

PARTIAL CREDIT GUARANTEE AGREEMENT

among

**INTER-AMERICAN DEVELOPMENT
BANK,**

as Primary Guarantor,

and

THE NATURE CONSERVANCY,

as Secondary Guarantor,

and

BB BLUE FINANCING COMPANY DAC

and

**FIRSTCARIBBEAN INTERNATIONAL
BANK (BARBADOS) LIMITED,**

each as a Guaranteed Lender,

and

**FIRSTCARIBBEAN INTERNATIONAL
BANK (BARBADOS) LIMITED,**

as Facility Agent

Dated as of September 20, 2022

This **PARTIAL CREDIT GUARANTEE** dated as of September 20, 2022 (this “**Guarantee Agreement**”), is made among:

- (1) the **INTER-AMERICAN DEVELOPMENT BANK**, an international organization established by the Agreement Establishing the Inter-American Development Bank among its member countries (the “**Primary Guarantor**”);
- (2) **THE NATURE CONSERVANCY**, a not-for-profit corporation organized and existing under the laws of the District of Columbia (the “**Secondary Guarantor**” and, together with the Primary Guarantor, the “**Guarantors**”);
- (3) **FIRSTCARIBBEAN INTERNATIONAL BANK (BARBADOS) LIMITED**, as facility agent (the “**Facility Agent**”), acting on behalf of the Guaranteed Lenders (as defined below);
- (4) **BB BLUE FINANCING COMPANY DAC** (the “**USD Lender**”); and
- (5) **FIRSTCARIBBEAN INTERNATIONAL BANK (BARBADOS) LIMITED** (the “**BBD Lender**” and, together with the USD Lender, the “**Guaranteed Lenders**”).

WHEREAS

(A) The Guarantors desire to assist the Government of Barbados (“**Barbados**”) in its efforts to conserve its natural environment, including by (a) strengthening the institutional framework to support sustainable finance and adequate natural resource management; and (b) improving the debt management capacity of Barbados with a focus on environmental and financial sustainability;

(B) Pursuant to the loan agreement among, *inter alios*, Barbados, the USD Lender, the BBD Lender and the Facility Agent dated as of September 20, 2022 (the “**Loan Agreement**”), Barbados will borrow seventy-three million two hundred fifty-nine thousand four hundred U.S. Dollars (USD 73,259,400) from the USD Lender (the “**USD Loan**”) and one hundred forty-six million five hundred eighteen thousand eight hundred Barbados Dollars (BBD 146,518,800) from the BBD Lender (the “**BBD Loan**” and, together with the USD Loan, the “**Loans**”);

(C) Barbados has asked each Guarantor to issue to the Guaranteed Lenders its Guarantee (as defined below), which is of the principal amount of the Loans, the Guaranteed Interest (as defined below) and the Guaranteed Expenses (as defined below), not to exceed in aggregate the Maximum Available Guaranteed Amount (as defined below);

(D) The Guarantors have agreed to guarantee payment of the principal amount of the Loans, the Guaranteed Interest and the Guaranteed Expenses, up to the Maximum Available Guaranteed Amount and in accordance with the terms of this Guarantee Agreement;

(E) The Primary Guarantor and Barbados have entered into a Counter-Guarantee Agreement dated as of September 16, 2022, which provides for (i) Barbados to reimburse the Primary Guarantor for any amounts paid by the Primary Guarantor under this Guarantee Agreement, and (ii) certain other matters, including policy matters (the “**IDB Counter-Guarantee Agreement**”); and the Secondary Guarantor and Barbados have entered into a Counter-Guarantee Agreement dated as of September 20, 2022, which provides for (i) Barbados to reimburse the Secondary Guarantor for any amounts paid by the Secondary Guarantor under this Guarantee Agreement, and (ii) certain other matters (the “**TNC Counter-Guarantee Agreement**” and, together with the IDB Counter-Guarantee Agreement, the “**Counter-Guarantee Agreements**”);

(F) Each Guarantor is authorized to issue partial credit enhancements, and is willing, pursuant to the terms and conditions hereof and of the applicable Counter-Guarantee Agreement, and in consideration of the payment and reimbursement obligations of Barbados contained in the Counter-Guarantee Agreements, to issue its Guarantee pursuant to this Guarantee Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Guarantors, the Guaranteed Lenders and the Facility Agent agree as follows:

ARTICLE I:

DEFINITIONS AND INTERPRETATION

Section 1.01 Definitions. The following terms are used in this Guarantee Agreement with the following meanings:

“**Allocated Share**” means, for the Primary Guarantor, one hundred percent (100%) and, for the Secondary Guarantor, zero percent (0%) until the Maximum Available IDB Guaranteed Amount has been reduced to zero U.S. Dollars (USD 0), and thereafter one hundred percent (100%) for the Secondary Guarantor and zero percent (0%) for the Primary Guarantor until the Maximum Available TNC Guaranteed Amount has been reduced to zero U.S. Dollars (USD 0), and thereafter, for both Guarantors, zero percent (0%), *provided that*, if the Primary Guarantor defaults on its obligations to make any Guaranteed Payment hereunder, the Secondary Guarantor shall nonetheless be obliged to make any Guaranteed Payment hereunder that it would have been obliged to make if the Primary Guarantor had not so defaulted (and the Secondary Guarantor's Allocated Share shall be construed accordingly).

“**Amortization Factor**” means 1.02357, which is equal to (a) one (1) *plus* (b) (i) the average interest rate per annum across both Loans (expressed as a percentage) *multiplied by* (ii) 222 *divided by* (iii) 360 (rounded down to the nearest 5th decimal place).

“**Arbitration**” has the meaning specified in Section 10.01(a) (*Dispute Resolution*).

“Authorization” means an authorization, consent, approval, resolution, license, exemption, filing, notarization or registration.

“Barbados Dollars” or **“BBD”** means the lawful currency of Barbados.

“Barbados” has the meaning specified in the preamble hereto.

“BBD Lender” has the meaning specified in the preamble hereto.

“BBD Loan” has the meaning specified in the recitals hereto.

“Business Day” means a day (other than a Saturday or Sunday) on which banks are open for general business in London and New York.

“Calculation Agent” has the meaning specified in the Loan Agreement.

“Code” means the U.S. Internal Revenue Code of 1986, as amended.

“Conservation Agreement” means the Conservation Funding Agreement and the Conservation and Sustainability Commitments Agreement, as defined below.

“Conservation and Sustainability Commitments Agreement” means the agreement between Barbados and the Secondary Guarantor dated September 20, 2022, requiring, among other things, Barbados to meet certain conservation milestones.

“Conservation Funding Agreement” means the agreement among Barbados, the Secondary Guarantor, the Barbados Environmental Sustainability Fund and the Barbados Blue Conservation Trust dated September 20, 2022, requiring, among other things, Barbados to make regular payments in respect of its conservation activities.

“Counter-Guarantee Agreements” has the meaning specified in recital (E) hereto.

“Early Disbursement Event” means either the IDB Early Disbursement Event or the TNC Early Disbursement Event, as context may require.

“Escrow Accounts” means the IDB Escrow Account and the TNC Escrow Account.

“Excluded Tax” means any of the following Taxes imposed on or with respect to a Guaranteed Lender or required to be withheld or deducted from a payment to a Guaranteed Lender: (a)(i) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (1) imposed as a result of such Guaranteed Lender being organized under the laws of, or having its principal office or its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (2) that are Taxes imposed as a result of a present or former connection between such Guaranteed Lender and the jurisdiction imposing such Tax (other than connections arising from such Guaranteed Lender having executed, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any right under the Loan Agreement or this Guarantee Agreement, or sold or assigned an interest in any Loan, the

Loan Agreement or this Guarantee Agreement), (ii) withholding Taxes imposed on amounts payable for the account of such Guaranteed Lender with respect to an applicable interest in a Loan pursuant to a law in effect on the date on which such Guaranteed Lender acquires such interest in any Loan (it being understood that it is a condition subsequent to the Loan Agreement that Barbados enacts the Order under the Duties, Taxes and Other Payments (Exemption) Act, granting an exemption from all withholding tax in respect of any interest paid to residents of Barbados under the Loan Agreement, with it further being understood that if any withholding Taxes become payable as a result of the repeal or modification of such Order, such repeal or modification shall be deemed for the purposes of this definition to be a change in law as of the date of such repeal or modification), (iii) Taxes attributable to such Guaranteed Lender's failure to comply with a written request from a Guarantor to provide information concerning such Guaranteed Lender's nationality, residence or identity or to satisfy any information, declaration or reporting requirement, if the completion thereof is required as a precondition to exemption or reduction in the rate of a Tax (provided that it lawfully may comply with such request and the provision of such information would not (in the determination of the Guaranteed Lender, acting reasonably) be prejudicial to the position of such Guaranteed Lender), and (iv) any withholding Taxes imposed under FATCA; and (b) in the case of Taxes withheld or deducted from payments made by or on account of the Withholding Guarantor, in addition to the foregoing, all Taxes other than U.S. Taxes.

