

HEADS OF AGREEMENT

This document constitutes a heads of agreement (the “**Heads of Agreement**”), entered into in accordance with the following provisions on this Effective Date of 15 November 2016 by and between:

1. **THE COUNTRY OF CURAÇAO**, a public entity, with its seat at Fort Amsterdam, Curaçao, hereinafter referred to as the “**Country**”, in this matter duly represented by the Prime Minister, Mr Bernhard D. Whiteman, by virtue of National Decree dated [DATE, NUMBER], thereby executing the decision of the Council of Ministers dated [DATE, NUMBER];
 2. **REFINERIA DI KORSOU N.V.**, a company incorporated under the laws of the former Netherlands Antilles and currently duly existing under the laws of Curaçao, having its registered office at Ara Hill Top Building, Pletterijweg Oost, Curaçao, and registered in the commercial register of the Chamber of Commerce in Curaçao under number 43037, hereinafter referred to as “**RdK**”, in this matter duly represented by its Managing Director, Mr. José C. van den Wall Arnemann, on the authorization by decisions of the Supervisory Board of RdK dated [DATE];
 3. **GUANGDONG ZHENRONG ENERGY CO. LTD.**, a state owned company governed by the laws of the People’s Republic of China, with its principal place of business at 35F, Hejing International Finance Place, No. 8 Hua Xia Road, Zhujiang New Town, Guangzhou, China 510623, in this matter duly represented by Mr. Bingyan Chen, hereinafter referred to as “**GZE**”. Hereinafter in this Agreement, GZE and Titan Petrochemicals Group Limited, an affiliate of GZE that is listed in Hong Kong (HKEX stock code: 1192) are collectively referred to as **GZE**;
- and
4. **CHINA ZHENRONG HOLDING LIMITED**, a company established by and acting on behalf of GZE outside of China for executing the projects in Curacao, in this matter duly represented by its President Mr. Bingyan Chen, hereinafter referred to as “**CZR**”.

The parties to this Heads of Agreement are hereinafter jointly referred to as the “**Parties**” and individually as a “**Party**”.

WITNESSETH THAT

- (A) The Government of Curacao, seeking to secure a sustainable future for the Refinery and the economy of Curaçao, signed a Memorandum of Understanding with Guangdong Zhenrong Energy Co. Ltd. on 15 September 2016 (the “MoU”);
- (B) The terms and conditions set forth in the MoU are fundamental for the negotiation of separate agreements with GZE to lease, modernize and operate the Refinery, the Utilities Plant and the Terminal;
- (C) The basic premise of the lease agreements to be entered into is a comprehensive upgrade of the Refinery, the Terminal and the Utilities Plant, such to be described in a master plan, whereby the main purpose of the upgrade is to make the Refinery, Utilities Plant and Terminal compliant as technically possible to the agreed environmental, industrial and commercial standards (the “Upgrade”);
- (D) In the MoU, the Country and GZE committed to commence negotiations in order to achieve the objectives set forth in the MoU;
- (E) In furtherance thereof, the Parties enter into this Heads of Agreement in order to set the framework to negotiate and reach final agreements between the Parties, and the other Government Owned Companies, such as Aqualectra (utilities), Curoil (oil & gas distribution and trading), Curacao Ports Authority, Kompania di Tou Korsou (towage), Selikor (waste disposal), PSB Bank N.V. (PSB) and others as applicable, on the topics set forth in the MoU and in this Heads of Agreement.
- (F) In furtherance of achieving the objectives set forth in the MoU, GZE also enters into this Heads of Agreement in order to set the framework to negotiate and reach final agreements with its strategic partners, which may include CNPC, SINOPEC, BP, CNOOC, and PDVSA (“the GZE Partners”) as applicable, on the upgrade and operation of the Refinery, the Terminal and the Utilities Plant.

