

Note: the issuing authorised deposit-taking institution must have a branch in Sydney or Melbourne and have a rating from Standard & Poor's of at least A- or a rating from Moody's of at least A3

To: Australian Renewable Energy Agency
ABN 35 931 927 899
2 Phillip Law Street
Canberra ACT 2601
(ARENA)

Bank Guarantee

- (a) **[Insert name of applicant] (Applicant)** has requested that we, **[insert name of issuing bank] (Bank)**, provide this bank guarantee to ARENA in relation to the negotiation of, and the reaching of 'Project Financial Close' under, a funding agreement to be entered into between the Applicant and ARENA (**Funding Agreement**) pursuant to the terms of the offer to negotiate from ARENA to the Applicant dated **[insert date] (Offer to Negotiate)**.
- (b) At the request of the Applicant, the Bank unconditionally and irrevocably undertakes to pay to ARENA, on demand in writing made in accordance with paragraph (f) of this bank guarantee, any sum or sums up to a maximum aggregate sum of AUD**[insert face value] ([insert amount in words]) (Maximum Amount)**.
- [Note: face value to be calculated as AUD20,000 x Project Capacity (MW(AC)), subject to a minimum of AUD250,000 and a maximum of AUD500,000.]*
- (c) The Maximum Amount is automatically reduced by the amount of any claim paid under this bank guarantee.
- (d) This bank guarantee continues until the first to occur of:
- (1) 4.00pm on [20 January 2017];
 - (2) receipt by the Bank of written notice from ARENA that this bank guarantee is no longer required by ARENA;
 - (3) return of this bank guarantee to the Bank;
 - (4) the issue of a replacement bank guarantee pursuant to paragraph (h) of this bank guarantee; or
 - (5) payment by the Bank to ARENA of the whole of the Maximum Amount.
- (e) The Bank's obligations to make payment under this bank guarantee arise on receipt of a demand signed by or on behalf of ARENA, without proof of any breach or any other conditions and notwithstanding any contest or dispute by the Applicant or any notice by the Applicant to the Bank not to pay ARENA. The Bank will not be required to make any other investigation or enquiry prior to the satisfaction of the demand.
- (f) The Bank may rely on any written notice signed or purporting to be signed by or on behalf of ARENA. Notice to the Bank should be addressed to **[insert address]** and written demand for payment presented at the Bank's office at **[insert address]**.
- (g) The Bank may at any time without being required to do so, pay to ARENA the Maximum Amount at that time and upon doing so the liability of the Bank under this bank guarantee immediately ceases and terminates.
- (h) Where a demand and payment is made under this bank guarantee for a sum that is less than the Maximum Amount, the Bank will issue to ARENA a replacement guarantee in the same form as this bank guarantee for the balance of the Maximum Amount then remaining, after such part payment or payments.

- (i) This bank guarantee is irrevocable and unconditional and neither the obligations of the Bank under this bank guarantee nor the rights, powers or remedies conferred on ARENA by this bank guarantee will be discharged, impaired or otherwise affected by:
 - (1) any suspension or variation or amendment of the Funding Agreement (including, without limitation, any time extension for performance or any other forbearance);
 - (2) any bond, security or guarantee (other than this bank guarantee) held or obtained by ARENA in respect of the obligations of the Applicant under or in respect of the Funding Agreement or any release or waiver thereof;
 - (3) any act or omission of the Applicant pursuant to any other arrangement with the Bank, any change in the relationship between the Bank and the Applicant or any dispute or disagreement between them under or in relation to the Funding Agreement or otherwise;
 - (4) any dissolution of the Applicant or any other person; or
 - (5) any act, event or omission which might operate to discharge, impair or otherwise affect any of the obligations of the Bank under this bank guarantee or any of its rights, powers and remedies conferred on ARENA by this bank guarantee.
- (j) All payments to be made under this bank guarantee must be made to the account of ARENA specified in the relevant demand.
- (k) All sums payable under this bank guarantee must be made in full without deduction or withholding for or on account of any present or future taxes, duties or other charges.
- (l) This bank guarantee is personal to ARENA and the benefit of this bank guarantee is not assignable by ARENA, except that ARENA may assign the benefit of this bank guarantee to another party (the **Assignee**) if:
 - (1) it assigns and novates all of its rights and obligations under:
 - (A) the Offer to Negotiate; or
 - (B) once the Funding Agreement has been entered into, the Funding Agreement,to the Assignee; and
 - (2) the Assignee:
 - (A) is another Commonwealth entity;
 - (B) is an entity where the ultimate legal or beneficial interest is held by the Commonwealth or a Commonwealth entity; or
 - (C) is any entity which is a body subject to the *Public Governance, Performance and Accountability Act 2013* (Cth); or
 - (3) the assignment occurs consequent upon the implementation of provisions in a law which provides for the replacement of ARENA as a party to:
 - (A) the Offer to Negotiate; or
 - (B) once the Funding Agreement has been entered into, the Funding Agreement.
- (m) The Bank is not obliged to recognise any assignment or purported assignment of this bank guarantee, other than in accordance with paragraph (l) above.
- (n) The Bank undertakes to ARENA that demands on it under and in compliance with this bank guarantee will be paid by the Bank on presentation of the demand to the Bank.

- (o) The terms of this bank guarantee prevail to the extent of any inconsistency with any other agreement between the Applicant and the Bank or any other agreement between the Applicant and ARENA.
- (p) This bank guarantee may only be amended, modified or supplemented by an instrument in writing with the prior written consent of ARENA.
- (q) This bank guarantee is issued subject to the Uniform Rules for Demand Guarantee of the International Chamber of Commerce (Publications N.758) (**URDG**).
- (r) Pursuant to Article 15(c) of the URDC, the Bank agrees that the requirement to provide a supporting statement under Article 15(a) or (b) of the URDG is excluded from this bank guarantee. Save where expressly provided otherwise, all demands and notices submitted under this bank guarantee must be in English.
- (s) This bank guarantee is governed by the laws of the Australian Capital Territory and the Applicant and the Bank irrevocably and unconditionally submit to the non-exclusive jurisdiction of the courts of the Australian Capital Territory.

For and on behalf of the Bank

Authorised Signatory

[insert name of issuing bank]