“Facility A Debt Service and Reserve Account” has the meaning given in the Loan Agreement.

“Facility Agent” means FirstCaribbean International Bank (Barbados) Limited, in its capacity as facility agent under the Loan Agreement, and any successor or replacement to it appointed in accordance with the terms of the Loan Agreement.

“FATCA” means:

- (a) sections 1471 to 1474 of the Code or any associated regulations;
- (b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or
- (c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction.

“Guarantee” refers to either or both of the IDB Guarantee and the TNC Guarantee.

“Guarantee Agreement” has the meaning specified in the preamble hereto.

“Guaranteed Expenses” means an amount up to USD 26,500 to cover any deduction from the Facility A Debt Service and Reserve Account in accordance with clause 11.4 of the Loan Agreement that has not, as of the date of any Guarantor Payment Demand, been replenished by Barbados in accordance with the terms of the Loan Agreement.

“Guaranteed Interest” means the portion of interest under the Loans that is covered by the Guarantees, which shall be equal to the aggregate of: (i) accrued but unpaid interest on the Loans for up to one full Interest Period (as defined in the Loan Agreement); and (ii) interest that accrues on the Loans between (A) the original due date (excluding any grace period) on which Barbados fails to make any payment under the Loan Agreement and (B) the date falling fourteen (14) Business Days after the date of the relevant Guarantor Payment Demand submitted in accordance with Section 2.01 (Guarantee) in connection with such failure by Barbados to make a payment (subject to a maximum time period of 42 days and the obligation to return any excess amounts of Guaranteed Interest to the Guarantors in accordance with Section 2.01).

“Guaranteed Lenders” refers to the USD Lender and the BBD Lender together, and **“Guaranteed Lender”** refers to either of them.

“Guaranteed Payments” has the meaning specified in clause (i) of Section 2.01 (Guarantee).

“Guarantor Payment” means a payment made to a Guaranteed Lender by a Guarantor pursuant to its Guarantee.

“Guarantor Payment Demand” has the meaning specified in Section 2.01 (Guarantee).

“Guarantors” refers to the Primary Guarantor and the Secondary Guarantor together, and **“Guarantor”** refers to either of them.

“ICC” has the meaning specified in Section 10.01(b) (Dispute Resolution).

“IDB Counter-Guarantee Agreement” has the meaning specified in recital (E) hereto.

“IDB Early Disbursement Event” has the meaning specified in the Section 7.02(a) (Early Disbursement).

“IDB Escrow Account” has the meaning specified in the Section 7.02(b) (Early Disbursement).

“IDB Guarantee” means the Primary Guarantor’s guarantee of the Loans provided in Section 2.01 (Guarantee).

“Indemnified Tax” means Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of a Guarantor under this Guarantee Agreement.

“Loan Agreement” has the meaning specified in recital (B) hereto.

“Loans” has the meaning specified in recital (B) hereto.

“Maximum Available Guaranteed Amount” means the sum, from time to time, of the Maximum Available IDB Guaranteed Amount and Maximum Available TNC Guaranteed Amount or, when used with respect to a particular Guarantor, means the Maximum Available IDB Guaranteed Amount or the Maximum Available TNC Guaranteed Amount, as applicable.

“Maximum Available IDB Guaranteed Amount” means the Maximum IDB Guarantee Amount less the sum of (i) (x) the aggregate of principal payments made by Barbados on either Loan after the Maximum Available TNC Guaranteed Amount has been reduced to zero Dollars (USD 0.00), *multiplied by* (y) the Amortization Factor, *plus* (ii) the amount of any payment made by the Primary Guarantor to the Guaranteed Lenders pursuant to the IDB Guarantee, *plus* (iii) the amount of any tax gross-up or tax indemnity payments made by the Primary Guarantor pursuant to Section 3.06 or Section 3.07, *plus* (iv) the amount of any deposit made to the IDB Escrow Account, which, reflecting scheduled deductions pursuant to the preceding clause (i), and subject to any further deductions pursuant to clauses (ii), (iii) or (iv), is, as of the date hereof, as provided in Schedule 2 (Scheduled Maximum Available IDB Guaranteed Amount).

“Maximum Available TNC Guaranteed Amount” means the Maximum TNC Guarantee Amount less the sum of (i) (x) the aggregate of principal payments made by Barbados on either Loan *multiplied by* (y) the Amortization Factor, *plus* (ii) the amount of any payment made by the Secondary Guarantor to the Guaranteed Lenders pursuant to the TNC Guarantee, *plus* (iii) the amount of any deposit made to the TNC Escrow Account, which, reflecting scheduled deductions pursuant to the preceding clause (i), and subject to any further deductions pursuant to clauses (ii) or (iii), is, as of the date hereof, as provided in Schedule 3 (*Scheduled Maximum Available TNC Guaranteed Amount*).

“Maximum IDB Guaranteed Amount” means one hundred million U.S. Dollars (USD 100,000,000).

“Maximum TNC Guaranteed Amount” means fifty million U.S. Dollars (USD 50,000,000).

“Natural Disaster Event” means an Event (as defined in clause 7 (*Natural Disaster Clause*) of the Loan Agreement, which, for the avoidance of doubt, shall include a Pandemic Event) which, following the valid issuance of a Deferral Claim (as defined in clause 7 of the Loan Agreement) by Barbados to the Guaranteed Lenders (that is not blocked by the Guaranteed Lenders) leads to a deferral of principal under the Loan for a period of up to two years in accordance with the terms of clause 7 of the Loan Agreement).

“Notice” has the meaning specified in Section 9.01(a) (*Methods of Communication*).

“Original Exchange Rate” means the exchange rate to convert BBD to USD in force on the Utilisation Date (as defined in the Loan Agreement).

“Pandemic Event” has the meaning specified in the Loan Agreement.

“Primary Guarantor” has the meaning specified in the preamble hereto.

“Rules” has the meaning specified in Section 10.01(b) (*Dispute Resolution*).

“Secondary Guarantor” has the meaning specified in the preamble hereto.

“Secondary Guarantor Tax Gross-up Cap” means three hundred forty thousand U.S. Dollars (USD 340,000).

“**Tax**” means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

“**Tax Deduction**” means a deduction or withholding for or on account of Tax from a payment under this Guarantee.

“**Termination Event**” has the meaning specified in Section 7.01(a) (*Termination*).

“**TNC Counter-Guarantee Agreement**” has the meaning specified in recital (E) hereto.

“**TNC Early Disbursement Event**” has the meaning specified in the Section 7.02(b) (*Early Disbursement*).

“**TNC Escrow Account**” has the meaning specified in the Section 7.02(b) (*Early Disbursement*).

“**TNC Guarantee**” means the Secondary Guarantor’s guarantee of the Loans provided in Section 2.01 (*Guarantee*).

“**USD**” or “**U.S. Dollars**” means the lawful currency of the United States of America.

“**USD Lender**” has the meaning specified in the preamble hereto.

“**USD Loan**” has the meaning specified in the recitals hereto.

“**Withholding Guarantor**” means a Guarantor required by law to make a Tax Deduction. Pursuant to the agreement establishing the Inter-American Development Bank, the member countries of the Primary Guarantor have agreed that (i) the Primary Guarantor shall be immune from any obligation relating to the payment, withholding or collection of any tax, or duty and (ii) no tax of any kind shall be levied on any obligation or security guaranteed by the Primary Guarantor, including any dividend or interest thereon, by whomsoever held: (A) that discriminates against such obligation or security solely because it is guaranteed by the Primary Guarantor; or (B) if the sole jurisdictional basis for such taxation is the location of any office or place of business maintained by the Primary Guarantor.