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

1. The Refinery assets and Lease Agreements

- 1.1 The assets of the Refinery shall for purposes hereof be understood to include the assets of the

- refinery and the plant providing utilities to the refinery (“**Utilities Plant**”) (the “**Refinery**”).
- 1.2 The oil storage terminal at Bullenbaai (the “**Terminal**”) is formed by the storage tanks, as well as, but not limited to all pipelines, installations and facilities at the Bullenbaai area.
 - 1.3 The Refinery and Terminal Assets include the storage tanks, the jetties at the Terminal, as well as, but not limited to all land, pipelines, installations and other facilities, but they exclude the land, rights, pipelines and other facilities required to connect the future LNG Terminal (as defined in Section 14) to the Refinery and the facilities of other Government Owned Companies at the future LNG Terminal (the “**Excluded Assets**”), which Excluded Assets are to be and remain outside the scope of the respective lease agreements between RDK and GZE for the Refinery and Terminal (jointly the “**Lease Agreements**” and each a “**Lease Agreement**”).
 - 1.4 GZE acknowledges the desire of the Country and RdK to achieve optional use of the jetties at the Terminal and a requirement for the Country to further develop the Bullenbaai area. While GZE or its affiliates will become the lessee of the jetties at the Terminal under the Lease Agreements, GZE agrees to grant, in furtherance of the principles above, suitable access rights to the Country, RdK and other Government Owned Companies to the jetties at the Terminal based on terms and conditions to be agreed in the Lease Agreements (including, but not limited to ensuring the priority use by GZE and safe and normal operation of the Terminal) .
 - 1.5 The Country and RdK indicate to GZE that the Jetty 2 at the Terminal is currently and has been outside of the lease agreement with PDVSA for the last 31 years and is in the process of being redeveloped by RdK at its expense. The Parties agree to explore the possible special arrangements in the Lease Agreements about the Jetty 2 (including whether to include the Jetty 2 in the Lease Agreements) based on the requirements of the Upgrade Master Plan.
 - 1.6 The Parties acknowledge that the Lease Agreements will cover the upgrade, operations and maintenance of the Refinery and Terminal subject thereto, as to be further described in the Upgrade Master Plan and the Lease Agreements.
 - 1.7 RDK will provide a list of the Refinery and Terminal assets to GZE as soon as practicable from the date hereof, and discuss with GZE to which of the Lease Agreements such Refinery and Terminal shall be best subjected.

2. Operations

- 2.1 Under the Lease Agreements, GZE will be responsible in cooperation with the GZE Partners for operating the Refinery and the Terminal for the duration thereof (which duration, to avoid doubt, in this Heads of Agreement includes any agreed extended term or duration).
- 2.2 GZE will operate the Refinery and Terminal in accordance with at a minimum ASME standards or equivalent, such as API or OSHA or other commonly used international standards to be mutually agreed upon.

3. Maintenance

- 3.1 Under the Lease Agreements, GZE shall implement an asset management system, for the upkeep of the technical status of the Refinery and the Terminal Assets and the movable and immovable assets pertaining to the operations thereof (the “Asset Management System”).
- 3.2 GZE agrees to develop and submit to RdK each year a rolling maintenance program for the following five (5) years in accordance with the operation standards agreed. The maintenance program should be at an ISO 50001-standard or higher and to include, but not be limited to, annual maintenance as well as scheduled major Refinery turn-around maintenance. Starting from the second year of the lease term, the maintenance program should also include information about the maintenance activities completed during the prior year.
- 3.3 GZE will follow the standards and program to be agreed between the Parties to allocate the required maintenance and overhaul budget out of the operational expense allowance for the routine and non-routine maintenance and repair for the Refinery, the Terminal, the Utilities Plant and the relevant facilities.
- 3.4 GZE acknowledges to have procedures in place to ensure effective measures in case maintenance backlog occurs.

