

MEMORANDUM OF UNDERSTANDING

between

BANCO NACIONAL DE DESENVOLVIMENTO ECONÔMICO E SOCIAL – BNDES

and

NEW DEVELOPMENT BANK – NDB

This Memorandum of Understanding is entered between:

BANCO NACIONAL DE DESENVOLVIMENTO ECONÔMICO E SOCIAL – BNDES (“BNDES”), a Brazilian wholly-owned federal government company organized and validly existing under the laws of the Federal Republic of Brazil (“Brazil”), with its head office in Brasília, Distrito Federal, Brazil, and principal place of business in the city of Rio de Janeiro, State of Rio de Janeiro, Brazil, at Avenida República do Chile nº 100, hereby duly represented in accordance with its By-Laws,

and

NEW DEVELOPMENT BANK (“NDB”), a multilateral development bank, established by the Governments of the Federative Republic of Brazil, the Russian Federation, the Republic of India, the People’s Republic of China, and the Republic of South Africa (hereinafter jointly referred to as “BRICS”), headquartered in Shanghai, China, hereby duly represented in accordance with its Articles of Agreement,

(BNDES and NDB each a “Party” and collectively the “Parties”);

WHEREAS:

- A) NDB’s main purpose is to mobilize resources for infrastructure and sustainable development in BRICS and other emerging market economies and developing countries, complementing the existing efforts of multilateral and regional financial institutions for global growth and development;
- B) BNDES is the main entity with responsibility for the execution of the Brazilian government’s investment policies, providing support to programs, projects, works and services that seek to promote the economic and social development of Brazil;
- C) BNDES and NDB entered into a Memorandum of Understanding on September 8, 2015 with a term of 2 (two) years, which established a framework for cooperation between them in accordance with their respective mandates, internal objectives, credit approval, policies and procedures;
- D) BNDES and NDB have decided to continue and enhance the cooperation between them in order to further promote and develop initiatives in areas of mutual interest;
- E) BNDES Board of Executive Officers, pursuant to its authority, has approved BNDES entering this Memorandum of Understanding according to its Decision Decisão nº Dir. 716/2019 - BNDES, dated of November 06,2019;

NOW, THEREFORE, the Parties intend, via this Memorandum of Understanding (the “Memorandum” or “MoU”), to strengthen the framework for enhanced cooperation between them in accordance with the principles and objectives set forth below:

**CLAUSE 1
OBJECTIVE**

The objective of this MoU is to formalize a non-exclusive framework to facilitate collaboration between the Parties to promote initiatives that foster cooperation between them, and in



particular, but subject to Clause 6 (Non-binding), support the development of activities and projects. These and any other activities agreed to between the Parties shall be subject to the respective mandates, internal objectives, credit approval, policies and procedures of the Parties.

CLAUSE 2 MUTUAL UNDERSTANDING AND COOPERATION

The Parties express their intention to the following:

- a) The Parties shall promote cooperation based on the principles of equality, mutual benefit, respect and trust pursuant to the established international banking practice and all applicable laws and regulations.
- b) The Parties will cooperate, where it is determined to be appropriate and feasible by each Party, in the implementation of activities which fall within the mandate, missions, policies and procedures of each Party.
- c) Subject to Clause 1 (Objective) and to items a) and b) above, the Parties intend to cooperate, especially, but not exclusively, in:
 - c.1) Exchanging knowledge, information and successful practices in sectors agreed as of mutual interest;
 - c.2) Sharing experience related to support to infrastructure projects and initiatives focused on promoting sustainable development;
 - c.3) Exploring and pursuing opportunities to jointly design mechanisms (guarantees, co-financing, technical cooperation schemes, among others) to support infrastructure investments;
 - c.4) Performing analysis or research on macroeconomics, industries, and other fields of mutual interest.
 - c.5) Providing mutual training and development of staff through collaboration and staff exchange programs, including internships whenever allowed by each Party's policies and laws.
- d) Subject to Clause 4 (Cost), the Parties envisage to organize a joint research working group (hereinafter the "Working Group") consisting of representatives of each of the Parties.

CLAUSE 3 MEETINGS

In order to accomplish the objectives of this MoU, and subject to Clause 4 (Cost) below, the Parties may arrange, in accordance with each relevant internal rules, meetings and other activities to establish direct contact between the Parties with a view to exchange information on a regular basis. The Parties may arrange periodic meetings to be held at dates and places which are considered more convenient for both Parties.



Cristina Blaso Banal da Silva
Legal Counsel

**CLAUSE 4
COST**

Except as otherwise agreed in writing by both Parties, each Party shall be responsible for its own costs and expenses in connection with undertaking any action contemplated by this MoU, including but not limited to salary, travel and lodging and other costs of such Party's employees.