Section 1.02 Interpretation.

(a) Unless a contrary indication appears, any reference in this Guarantee Agreement to:

- (i) “assets” includes present and future properties, revenues and rights of every description;
- (ii) “this Guarantee Agreement” or any other agreement or instrument is a reference to that document or other agreement or instrument as amended or novated, *provided* that any reference herein to a term of the Loan Agreement shall be to that term as it exists on the date of this Guarantee Agreement as amended with the prior written consent of each Guarantor;

- (iii) a “person” includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or two or more of the foregoing;
- (iv) a “regulation” includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organization;
- (v) a provision of law is a reference to that provision as amended or re-enacted; and
- (vi) a time of day is a reference to New York time.
- (b) References to the singular include the plural and vice versa.
- (c) References to one gender include all genders.
- (d) Any reference to a “Section” or a “Schedule” is, unless the context otherwise requires, a reference to a Section of or a Schedule to this Guarantee Agreement.
- (e) The words “including”, “include”, “in particular” and words of similar effect shall not be deemed to limit the general effect of the words that precede them.

Section 1.03 Third Party Rights A person who is not a party has no right under the Contracts (Rights of Third Parties Act 1999) to enforce or enjoy the benefit of any term of this Guarantee Agreement.

ARTICLE II:

GUARANTEE

Section 2.01 Guarantee. Subject to Section 2.02 (*Guarantor Payment Priorities*), each Guarantor irrevocably and unconditionally:

- (i) guarantees to each Guaranteed Lender the punctual payment by Barbados of each principal payment due on the Loans, payments of Guaranteed Interest on the Loans and payments of Guaranteed Expenses, as and when the same shall become due and payable under the Loan Agreement (whether on their originally scheduled payment dates, by declaration or acceleration, as a result of early prepayment or otherwise) (the “**Guaranteed Payments**”), collectively up to the Maximum Available Guaranteed Amount;
- (ii) undertakes that, if Barbados fails to pay all or any portion of a Guaranteed Payment when due (including any amounts that are accelerated pursuant to the terms of the Loan Agreement), each such Guarantor shall pay its Allocated Share of the amount due as provided in Section 2.02 (*Guarantor Payment Allocation*) not later than fourteen (14) Business Days after receipt of a duly completed written Notice from

the Facility Agent (or, as provided in Section 3.01 (*Method of Guarantor Payments*), a Guaranteed Lender) in the form set out in Schedule 1 (*Form of Guarantor Payment Demand*) (each a “**Guarantor Payment Demand**”), in each case requesting payment under this Section 2.01; and

- (iii) irrevocably and unconditionally, jointly and severally, agrees with the Guaranteed Lenders that, if the Loan Agreement is or becomes unenforceable, invalid or illegal it will, as an independent and primary obligation, indemnify each Guaranteed Lender immediately on demand against any cost, loss or liability it incurs as a result of Barbados not paying any amount that would, but for such unenforceability, invalidity or illegality, have been payable by it on the date when it would have been due. The amount payable by each Guarantor under this indemnity will not exceed the amount it would have had to pay under this Article II if the amount claimed had been recoverable on the basis of the relevant Guarantee and shall at all times be subject to the Maximum Available Guaranteed Amount.

It being understood that:

- (x) the Guarantor Payments shall be applied by the Guaranteed Lenders to Guaranteed Payments, *provided* that the Maximum Available Guaranteed Amount shall never be increased as a result of any Guarantor Payment being applied to principal, Guaranteed Interest or Guaranteed Expenses or as the result of the occurrence of a Natural Disaster Event;
- (y) if any Guarantor makes a payment in accordance with paragraph (ii) above prior to the date falling fourteen (14) Business Days after the date of the relevant Guarantor Payment Demand:
 - (A) such payment will nonetheless comprise the amount of Guaranteed Interest that would have been payable by such Guarantor had it made the payment on the date falling fourteen (14) Business Days after the date of such Guarantor Payment Demand;
 - (B) promptly after such fourteen (14) Business Day period has expired, following application of the relevant payments to the relevant overdue amounts under the Loan Agreement, the Facility Agent shall calculate any excess amounts of Guaranteed Interest paid by any Guarantor and, if an excess amount was paid, notify the relevant Guarantor and relevant Guaranteed Lender(s); and
 - (C) each relevant Guaranteed Lender shall, promptly following any such notice from the Facility Agent (and after being notified by the relevant Guarantor of its relevant account details), pay an amount equal to such excess amount to the relevant Guarantor.
- (z) Guaranteed Expenses may only be claimed in a Guarantor Payment Demand to the extent that there has been a deduction from the Facility A Debt Service and Reserve

Account in accordance with clause 11.4 of the Loan Agreement that has not, as of the date of such Guarantor Payment Demand, been replenished by Barbados, and the amount of Guaranteed Expenses that can be claimed may not exceed the corresponding amount that Barbados is obliged to replenish in accordance with clause 11.4(d) of the Loan Agreement.

Section 2.02 Guarantor Payment Allocation. The Primary Guarantor shall be responsible to pay to the Guaranteed Lenders 100% of any failure of Barbados to make any Guaranteed Payment until the Maximum Available IDB Guaranteed Amount is zero, and thereafter (including the balance of any Guaranteed Payment only partially covered by the Primary Guarantor because of exhaustion of the Maximum Available IDB Guaranteed Amount) the Secondary Guarantor shall be responsible to pay to the Guaranteed Lenders 100% of any failure of Barbados to make any Guaranteed Payment until the Maximum Available TNC Guaranteed Amount is zero, *provided* that (i) each Guarantor Payment shall be allocated by the Facility Agent between the USD Loan and the BBD Loan in proportion to the amount due with respect to each Loan as specified in the relevant Guarantor Payment Demand, and (ii) if the Primary Guarantor defaults on its obligations to make any Guaranteed Payment hereunder, the Secondary Guarantor shall nonetheless be obliged to make any Guaranteed Payment hereunder that it would have been obliged to make if the Primary Guarantor had not so defaulted.

Section 2.03 Continuing Guarantee. The Primary Guarantor acknowledges and agrees that the IDB Guarantee is and at all times shall be a continuing guarantee and will remain in force until the earlier of (i) all Guaranteed Payments having been paid in full or (ii) the Maximum Available Guaranteed Amount has been reduced to zero U.S. Dollars (USD 0). The Secondary Guarantor acknowledges and agrees that the TNC Guarantee is and at all times shall be a continuing guarantee and will remain in force until the earlier of (i) all Guaranteed Payments having been paid in full or (ii) the Maximum Available TNC Guaranteed Amount has been reduced to zero U.S. Dollars (USD 0).

Section 2.04 Waiver of Defenses. Each Guarantor acknowledges and agrees that none of its obligations or liabilities under this Guarantee Agreement shall be affected by any act, omission, matter or thing that, but for this Section 2.04, would reduce, release or prejudice any of its obligations under this Guarantee Agreement (without limitation and whether or not known to it or to a Guaranteed Lender) including:

- (i) any act or omission by a Guaranteed Lender or any other person in taking up, perfecting, renewing, releasing or enforcing any indemnity or guarantee from or against Barbados or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument;
- (ii) any sovereign default, insolvency, bankruptcy, incapacity, lack of power or authority (including, without limitation, any change in government), re-organization or alteration of the government of Barbados, or any limitation or discharge by operation of law of Barbados;
- (iii) without prejudice to Section 7.01(a)(i) (*Early Termination*), any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement

(in each case however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of the Loan Agreement or any document or security *provided* that the same is made with the prior written consent of each Guarantor;

- (iv) any invalidity, illegality, unenforceability, irregularity of, or any defect in, any provision of the Loan Agreement or any of the actual or purported obligations of Barbados or any other person under or in connection with the Loan Agreement or any other guarantee;
- (v) any claim against or enforcement of payment from Barbados or any other person;
- (vi) any purported or actual assignment of this Guarantee Agreement or the Loan Agreement by a Guaranteed Lender to any person, *provided* that such assignment complies with Section 4.01 (*Assignment by a Guaranteed Lender*); or
- (vii) without prejudice to Section 7.01(a)(i), any time, waiver or consent granted to, or composition with, Barbados or any other person *provided* that the same is done with the prior written consent of each Guarantor; or
- (viii) any act, event or omission that might affect any of the rights, powers or remedies conferred upon the Guaranteed Lenders by this Guarantee Agreement or by law.