4. Crude supply

- 4.1 GZE bears the responsibility for securing 100% of the crude supply, as required for the duration of the Lease Agreements.
- 4.2 Crude supply shall be in line with the design specification of the Refinery and Terminal Assets involved, otherwise, the Refinery and the Terminal shall be upgraded to support that type of

crude, the cost of which will be for GZE's account.

5. Refinery Upgrade and Upgrade Master Plan

5.1 Parties agree that the main objectives of the Refinery Upgrade are:

- (A) To make the Refinery compliant to the agreed and anticipated environmental, industrial and commercial standards;
- (B) The scope of the Refinery upgrade shall envision as a minimum, the standards benchmarked by AXENS in the PARIC-document of 2015 (e.g. EURO IV products or higher); GZE reserves the right to propose an alternative upgrade master plan which shall result in a superior solution in terms of environmental protection, sustainable economic development of Curaçao, more reliable and profitable business operation, etc.
- (C) Alternative upgrade master plans will adhere to the principles that it will not require any guarantee or financial contribution or assistance by the Country or RdK.
- (D) To provide economic benefits to the people of Curaçao, while maintaining fair employment opportunities for the Refinery and Terminal local work force (including equal pay and conditions for equal work for employees of contractors and subcontractors);
- (E) To provide sustainable competitiveness for the Refinery during the Lease Agreements and any extensions thereof;
- (F) For it to be developed in accordance with the Country's strategy to modernize the entire energy infrastructure of Curaçao. This strategy shall be observed and if applicable, included in all binding agreements between the Parties and, as applicable, between the other Government Owned Companies and GZE;
- (G) GZE agrees to commit to a minimum capital expenditure of USD 5.5 billion in the Refinery and Terminal Upgrade based on the Upgrade Master Plan; and
- (H) For it to be based on the Upgrade Master Plan, agreement to which between the Country, RDK and GZE shall be a condition precedent to the entering into effect of the Lease Agreements.

- 5.2 Parties agree that the Upgrade Master Plan will need to be prepared and delivered by GZE in such a way that it facilitates and complies with the following:
- (A) The Refinery Upgrade, which includes switching to natural gas as the new fuel for power and steam generation for the Refinery;
 - (B) Improving the own and third party product storage infrastructure of Curoil, in the manner as to be agreed between Curoil and GZE. In any event, the storage capacity and fuel provision to Curoil shall be determined by the minimum fuel required by Curoil;
 - (C) Switching to natural gas for power generation at Aqualectra, if required by Aqualectra and then in the manner as to be agreed between Aqualectra and GZE;
 - (D) Implementing the Work Force Development Initiative; and
 - (E) The Upgrade Master Plan will indicate how GZE intends to finance the required investments and works, and will include a highly confident letter from GZE's proposed third party funders and other supporting documents with GZE Partners.
- 5.3 GZE shall grant RDK the right to access information of the Upgrade Master Plan during its preparation, including but not limited to scope definition, design, cost management, progress, timing, quality and risk plans and integration planning.
- 5.4 GZE shall provide a first draft of the front end engineering design plan based on the scope of the existing Proyecto de Adecuacion Refineria Isla Curaçao (**PARIC**) configurations for the Refinery as provided in the Scheme Consolidation Report for Refineria ISLA Curaçao B.V. IPS-Phase 1 for PARIC ("**FEED Plan**") to RdK. Subsequently GZE and RDK shall discuss the FEED Plan in an expedient manner with a goal to finalise the FEED Plan by a date to be agreed between Parties.
- 5.5 GZE shall, during the Upgrade Master Plan execution, grant RdK the right to inspect project activities and to observe project and steering meetings, and the right to provide feedback and inputs when the works are not proceeding according to the Upgrade Master Plan. GZE shall grant RdK the right to use a third party to provide project assurance services during the execution of the Upgrade Master Plan at RdK's expense.
- 5.6 GZE agrees that and assures the Refinery will remain operational during the Refinery Upgrade. Throughout such period:

- (A) The Refinery will guarantee the ongoing supply of required product volumes to the Utilities Plant and the Government Owned Companies, to be agreed upon separately;
- (B) The Refinery will continue to employ a minimum of 1,200 full time direct hired employees, respecting the existing collective and individual labor agreements.

