India 20MW/40MWh BESS Pilot at BRPL site – Draft Financing Term Sheet*

Parties	[*Winning bidder of BRPL Tender – name TBD*] "**Sponsor**" [*GEAPP LLC*] "**Lender**" [*SPV – name TBD*] "**Borrower**"
Background	BRPL is seeking to commission a grid-connected BESS project of 20MW/40MWh at their site in New Delhi to demonstrate the commercial and technical viability of BESS at the distribution-end. Further to this, BRPL published an RFP on 1st September seeking experienced and competent developers to provide Design, Supply, Testing, Installation, Commissioning, Operation and Maintenance for the BESS Project. The Project will be owned by a Special Purpose Vehicle ('SPV') and this SPV will provide services to BRPL ("the **Offtaker**") under the BESSA in return for a capacity-based tariff (INR/MW/year). It is anticipated[1] that GEAPP will provide 70% of the Total Project Cost in the form of concessional debt to be invested alongside equity from the Sponsor.
Total Project Cost	It is anticipated that the total project cost for the Project will be [$Xm]. It shall include the following: • Battery Energy Storage System cost • Evacuation and Transmission infra cost • Installation and Civil costs It will also be inclusive of required insurance, transaction fees, custom/duties, applicable taxes and debt service reserve.
Equity contribution	As per the RFP, the Sponsor will inject a minimum of 30% of the total project cost, with this capital injected into the Borrower on at least a *pro rata* basis alongside drawdowns on the debt facility, at all times meeting a Debt to Equity ratio of 70:30. For avoidance of doubt, the loan documentation will include typical drawdown request conditions including requiring the borrower to provide proof of invoices that were funded / paid with equity as proof of the Debt to Equity ratio being adhered to.
Debt facility general terms	The Lender will provide a debt facility to the Borrower under the following general terms: **Quantum: [$Xm paid in USD]** **Use of proceeds**: Proceeds must be used towards agreed Project Costs (excluding certain transaction fees not allowed under ECB).

[1] Subject to final approval which will be sought once BRPL has issued the Letter of Award.

	Availability period: Funds will be available to be drawn from financial close until the earlier of i) Actual Commercial Operation Date and, ii) the scheduled commissioning date in the BESSA. **Tenor:** 12.5 years door-to-door. **Repayment profile**: Following a 2.5-year moratorium, equal repayments to be made on Repayment Date (i.e. June 30 and December 30 of each year). **Interest rate**: Following a 1.5-year moratorium, a fixed interest rate of 1% is due and payable on the Interest Payment Date (i.e. June 30 and December 30 of each year). **Other fees**: No upfront/arrangement fees or commitment fees will be charged by the Lender. Any increase or decrease in principal and interest repayments due to INR/USD currency fluctuations will be borne by the Lender.
Scheduled Commercial Operations Date	[●] (i.e.[X] weeks from the effective date of the BESSA)
Covenants	The Lender will require covenants typical of this type of financing, including: • Minimum [X] DSCR in 12-month historical and forward-looking period To the extent certain covenants are breached, a block on distributions to equity will be.
Restricted Payment Conditions	The Borrower shall not make any payment of any dividend or interest or coupon or loans & advances to Sponsor(s) or their related parties ("**Restricted Payment Conditions**") save and except on compliance with the following conditions and as approved by the Lender in writing: (i) Commencement of principal repayment; (ii) No event of default or potential event of default should have occurred and is subsisting; (iii) Such Restricted Payment is permitted under applicable law; (iv) No beach on the requirement of financial covenants.
Debt Service Reserve Amount	DSRA to be included in the [Total Project Cost] sized to cover the debt service obligations (next ensuing principal repayment and interest payment) due to the Lender (6-month period).
Material Adverse Effect	Material Adverse Effect means, as of any date of determination by the Lender(s), a material adverse effect on: (i) The business, financial condition, operations, assets, prospects of the Borrower; or (ii) The ability of the Borrower to perform its material obligations under any of the Financing Agreements; or

	(iii) The validity or enforceability of the Financing Agreements or the rights or remedies of the Lenders under the Financing Agreements, which shall in each case adversely affect the transaction in the reasonable opinion of the Lender(s).
Security	The Lender will benefit from a security package typical of this type of financing, assignment of project agreements and direct agreement with the BESSA counterparty
Cashflow waterfall	A cashflow waterfall typical of this type of financing will be agreed, including amongst other things following priority as follows: • Operating costs and warranty/ insurance • Interest on working capital • Repayments and Interest due to the Lender • Distributions to equity For avoidance of doubt, the SPV shall benefit from a separate escrow bank account which all revenues shall be paid into and which will be used to cover all costs in the cashflow waterfall.
Liquidated Damages	All liquidated Damages owed to the Offtaker for failure to meet requirements under the BESSA shall be borne by the Sponsor without recourse to the Project or the Lender. Any cost overrun in the Project pursuant to delay in commissioning of the Project or on account of any reasons whatsoever shall be borne by the Sponsor without recourse to the Project or the Lender.
O&M and EPC	In conjunction with this agreement the Sponsor agrees to sign an EPC agreement or equivalent to cover supply the BESS for a pre-agreed and fixed total capital expenditure of [X] INR. This figure shall be fixed and any costs overruns in this respect shall be borne by the Sponsor, not the Borrower. In conjunction with this agreement the Sponsor agrees to sign an O&M agreement or equivalent with the Borrower with a pre-agreed fixed annual price of [X] INR/MW/year.
FX risk	As noted above, The Lender will absorb the currency mismatch risk between INR revenue payments and USD-denominated debt service (interest and repayments), noting that the notwithstanding this the payments themselves will be due in USD.
Conditions Precedent to drawdown	CPs to be drafted customary for this type of financing, including regulatory approval from state electricity regulatory commission.
Representations and Warranties, Covenants and Undertakings	Suitable representations and warranties, covenants (including restrictions on further borrowings, security creation, change in control etc.) and undertakings (to be provided by the Borrower and the Sponsor) customary for this type of financing to be added.
Events of Default and Consequences of Events of Default	Suitable events of default and consequences thereof customary for this type of financing to be added.
Information undertakings	Amongst other information typical of this kind of financing, the Lender will require the Borrower to report on certain indicators for the

	purposes of its internal reporting including amongst other things in relation to carbon reduction achieved.
Governing law	[To be discussed]
ECB approval	The Sponsor acknowledges that the Lender may require to fill ECB documentation and, to the extent required, will support that process by providing relevant SPV documents.