Section 2.05 Conditions Precedent to Effectiveness of Guarantee.

- (a) This Guarantee Agreement will become effective, and be in full force and effect, upon satisfaction of each of the following conditions:
 - (i) each Guarantor's confirmation (including by email) to the Facility Agent that this Guarantee Agreement has been executed and delivered by it; and
 - (ii) all conditions precedent to the effectiveness of the Loan Agreement have been satisfied (other than the conditions precedent listed in paragraph 3(c) of Schedule 2 to the Loan Agreement, which shall be deemed to be satisfied upon delivery by each Guarantor of the confirmation referred to in paragraph (i) above), and the Loan Agreement has been duly executed and delivered by the parties thereto, and the Facility Agent has delivered notice to the Guarantors of the foregoing along with a true and correct copy of the executed Loan Agreement.
- (b) Except as otherwise set forth above, the Facility Agent shall have no obligation to monitor or confirm the satisfaction of such conditions precedent to effectiveness of this Guarantee Agreement.

Section 2.06 Immediate Recourse. No Guaranteed Lender (or any agent on its behalf) shall be obliged, before taking steps to enforce any of its rights and remedies under this Guarantee Agreement, to make any demand or seek to enforce any right or security against Barbados or any other person, to obtain any arbitral awards in any arbitral tribunal or judgment in any court against Barbados or any other person or to file any claim in a bankruptcy, liquidation or similar

proceedings of Barbados or any other person. Each Guarantor waives any right it may have of first requiring a Guaranteed Lender (or any agent on its behalf) to make any such demand, enforcement or claim against Barbados or any other person. This waiver applies irrespective of any law or any provision of the Loan Agreement to the contrary.

ARTICLE III:

PAYMENTS TO THE GUARANTEED LENDERS

Section 3.01 Method of Guarantor Payments. Guarantor Payment Demands shall be submitted in writing (which may be by email) and shall be deemed received as provided in Section 9.02 (Receipt of Notice) upon such submission by the Facility Agent or, upon the Facility Agent's failure to do so in timely fashion (in accordance with clause 23.3 of the Loan Agreement), by a Guaranteed Lender.

Section 3.02 Payment Accounts. Any payments due from a Guarantor to a Guaranteed Lender under Article II (*Guarantee*) shall be made to the applicable account of the relevant Guaranteed Lender below (or to such other account as a Guaranteed Lender (or the Facility Agent on its behalf) may from time to time notify to each of the Guarantors in writing to no later than 15 Business Days prior to the relevant expected payment date):

For payments from the Primary Guarantor for the USD Lender:

Correspondent Bank: HSBC Bank USA, New York

SWIFT Code: MRMDUS33

Beneficiary Bank: HSBC Bank plc, London

SWIFT Code: MIDLGB22

Account Name: General Collection Account

Account Number: 89976199

For Further Credit A/C of: BB Blue Financing DAC General Collection Account

For payments from the Secondary Guarantor for the USD Lender:

Correspondent Bank: HSBC Bank USA, New York

SWIFT Code: MRMDUS33

Beneficiary Bank : HSBC Bank plc, London

SWIFT Code: MIDLGB22

Account Name: General Collection Account

Account Number: 89976207

For Further Credit A/C of: BB Blue Financing DAC General Collection Account

For payments for the BBD Lender:

Correspondent Bank: Wells Fargo Bank, New York

SWIFT Code: PNBUS3NNYC

ABA Code: 026005092

Beneficiary Bank: FirstCaribbean International Bank (Barbados) Limited

SWIFT Code: FCIBBBBB

Beneficiary Account Name: Government of Barbados - Blue Loan

Beneficiary Account Number: 1001223747 for further credit to loan# 1001224039

For further credit to: GOB BBD blue loan# 1001224039

Section 3.03 Payment Currency. All payments made pursuant to this Guarantee Agreement shall be made in USD.

Section 3.04 Business Days. Any payment that is due to be made on a day that is not a Business Day shall be made on the next Business Day.

Section 3.05 No Set-off. All payments to be made under this Guarantee Agreement shall be calculated and be made without (and free and clear of any deduction for) withholding, set-off or counterclaim.

Section 3.06 Tax Gross-up

(a) Each Guarantor shall make all payments to be made by it hereunder without any Tax Deduction, unless a Tax Deduction is required by law.

(b) Each Guarantor shall, promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction), notify the Facility Agent and applicable Guaranteed Lenders accordingly.

(c) If a Tax Deduction is required by law to be made by a Withholding Guarantor and such Tax Deduction is in respect of an Indemnified Tax, the amount of the payment due from that Withholding Guarantor shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment that would have been due if no Tax Deduction had been required; *provided that* the cumulative total of all such additional amounts to be paid by the Secondary Guarantor under this Section and Section 3.07(a) below, over the life of this Guarantee Agreement shall not exceed the Secondary Guarantor Tax Gross-up Cap (which, for the avoidance of doubt, is separate to and not subject to the Maximum TNC Guaranteed Amount).

(d) If a Withholding Guarantor is required to make a Tax Deduction, that Withholding Guarantor shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.

(e) Within thirty days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Withholding Guarantor making that Tax Deduction shall deliver to the relevant Guaranteed Lenders a statement under Section 975 of the ITA or other

evidence reasonably satisfactory to such Guaranteed Lenders that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

(f) Notwithstanding the foregoing, any such additional payment by the Primary Guarantor shall be subject to the limitation on maximum payments provided in the proviso to Section 3.07(a) (*Tax Indemnity*).

Section 3.07 Tax Indemnity

(a) Each Withholding Guarantor shall (within ten Business Days of demand by a Guaranteed Lender) pay to the Guaranteed Lender an amount equal to the loss, liability or cost which the Guaranteed Lender reasonably determines will be or has been (directly or indirectly) suffered for or on account of Tax by the Guaranteed Lender in respect of payments made under this Guarantee Agreement; *provided, however*, that in respect of the Primary Guarantor, the amount of any such payment shall not exceed, at any time, the then applicable Maximum Available IDB Guaranteed Amount.

(b) Paragraph (a) above shall not apply to the extent a loss, liability or cost is compensated for by an increased payment under Section 3.06 (*Tax Gross-up*), relates to an Excluded Tax, or would obligate the Secondary Guarantor to pay any amount in respect of Indemnified Taxes in excess of the Secondary Guarantor Tax Gross-up Cap.

ARTICLE IV:

ASSIGNMENT

Section 4.01 Transfer or Assignment by a Guaranteed Lender.

(a) Each Guaranteed Lender may transfer or assign its rights under this Guarantee Agreement to any party to whom it transfers or assigns its Loan and its interests in and under the Loan Agreement, in whole or in part, *provided* that any such transfer or assignment of interests under the Loan Agreement is made with the prior written consent of each Guarantor (such consent not to be unreasonably withheld or delayed and shall be deemed to have been given fifteen (15) Business Days after the Guaranteed Lender has requested it unless consent is expressly refused by such Guarantor within that time, and such consent not to be required from a Guarantor if (A) such Guarantor's Maximum Available Guaranteed Amount has been reduced to zero Dollars (USD 0.00) or (B) such Guarantor has failed to make a payment under this Guarantee Agreement). For the avoidance of doubt: (i) if the Guarantor consents to a transfer or assignment of a Guaranteed Lender's interest in and under the Loan Agreement, such consent shall also apply to the transfer or assignment by such Guaranteed Lender of its rights under this Guarantee Agreement; and (ii) nothing in this Section 4.01 shall prohibit any Guaranteed Lender from charging, assigning or otherwise creating security in or over all or any of its rights under the Loan Agreement or this Guarantee Agreement in accordance with clause 21.11 of the Loan Agreement, *provided* that each Guarantor has consented to the beneficiary of such charge, assignment or security as provided in the preceding sentence *provided* further than each Guarantor hereby consents to any charge, assignment or security where the beneficiary is HSBC Corporate Trustee Company (UK) Limited

(and its successors and assigns) as trustee for blue bonds issued by reference to, and secured by, the Loan Agreement and this Guarantee Agreement.

