- X. Terms used in this Guarantee which are defined in the CONTRACT shall have the meanings given to them in the CONTRACT.
- XI. This Guarantee shall be interpreted in accordance with the Laws of The Netherlands. Any proceedings for enforcement shall be exclusively settled by the court of Groningen The Netherlands.
- XII. GUARANTOR represents that this Bank Guarantee has been established in such forms and with such content that it is fully and freely enforceable against GUARANTOR in the manner provided in paragraph XI above.

(Date).....
Signature of GUARANTOR.