**CLAUSE 5
EXCHANGE OF INFORMATION AND CONFIDENTIALITY RESTRICTIONS**

The Parties herein agree that the information delivered under this Memorandum is subject to all applicable laws, programs and policies and, specifically, to laws regulating banking secrecy and regulations to which each Party may be subject. Except for publicly available information, or when required to be disclosed by law, regulation or governmental order, or as otherwise agreed between the Parties, all information received by each Party under this MoU will be considered and treated as confidential as provided under each Party's access to information or information disclosure policy, as applicable.

**CLAUSE 6
NON-BINDING**

In order to avoid any doubt about rights or obligations related to this Memorandum, it is recognized by the Parties that this Memorandum is a statement of good faith intent and mutual understanding of the Parties. It is not an international agreement. It does not create legally binding rights or obligations, financial or otherwise, on the Parties or their officers or employees, does not bind the Parties to enter into any agreements or projects, nor gives any preference right for any agreement, project or transaction each Party intends to enter. Nothing contained herein shall confer any legal rights or obligations on third parties.

The terms and conditions of any co-financing or co-investment to be provided by any of the Parties regarding projects of common interest will be discussed by the Parties separately from this MoU, on each individual project, for which specific individual agreements (contracts) will be necessary. These and any other activities agreed to between the Parties shall be subject to the respective mandate, internal objectives, credit approval, policies and procedures of the Parties.

**CLAUSE 7
NON-EXCLUSIVITY**

Unless expressly agreed otherwise in writing, nothing contained herein shall be deemed to obligate either Party to deal exclusively with the other Party with respect to any project, transaction or matter arising during the term of this MoU. Each Party recognizes that the cooperation described in this Memorandum is not exclusive and that each Party may enter into similar memoranda with other parties.

**CLAUSE 8
EFFECTIVENESS, AMENDMENT AND TERMINATION**

This Memorandum will become effective upon the signature of the authorized officials of the respective Parties and will remain in effect for 5(five) years from the date of its signature, unless



it is extended in writing by mutual consent of both for another 5-(five-)year term.

The Parties may modify this Memorandum at any time by written mutual consent. Any amendments and supplements to this MoU shall be made in written form and signed by duly authorized representatives of each respective Party and are an integral part of this Memorandum.

Either Party may terminate this Memorandum upon not less than one month's prior written notice to the other Party (unless earlier termination is required by law). The termination of this MoU shall not result in the termination of other contracts (agreements) concluded between the Parties.

CLAUSE 9 PUBLICITY

Notwithstanding the obligations under Clause 5 (Exchange of Information and Confidentiality Restrictions) and in order to comply with internal policies, BNDES shall publish in the Brazilian official federal gazette a summary of this Memorandum in Portuguese language, while NDB is allowed to publish the MoU in its entirety on NDB's official website.

CLAUSE 10 CHANNEL OF COMMUNICATIONS

Any notice, request, report or other communication in respect hereof, including the aforementioned termination notice, shall be prepared in the English language and may be delivered (i) by hand or internationally recognized courier service, (ii) by registered airmail, or (iii) by e-mail, to the other Party, at such Party's address specified below or at such other address as such Party shall have designated by notice to the other Party, provided that any notice shall be, if given by e-mail, promptly confirmed by letter;

For BNDES:

Head of Funding Department
Av. República do Chile, 100 / 4º andar
Centro, Rio de Janeiro – RJ – 20031-917
Tel: (55) (21) 3747-8142
Email: lbf@bndes.gov.br

For NDB:

Strategy and Partnerships Division
33rd Floor, BRICS Tower, 333 Lujiazui Ring Road
Pudong, Shanghai, 200120
Tel: +86-21-8021 1852
Fax: +86-21-8021 1990
Email: strategypartnerships@ndb.int

Any notice, request, report or other communication in respect hereof (including the aforementioned termination notice) will be valid and will be considered delivered at the date of the receipt duly evidenced by the receipt notice or by the protocol duly signed by the Party to which it was delivered. The email communication, however, will be considered delivered at the same day that such email was sent unless a delivery failure message was received by the sending party.



BNDES
Cristina Blasio Banal da Silva
Legal Counsel

**CLAUSE 11
SETTLEMENT OF DISPUTES**

All disputes arising from this MoU or in regard hereto shall be resolved by the Parties through negotiations.

**CLAUSE 12
SIGNATURE**

In witness whereof, BNDES and NDB, each acting through its duly authorized representative, have executed and delivered this Memorandum of Understanding in two (02) original English language and identical counterparts at Brasilia, on this day November 13, 2019.

K.V. Kamath

K.V. Kamath
President

On behalf of
NEW DEVELOPMENT BANK – NDB

Gustavo Montezano

Gustavo Montezano
President

On behalf of
**BANCO NACIONAL DE
DESENVOLVIMENTO ECONÔMICO E
SOCIAL – BNDES**

leg

 **BNDES**

Cristina Blaso Banal da Silva

Cristina Blaso Banal da Silva
Legal Counsel