(b) If the Guarantors consent to a transfer or assignment of rights by a Guaranteed Lender under this Guarantee Agreement, the Guarantors, such transferor Guaranteed Lender and the new transferee Guaranteed Lender shall promptly amend this Guarantee Agreement by executing a side agreement confirming the relevant transfer or assignment (and the Facility Agent and other Guaranteed Lenders shall be deemed to agree to such transfer or assignment without needing to be party to such side agreement).

(c) Notwithstanding the above, the consent of a Guarantor shall not be required for the purposes of this Section 4.01 (and shall not be required under the Loan Agreement) if (i) such Guarantor's Maximum Available Guaranteed Amount has been reduced to zero Dollars (USD 0.00) or (ii) such Guarantor has failed to make a payment under this Guarantee Agreement.

Section 4.02 Assignment by Guarantors. Each Guarantor may assign or otherwise transfer its rights or obligations under this Guarantee Agreement to an affiliate thereof with equivalent credit rating, and, with respect to the Secondary Guarantor, with a mission in nature conservation; *provided* that such transfer is made with the prior written consent of each Guaranteed Lender (such consent not to be unreasonably withheld or delayed and shall be deemed to have been given fifteen (15) Business Days after a Guarantor has requested it unless consent is expressly refused by the Guaranteed Lender within that time).

ARTICLE V:

UNDERTAKINGS OF THE GUARANTORS

Section 5.01 Representations. Each Guarantor represents and warrants to the Guaranteed Lenders that:

- (i) it has full power and authority to enter into, perform and deliver this Guarantee Agreement and the transactions contemplated herein;
- (ii) this Guarantee Agreement has been duly authorized, executed and delivered by it and constitutes valid and legally binding obligations of it and enforceable against it in accordance with its terms, except to the extent that the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws generally affecting creditors' rights and by equitable principles (regardless of whether enforcement is sought in equity or at law);
- (iii) all actions required to be taken (including the obtaining of any Authorization) for the entry by it into this Guarantee Agreement, the carrying out of the other transactions contemplated herein, or the compliance by it with the terms hereof, as the case may be, have been taken and any required Authorizations are in full force and effect;

- (iv) its execution and performance of this Guarantee Agreement, the consummation of the transactions herein contemplated and compliance with the terms hereof do not:
 - (a) conflict with or result in a breach of any of the terms or provisions of, or constitute a default under, any indenture, trust deed, mortgage or other agreement or instrument to which it is a party, except where such conflict or breach would not, in the aggregate, reasonably be expected to have a material adverse effect on such Guarantor's financial condition; (b) conflict with or breach any provision of its constitutional documents (and in the case of the Primary Guarantor, the agreement establishing the Inter-American Development Bank); or (c) infringe any existing applicable law, rule, regulation judgment, order or decree applicable to it or any international treaty convention or agreement to which it is a party or by which it is bound, except where such conflicts or infringement would not, in the aggregate, reasonably be expected to have a material adverse effect on such Guarantor's financial condition;
- (v) no action, suit, proceeding, litigation or dispute against such Guarantor is presently taking place or pending or, to its knowledge, threatened nor is there subsisting any judgement or award given against such Guarantor before any court, arbitral tribunal or other body that, in either case, would have a material adverse effect on the ability of such Guarantor to perform any of its obligations under this Guarantee Agreement; and
- (vi) as of the date of this Guarantee Agreement, no Tax Deduction is required by law to be made by such Guarantor in respect of payments to be made by such Guarantor hereunder.

Section 5.02 Authorizations. Each Guarantor shall, for so long as any Guaranteed Payment remains outstanding, timely obtain, comply with and do all that is necessary to maintain in full force and effect any Authorization required under any law or regulation to enable it to perform its obligations under this Guarantee Agreement.

Section 5.03 Conservation Agreement. The Secondary Guarantor undertakes to promptly notify the Facility Agent if it becomes aware of (i) any failure by Barbados to pay any amount under a Conservation Agreement, (ii) any Termination Event (as defined in the Conservation Funding Agreement) occurring or (iii) a Conservation Agreement being terminated as a result of a Termination Event occurring, *provided* that a failure to provide such notice shall not constitute a breach of this Guarantee Agreement and the Secondary Guarantor shall incur no liability in the event of any such failure

ARTICLE VI:

UNDERTAKINGS OF THE FACILITY AGENT

Section 6.01 Notices. The Facility Agent shall promptly (within 3 Business Days) notify both Guarantors upon:

- (i) the failure of Barbados to make any Guaranteed Payment and upon the receipt of any notice from Barbados that any such payment will not be timely paid;
- (ii) any notice being submitted by the Facility Agent to Barbados under the Loan Agreement demanding payment or accelerating a Loan; and
- (iii) the repayment in full of, or a prepayment made on, either Loan.

ARTICLE VII:

TERMINATION AND EARLY DISBURSEMENT

Section 7.01 Early Termination.

(a) This Guarantee Agreement shall terminate with respect to a Guaranteed Lender's Loan, if any of the following events (each, a "**Termination Event**") occurs, whether or not a Guarantor has sent a written Notice to such Guaranteed Lender and Barbados confirming that it is terminating this Guarantee Agreement with respect to that Guaranteed Lender's Loan as a consequence of the occurrence of such event:

- (i) such Guaranteed Lender makes any amendment, modification or waiver of any provision of the Loan Agreement without the Facility Agent having obtained the prior written consent of each Guarantor (such consent not to be unreasonably withheld or delayed by each Guarantor, and not to be required from a Guarantor if (A) such Guarantor has confirmed in writing to the Facility Agent that its consent to the relevant amendment, modification or waiver is not required, (B) such Guarantor's Maximum Available Guaranteed Amount has been reduced to zero Dollars (USD 0.00) or (C) such Guarantor has failed to make a payment under this Guarantee Agreement);
- (ii) such Guaranteed Lender transfers or assigns any of its rights or obligations under the Loan Agreement or this Guarantee Agreement in contravention of Section 4.01 (Transfer or Assignment by a Guaranteed Lender), provided that any termination pursuant to this Section 7.01(a)(ii) will apply only in respect of the cover of the Guarantees of the portion of the relevant Loan that is the subject of such prohibited transfer or assignment, and this Guarantee Agreement and all parties' right and obligations hereto shall remain in full force and effect in respect of all other portions of the Loans; or
- (iii) only with respect to a Guarantor's obligations under this Guarantee Agreement, an Early Disbursement Event has occurred, and the relevant Guarantor has (or Guarantors have) deposited the Maximum Available IDB Guaranteed Amount (if the Primary Guarantor has declared an IDB Early Disbursement Event) or the Maximum Available TNC Guaranteed Amount (if the Secondary Guarantor has declared a TNC Early Disbursement Event)

or the Maximum Available Guaranteed Amount (if both IDB and TNC have declared an Early Disbursement Event), in any such case into one or more escrow accounts nominated by the Facility Agent for the benefit of the Guaranteed Lenders as provided in Section 7.02(b) below.

(b) The termination of this Guarantee Agreement with respect to a Loan pursuant to this Section 7.01 shall be effective as of the date set forth in a Notice delivered by the applicable Guarantor to the applicable Guaranteed Lender notifying it that a Termination Event has occurred with respect to its Loan (or portion of its Loan) and that this Guarantee Agreement and such Guarantor's obligations hereunder are terminated with respect to the affected Loan or portion thereof (which date shall not precede the occurrence of such Termination Event). From and after such date, all obligations of the affected Guarantor hereunder with respect to such Guaranteed Lender's Loan (or portion thereof) shall terminate and be of no further force or effect.

(c) This Guarantee Agreement shall automatically terminate (except as provided in Section 7.02(d) (*Early Disbursement*)) for (i) TNC once the Maximum Available TNC Guaranteed Amount has been reduced to zero U.S. Dollars (\$0) and (ii) all other parties once the Maximum Available Guaranteed Amount has been reduced to zero U.S. Dollars (\$0).

(d) Termination of this Guarantee Agreement by either Guarantor shall not in any respect whatsoever affect any of the rights or obligations of each Guarantor or Barbados under each Counter-Guarantee Agreement, which shall remain in full force and effect.

Section 7.02 Early Disbursement.