5.7 Parties agree that the Upgrade Master Plan will be fully executed and all investments and works completed within five (5) years following the commencement of the lease term under the Lease Agreements. This provision shall be amended by mutual agreement where GZE steps in to the existing lease agreement pursuant to clause 16.2.

6. **Health, Safety, Environment and Security**

- 6.1 Parties recognise that environmental compliance is a key focus for the Refinery Upgrade and the modernization of the Refinery, the Utilities Plant and the Terminal.
- 6.2 GZE agrees that the Refinery will comply with the environmental framework (“**Environmental Framework**”), which will be developed jointly by the Parties and will take into consideration the state of the current facilities and the Upgrade Master Plan, which will be attached to the Government Agreement. The Environmental Framework is subject to amendments deriving from international regulations, guidelines and treaties. GZE will be provided with full access to the work executed by Amec Foster Wheeler for the Environmental Framework.
- 6.3 GZE will be responsible for the maintenance of the Refinery and the Terminal. GZE shall ensure to remain compliant with the Environmental Framework, health, safety and security framework and any evolutions thereof, for the duration of the Lease Agreements.
- 6.4 GZE agrees that at the termination or expiration of the Lease Agreements (the “**End Date**”), the Refinery will be compliant with standards set out in the Environmental Framework as at that date, and that it will be positioned to be able to comply with the Environmental Framework for at least five years thereafter.
- 6.5 Parties agree that a Remediation Reserve Fund will be set up on commencement of the Lease Agreements.
- 6.6 The Remediation Reserve Fund will be used to remediate the Refinery site at the End Date.
- 6.7 GZE will procure all relevant HSES regulatory permits to operate the Refinery and the Terminal in accordance with the application laws of Curaçao.

- 6.8 The Upgrade will be delivered in accordance with the operations standards such as API, ASME, OSHA or higher.
- 6.9 GZE shall be responsible for establishing and applying health, safety, environmental and security norms and standards for the operation of the Refinery and the Terminal, such as OSHA or higher.
- 6.10 The Parties shall agree to a government monitoring and penalty scheme in accordance with the local laws and regulations.
7. **Terms and Conditions Lease Agreements**
- 7.1 The Lease Agreements for the Refinery and the Terminal will have an initial minimum term of forth (40) uninterrupted years. The Parties agree that separate Lease Agreements will be entered into for the Refinery and the Terminal.
- 7.2 The Parties agree to consider the options to set up joint ventures between GZE, RdK, and/or other Curacao government entities to execute all potential projects in Curacao.
- 7.3 The lease fees (rent) will, subject to an agreed adjustment mechanism, consist of:
- (A) An annual fixed fee; and
 - (B) An annual variable fee calculated on the basis of the throughput of crude, feedstock and refined products.
- 7.4 Parties agree that GZE will require a commercial return on its investment in the Upgrade, and it is intended that the return on investment should be recovered during the initial term of the Lease Agreements.
- 7.5 Parties agree that a mutually acceptable incentive and penalty scheme will be included in the Lease Agreements and linked to the Refinery's performance across a range of Key Performance Indicators (the "**KPI Performance Scheme**"). The scheme will be linked to agreed KPIs including but not limited to: throughput volumes; environmental compliance; HSES incidents; utilisation, minimum usage; shutdown timings; maintenance compliance; best practice (linked to the agreed operating standards) and correct use of equipment; and the use of local content, contractors, local suppliers and labour.
- 7.6 Parties agree that GZE will provide a minimum throughput guarantee for the Refinery, and the

Terminal, to be agreed in accordance with the Upgrade Master Plan, but in any event, not less than 75% of the maximum capacity of the Refinery and the Terminal during the term of the Lease Agreements.