(a) If the Primary Guarantor determines, in its sole determination, that any of the events or circumstances described in Article 5.01 (*Accelerated Maturity*) of the General Conditions to the IDB Counter-Guarantee Agreement (each an "**IDB Early Disbursement Event**") have occurred, then the Primary Guarantor may so notify the Facility Agent and the Secondary Guarantor, whereupon the Facility Agent, upon the Primary Guarantor's instruction, shall use its commercially reasonable efforts to assist the Primary Guarantor in establishing an escrow account (the "**IDB Escrow Account**") on terms and conditions and at a commercial bank acceptable to the Primary Guarantor, the Facility Agent and the Guaranteed Lenders (with such consent not to be unreasonably refused, conditioned or delayed), *provided* that (i) The Bank of New York Mellon shall be deemed acceptable by all parties as escrow agent for the IDB Escrow Account and (ii) all initial and ongoing costs and expenses associated with the establishment of the IDB Escrow Account shall be borne by the Primary Guarantor. Upon establishment of the IDB Escrow Account, the Primary Guarantor shall be entitled to deposit an amount equal to the Maximum Available IDB Guaranteed Amount into the IDB Escrow Account for payments to the Guaranteed Lenders in the same amounts and subject to the same terms and conditions as are provided in this Guarantee Agreement. Upon deposit by the Primary Guarantor of such funds in the IDB Escrow Account, the Primary Guarantor shall provide notice thereof to the Facility Agent and the Guaranteed Lenders, following which this Guarantee Agreement shall terminate as to the Primary Guarantor (except as provided in Section 7.02(d)).

(b) If the Secondary Guarantor determines, in its sole determination, that any of the events or circumstances described in Article 5.01 (*Accelerated Maturity*) of the General Conditions to the TNC Counter-Guarantee Agreement (each a “**TNC Early Disbursement Event**”) have occurred, then the Secondary Guarantor may so notify the Facility Agent and the Primary Guarantor, whereupon the Facility Agent, upon the Secondary Guarantor’s instruction, shall use its commercially reasonable efforts to assist the Secondary Guarantor in establishing an escrow account (the “**TNC Escrow Account**”) on terms and conditions and at a commercial bank acceptable to the Secondary Guarantor, the Facility Agent and the Guaranteed Lenders (with such consent not to be unreasonably refused, conditioned or delayed), *provided* that (i) The Bank of New York Mellon shall be deemed acceptable by all parties as escrow agent for the TNC Escrow Account and (ii) all initial and ongoing costs and expenses associated with the establishment of the TNC Escrow Account shall be borne by the Secondary Guarantor. Upon establishment of the TNC Escrow Account, the Secondary Guarantor shall be entitled to deposit an amount equal to the Maximum Available TNC Guaranteed Amount into the TNC Escrow Account for payments to the Guaranteed Lenders in the same amounts and subject to the same terms and conditions as are provided in this Guarantee Agreement. Upon deposit by the Secondary Guarantor of such funds in the TNC Escrow Account, the Secondary Guarantor shall provide notice thereof to the Facility Agent and the Guaranteed Lenders, following which this Guarantee Agreement shall terminate as to the Secondary Guarantor (except as provided in Section 7.02(c)).

(c) Any escrow account agreement establishing the IDB Escrow Account and/or the TNC Escrow Account will provide for payments to be made to the Guaranteed Lenders in the same manner, and subject to the same terms and conditions, as are provided for in this Guarantee Agreement. This will include provisions detailing:

- (i) the ability of the Facility Agent or a Guaranteed Lender to submit a demand notice thereunder, on the same terms as each such party is able to submit a Guarantor Payment Demand hereunder; and
- (ii) the obligation of the escrow agent, upon receipt of a valid demand notice thereunder, to make payments equivalent to Guaranteed Payments within the same time frame as set out hereunder.

(d) After the date on which all amounts have been paid under the Loan Agreement with respect to a Loan, such that no Guaranteed Payments remain outstanding on that Loan, the Facility Agent will so notify the Guarantors and will direct the relevant escrow agent to return to the relevant Guarantor, within three (3) Business Days of receipt of such notice, any amounts remaining on deposit in the corresponding Escrow Account.

Section 7.03 Termination.

(a) The IDB Guarantee and all obligations of the Primary Guarantor under this Guarantee Agreement shall automatically terminate on the date on which the Maximum Available Guaranteed Amount is reduced to zero U.S. Dollars (USD 0).

(b) The TNC Guarantee and all obligations of the Secondary Guarantor under this Guarantee Agreement shall automatically terminate on the date on which the Maximum Available TNC Guaranteed Amount is reduced to zero U.S. Dollars (USD 0).

(c) This Guarantee Agreement and all obligations of the Guarantors hereunder shall automatically terminate on the date on which all Guaranteed Payments due with respect to the Loans under the Loan Agreement have been paid in full.

ARTICLE VIII:

SCOPE OF PRIMARY GUARANTOR IMMUNITY

Section 8.01 Without prejudice to Section 10.02 (*Dispute Resolution*), each Guaranteed Lender acknowledges that, in accordance with the agreement establishing The Inter-American Development Bank, actions may be brought against the Primary Guarantor only in a court or arbitral tribunal of competent jurisdiction in the territory of a member country of the Primary Guarantor in which the Primary Guarantor has an office, has appointed an agent for accepting service or notice of process, or has issued or guaranteed securities.

Section 8.02 Each Guaranteed Lender further acknowledges that:

- (i) no actions shall be brought against the Primary Guarantor by member countries of the Primary Guarantor or persons acting for or deriving claims from such member countries;
- (ii) the property and assets of the Primary Guarantor, wherever located and by whomsoever held, shall be immune from all forms of seizure, attachment or execution before the delivery of final judgment or an arbitral award against the Primary Guarantor; and
- (iii) the archives of the Primary Guarantor shall be inviolable.

ARTICLE IX:

COMMUNICATION

Section 9.01 Methods of Communication

(a) Any communication under this Guarantee Agreement (each a “**Notice**”) shall be in writing, in English and shall either (i) be delivered in person or by courier or (ii) sent by e-mail, in each case addressed to the relevant party for the attention of the appropriate person identified below. All Notices to the Primary Guarantor sent by email shall be sent to all three email addresses identified below (or to such successor or to such other persons and addresses as the Primary Guarantor has notified to the other parties as provided in Section 9.01(b)).

(b) A Notice to shall be sent to a party hereto at the applicable address, and to the attention of the person, designated below or to such other person and address as such party may from time to time notify by Notice to the other parties hereto:

To the USD Lender

BB Blue Financing Company DAC
3rd Floor, 76 Lower Baggot Street
Dublin 2
Ireland
D02 EK81
Email: bbbluefinancing@waystone.com
Attention: The Directors

To the BBD Lender:

FirstCaribbean International Bank (Barbados) Limited
Corporate Banking
Michael Mansoor Building
Warrens, St. Michael
Barbados
Email: bbblueloan@cibcfcib.com and
fcib-cibaaservices@cibcfcib.com
Attention: Corporate Manager and Head of Corporate Banking. Ref:
Government of Barbados

To the Facility Agent:

FirstCaribbean International Bank (Barbados) Limited
Corporate Banking
Michael Mansoor Building
Warrens, St. Michael
Barbados
Email: fcib-cibaaservices@cibcfcib.com and
bbblueloan@cibcfcib.com
Attention: Manager, Agency Services, Corporate Banking Administrative
Agency Services

To the Primary Guarantor:

Inter-American Development Bank
1300 New York Avenue, N.W.
Washington, D.C. 20577
Emails: FIN-FIN@IADB.ORG (addressed to IDB's CFO & Finance
Manager)
FIN-TCS@iadb.org (addressed to IDB's Treasury Client Solutions
Group)
COFCEC@iadb.org (addressed to Country Representative –
IDB's Country Office Barbados)

To the Secondary Guarantor:

The Nature Conservancy
4245 North Fairfax Drive, #100
Arlington, VA 22203
Email: LegalCS@tnc.org and
SDPortfolio@tnc.org
Attention: Legal Corporate Services

To the Calculation Agent:

Credit Suisse International
One Cabot Square
London E14 4QJ
England
c/o Credit Suisse Securities (USA) LLC
Eleven Madison Avenue
New York, NY 10010
Email: list.bbblue@credit-suisse.com and
list.csgeflowrepack@credit-suisse.com
Attention: Credit Investor Products

Section 9.02 Receipt of Notices

(a) Notices and communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received. Notices delivered through electronic communications to the extent provided in Section 9.02(b) below shall be effective as provided in said Section 9.02(b).

(b) Notices and other communications sent to an email address shall be deemed immediately effective upon dispatch; *provided* that, if such notice or other communication is not sent during the normal business hours or is sent on a non-Business Day of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient. Any communication delivered to any party under this Guarantee Agreement that is to be sent by email will be written legal evidence.

ARTICLE X:

GOVERNING LAW AND DISPUTE RESOLUTION

Section 10.01 Governing Law. This Guarantee Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

Section 10.02 Dispute Resolution.

(a) Any dispute arising out of or in connection with this Guarantee Agreement (including a dispute relating to the existence, validity or termination of this Guarantee Agreement or any non-contractual obligation arising out of in connection with this

Guarantee Agreement) (a "**Dispute**") shall be referred to and finally resolved by arbitration under the Arbitration Rules of the London Court of International Arbitration (LCIA) (the "**Rules**").

(b) The arbitral tribunal shall consist of three arbitrators. The claimant(s), irrespective of number, shall nominate jointly one arbitrator; the respondent(s), irrespective of number, shall nominate jointly the second arbitrator, and a third arbitrator (who shall act as presiding Arbitrator) shall be appointed by the arbitrators nominated by the claimant(s) and respondent(s) or, in the absence of agreement on the third arbitrator within 15 days of the appointment of the second arbitrator, by the LCIA Court (as defined in the Rules).

(c) The seat of arbitration shall be London, England.

(d) The language of the arbitration shall be English.

(e) For purposes of this Section 10.02, the parties hereto:

(i) waive any right of application to determine a preliminary point of law or appeal on a point of law under Sections 45 and 69 of the Arbitration Act 1996;

(ii) stipulate that this arbitration provision constitutes an agreement in writing to arbitrate an international dispute and satisfies the requirements for an agreement in writing pursuant to Article II of the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards (the New York Convention); and

(iii) acknowledge and agree that the agreement to arbitrate and the conduct of the arbitration proceedings is for all purposes "international commercial arbitration" within the meaning of the International Commercial Arbitration Act of the laws of Barbados.

(f) Each party hereto may make the appropriate application in any court having jurisdiction, and any appellate court from any thereof, for the purpose of seeking an order compelling arbitration to take place in the place and manner specified herein or to provide emergency relief pending arbitration or to enforce an arbitration award, or as otherwise necessary in support of arbitration.

(g) Each party hereto waives any right to challenge any arbitral award issued in an Arbitration commenced hereunder except on the grounds expressly provided in Article V of the New York Convention.

(h) Each Guaranteed Lender and each Guarantor irrevocably waives, to the fullest extent permitted by applicable law, (i) any objection that it may now or hereafter have to the laying of venue of any action, suit or proceeding brought in any court referred to in this Section 10.02, and (ii) any claim that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

- (i) The Primary Guarantor agrees that the documents that start any proceedings in relation to this Guarantee Agreement, and any other documents required to be served in connection with those proceedings, may be served on it by being delivered to Cogency Global (UK) Limited at 6 Lloyds Avenue, Unit 4CL, London EC3N 3AX, United Kingdom, or to such other address in England and Wales as the Primary Guarantor may specify by notice in writing to the Facility Agent and the Guaranteed Lenders. For the avoidance of doubt, Cogency Global (UK) Limited shall be the Primary Guarantor's agent for accepting service or notice of process for the purpose of this Guarantee Agreement as required by Section 8.01. Nothing in this paragraph (i) shall affect the right of any Guaranteed Lender or the Facility Agent to serve process in any other manner permitted by law.

ARTICLE XI:

MISCELLANEOUS

Section 11.01 Nature of Guarantee. Each Guaranteed Lender acknowledges that this Guarantee Agreement is not, is not intended to be, and shall not be construed as, financial guaranty insurance.

Section 11.02 Guarantor Obligations Several and Not Joint. Notwithstanding any other provision of this Guarantee Agreement, the rights, duties, and obligations of each Guarantor hereunder are several and not joint, and no Guarantor shall be liable hereunder for the duties or obligations of the other Guarantor. No Guarantor's several liability would exceed its Allocated Share (as applicable). The Primary Guarantor's several liability shall never exceed the Maximum Available IDB Guaranteed Amount. The Secondary Guarantor's several liability shall never exceed the Maximum Available TNC Guaranteed Amount. No Guarantor makes any representation or warranty hereunder to or for the benefit of the other Guarantor.

Section 11.03 Counterparts. This Guarantee Agreement may be executed in any number of counterparts, which together will have the same effect as if the signatures on the counterparts were on a single copy of this Guarantee Agreement.

Section 11.04 Partial Invalidity. If, at any time, any provision of this Guarantee Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

Section 11.05 Remedies and waivers. No failure to exercise, nor any delay in exercising, on the part of either Guaranteed Lender, any right or remedy under this Guarantee Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Guarantee Agreement are cumulative and not exclusive of any rights or remedies provided by law.

Section 11.06 Amendments and waivers. Subject to Section 4.01(b) (*Transfer or Assignment by a Guaranteed Lender*), no term of this Guarantee Agreement may be amended or waived without the prior written consent of each affected Guarantor and each Guaranteed Lender. If the rights or

obligation of the Facility Agent are affected by a proposed amendment or waiver, the Facility Agent's consent shall also be required.

Section 11.07 Limited recourse and non-petition. Each of the parties hereto agrees that:

(a) Notwithstanding the other provisions of this Guarantee Agreement, a party's recourse (if any) to the USD Lender under this Guarantee Agreement (including, inter alia, with respect to any costs and expenses incurred by them hereunder) shall be limited to the funds available to the USD Lender (excluding share capital and earnings representing corporate benefit), and, to the extent such funds are insufficient, the claims of any party in excess of such funds shall be extinguished. The Facility Agent's recourse (if any) may be further limited by agreement by it outside the terms of this Guarantee Agreement, and any such agreement shall not constitute an amendment or waiver for the purposes of this Section 11.07.

(b) Notwithstanding the other provisions of this Guarantee Agreement, each party agrees that it will not take or join in taking any corporate action or other steps or legal proceedings for the winding-up, dissolution, bankruptcy or reorganisation or for the appointment of a receiver, examiner, administrator, administrative receiver, trustee, liquidator or similar officer of the USD Lender or of any or all of the USD Lender's revenues and assets, nor will it entice any third party to do so.

(c) Each Party acknowledges and agrees that the USD Lender will create security in favour of the holders or trustee or representative of holders of obligations or securities comprised in the Blue Bonds (as defined in the Loan Agreement) over the USD Lender's rights, title and interests in relation to this Guarantee Agreement pursuant to any trust deed relating to the Blue Bonds (as defined in the Loan Agreement) and will give notice of such creation to the other parties hereto.


(d) The provisions of this Section 11.07 shall survive notwithstanding any termination of this Guarantee Agreement or any Finance Document (as defined in the Loan Agreement).

Section 11.08 Disclosure of Guarantee Agreement. The Guarantors acknowledge that a copy of this Guarantee Agreement and the Conservation Agreements may be appended to any offering memorandum that is prepared by the USD Lender in connection with the issuance of Blue Bonds (as defined in the Loan Agreement) by the USD Lender on or around the date of this Guarantee Agreement.

[SIGNATURE PAGES FOLLOW]

ACCEPTED AND AGREED:

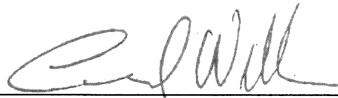
INTER-AMERICAN DEVELOPMENT BANK, as Primary Guarantor

By:  _____
Name: Viviana Alva Hart
Title: Country Representative in Barbados

[Signature Page to Partial Credit Guarantee]

ACCEPTED AND AGREED:

THE NATURE CONSERVANCY, as Secondary Guarantor

By: 

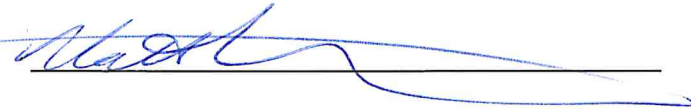
Name: Leonard Williams

Title: Chief Finance and Administrative Officer

[Signature Page to Partial Credit Guarantee]

ACCEPTED AND AGREED:

BB Blue Financing Company DAC, as USD Lender

By: 



Name: MATTHEW TRACEY

Title: DIRECTOR

[Signature Page to Partial Credit Guarantee]

ACCEPTED AND AGREED:

FirstCaribbean International Bank (Barbados) Limited, as Facility Agent

By:  

Name: Carl Lewis

Title: Chief Financial Officer

Donna Wellington

Managing Director - Barbados
And Eastern Caribbean

[Signature Page to Partial Credit Guarantee]

ACCEPTED AND AGREED:

FirstCaribbean International Bank (Barbados) Limited, as BBD Lender

By:  

Name: Carl Lewis

Donna Wellington

Title: Chief Financial Officer

Managing Director - Barbados
And Eastern Caribbean

[Signature Page to Partial Credit Guarantee]

SCHEDULE 1:
Form of Guarantor Payment Demand

To: Inter-American Development Bank
1300 New York Avenue, N.W.
Washington, D.C. 20577
Email: FIN-FIN@IADB.ORG (addressed to IDB's CFO & Finance Manager)
FIN-TCS@iadb.org (addressed to IDB's Treasury Client Solutions Group)
COFCEC@iadb.org (addressed to Country Representative – IDB's Country
Office Barbados)

The Nature Conservancy
4245 North Fairfax Drive, #100
Arlington, VA 22203
Attention: Legal Corporate Services
Email: LegalCS@tnc.org and
SDPortfolio@tnc.org

cc: [Guaranteed Lenders]

[The Calculation Agent]

[date]

RE: Guarantor Payment Demand

We refer to the Guarantee Agreement between, among others, the Inter-American Development Bank (the “**Primary Guarantor**”), The Nature Conservancy (the “**Secondary Guarantor**” and, together with the Primary Guarantor, the “**Guarantors**”) and FirstCaribbean International Bank (Barbados) Limited (the “**Facility Agent**”) dated September 20, 2022 (the “**Guarantee**”). Terms used but not defined in this demand shall have the meanings provided in the Guarantee.

We hereby demand, on behalf of the Guaranteed Lenders, that the Guarantors promptly pay to us in accordance with the terms of the Guarantee Agreement the Total Claim Amount specified below, which is due from Barbados and unpaid under the Loan Agreement. In addition, we have set out below for information purposes only: (i) the amounts demanded in respect of the USD Loan and the BBD Loan that have been used to calculate the Total Claim Amount and (ii) the amounts payable by each Guarantor in respect of the Total Claim Amount, together in each case with additional information on how each component has been calculated.

Total Claim Amount

USD [•], which is the sum of the Total USD Loan Claim Amount and the Total BBD Loan Claim Amount, each as set out below.

USD Loan

Total USD Loan Claim Amount (which is the sum of the below principal amount, Guaranteed Interest and Guaranteed Expenses): USD [•]

Principal amount: USD [•]

Guaranteed Interest: USD [•], representing the interest accrued during the Interest Period immediately preceding the applicable scheduled payment date plus additional interest that has accrued or will accrue on the USD Loan from the scheduled payment date to the date falling 14 Business Days after the date hereof (provided that (i) the period over which such interest is calculated shall not exceed 42 days, (ii) such interest excludes any interest calculated at a default rate and (iii) any excess amounts of interest shall be returned to a Guarantor in accordance with Section 2.01 of the Guarantee).

Guaranteed Expenses: USD [•]

BBD Loan

Total BBD Loan Claim Amount (which is the sum of the below principal amount and Guaranteed Interest): USD [•]

Principal amount: USD [•]

Guaranteed Interest: USD [•], representing the interest accrued during the Interest Period immediately preceding the applicable scheduled payment date plus additional interest that has accrued or will accrue on the BBD Loan from the scheduled payment date to the date falling 14 Business Days after the date hereof (provided that (i) the period over which such interest is calculated shall not exceed 42 days, (ii) such interest excludes any interest calculated at a default rate and (iii) any excess amounts of interest shall be returned to a Guarantor in accordance with Section 2.01 of the Guarantee).

Claims from each Guarantor

In respect of the Total Claim Amount set out above, the proportion that is payable by each Guarantor is as follows:

Claim from Primary Guarantor

Total Primary Guarantor Amount: USD [•], equal to the Total Claim Amount up to the Maximum Available IDB Guaranteed Amount

Amount payable by the Primary Guarantor in respect of the USD Loan: USD [•], which is equal to the Total Primary Guarantor Amount *multiplied by* the ratio of the Total USD Loan Claim Amount divided by the Total Claim Amount

Amount payable by the Primary Guarantor in respect of the BBD Loan: USD [•], which is equal to the Total Primary Guarantor Amount *multiplied by* the ratio of the Total BBD Loan Claim Amount divided by the Total Claim Amount

Claim from Secondary Guarantor

Total Secondary Guarantor Amount: USD [•], equal to the Total Claim Amount *minus* the Total Primary Guarantor Amount, subject to the Maximum Available TNC Guaranteed Amount

Amount payable by the Secondary Guarantor in respect of the USD Loan: USD [•], which is equal to the Total Secondary Guarantor Amount *multiplied by* the ratio of the Total USD Loan Claim Amount divided by the Total Claim Amount

Amount payable by the Secondary Guarantor in respect of the BBD Loan: USD [•], which is equal to the Total Secondary Guarantor Amount *multiplied by* the ratio of the Total BBD Loan Claim Amount divided by the Total Claim Amount

Payments shall be made to the account specified [in Section 3.02 of the Guarantee Agreement] [below].

[Account details (if applicable)]

Yours faithfully

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Name:

Title:

**[FirstCaribbean International Bank (Barbados)
Limited**

As Facility Agent, for and on behalf of the
Guaranteed Lenders]

OR

[[Guaranteed Lender]

As a Guaranteed Lender, for and on behalf of the
Guaranteed Lenders]

SCHEDULE 2:**Originally Scheduled Maximum Available IDB Guaranteed Amount**

Period start date	Period end date (to but excluding the payment date)	Maximum Available IDB Guaranteed Amount
September 20, 2022	March 20, 2030	100,000,000.00
March 20, 2030	September 20, 2030	93,760,406.96
September 20, 2030	March 20, 2031	87,511,563.29
March 20, 2031	September 20, 2031	81,262,719.61
September 20, 2031	March 20, 2032	75,013,875.94
March 20, 2032	September 20, 2032	68,765,032.27
September 20, 2032	March 20, 2033	62,516,188.60
March 20, 2033	September 20, 2033	56,267,344.93
September 20, 2033	March 20, 2034	50,018,501.26
March 20, 2034	September 20, 2034	43,769,657.58
September 20, 2034	March 20, 2035	37,520,813.91
March 20, 2035	September 20, 2035	31,271,970.24
September 20, 2035	March 20, 2036	25,023,126.57
March 20, 2036	September 20, 2036	18,774,282.90
September 20, 2036	March 20, 2037	12,525,439.23
March 20, 2037	September 20, 2037	6,276,595.56

The above schedule is subject to adjustment (i) in accordance with the business day convention specified in the Loan Agreement, (ii) if Barbados fails to make any payment on the Loan Agreement and/or (iii) if a Natural Disaster Event occurs.

SCHEDULE 3:

Originally Scheduled Maximum Available TNC Guaranteed Amount

Period start date	Period end date (to but excluding Payment Date)	Maximum Available TNC Guaranteed Amount
September 20, 2022	March 20, 2026	50,000,000.00
March 20, 2026	September 20, 2026	43,751,156.33
September 20, 2026	March 20, 2027	37,502,312.66
March 20, 2027	September 20, 2027	31,253,468.99
September 20, 2027	March 20, 2028	25,004,625.31
March 20, 2028	September 20, 2028	18,755,781.64
September 20, 2028	March 20, 2029	12,506,937.97
March 20, 2029	September 20, 2029	6,258,094.30
September 20, 2029	March 20, 2030	9,250.63

The above schedule is subject to adjustment (i) in accordance with the business day convention specified in the Loan Agreement, (ii) if Barbados fails to make any payment on the Loan Agreement and/or (iii) if a Natural Disaster Event occurs.