- 7.7 Parties agree that all payments are to be expressed and made in United States dollars (USD).
- 7.8 Parties agree that the new assets added to the Refinery and the Terminal during the execution of the Upgrade Master Plan, as well as renovated existing assets, will be transferred to RDK at the End Date.
- 7.9 Parties agree that any intellectual property used in the operation of the Refinery and the Terminal, execution of the Upgrade Master Plan or any other development within the scope of the Lease Agreements will be licensed to RDK in perpetuity irrespective to GZE's continuance thereof. The terms of such licenses to be agreed on by GZE and RDK, based on the principles of transparency and at cost.
- 7.10 The Lease Agreements shall be concluded and signed between RDK and GZE no later than on 15 November 2017. Provided, however, that commencement of the Lease Agreements may be subject to the conditions precedents stipulated in this Heads of Agreement or as may be otherwise agreed between RDK and GZE.
- 7.11 The Lease Agreements will be subject to due diligence of the parties involved and subject to the approval procedures of the respective governments.

8. Financing

- 8.1 Parties agree that GZE shall finance 100% of the execution of the Upgrade Master Plan and the operations of the Refinery and Terminal throughout the duration of the Lease Agreements.
- 8.2 Parties agree that GZE may fund the investment requirements through a combination of debt financing and equity.
- 8.3 GZE agrees that any third party debt financing will be on an arm's length basis and on commercial market terms.
- 8.4 Third party debt financing may have recourse over the benefits of the Lease Agreements, but not over the existing Refinery and Terminal Assets which will remain unencumbered throughout the duration of the Lease Agreements.

- 8.5 The Parties will explore the possibility for the creation of security over new assets or facilities created or invested through the execution of the Upgrade Master Plan and for the security enforcement mechanism before the signing of the Lease Agreements.
- 8.6 Any additional collateral needed would have to be provided or guaranteed by GZE.
- 8.7 As stipulated in article 2, section f., of the MoU, GZE agrees to use the Country owned bank PSB Bank N.V. (PSB) for all major transactions in connection with all agreements and works to the extent PSB Bank N.V. can provide the necessary banking services.
- 8.8 Parties agree that GZE will use best endeavors to secure financial guarantees from the Government of China for the execution of the Upgrade Master Plans.
- 8.9 GZE shall use all its reasonable endeavors to secure approvals from the competent authorities of the Government of the People's Republic of China for the outbound investments where required for any projects related to the Refinery and the Terminal after the signing of the Lease Agreements.
- 8.10 Parties acknowledge the importance of the contribution of foreign exchange to the economy of Curaçao. Therefore, Parties shall benchmark and agree to a minimum percentage of the annual contribution of foreign exchange generated by the execution of the Upgrade Master Plan and the operations of the Refinery and the Terminal.
9. **Fiscal and Taxation Package**
- 9.1 The fiscal and taxation package shall be constituted in a separate agreement between the Country and GZE and attached to the Lease Agreements (the "Government Agreement").
- 9.2 The Government Agreement shall provide fiscal arrangements for the execution of the Upgrade Master Plan and the operations of the Refinery and Terminal.
- 9.3 The fiscal and taxation package shall be reasonably balanced to safeguard the return on investment by GZE and respectively warrant the Country's national budget. The fiscal and tax package shall cover at least the following subjects:
- (A) execution of the Upgrade Master Plan;
 - (B) operations and maintenance of the Refinery;
 - (C) Arrangements for migrant employees; and

- (D) Import taxes on goods and services.

10. **Governance**

- 10.1 The Parties recognize the importance of the Refinery and Terminal to the Country and understand the responsibility that the Country has to the people of Curaçao in ensuring that the Refinery and Terminal are operated in a safe and sustainable manner in accordance with the approved industry standards as will be set out in the Lease Agreements.
- 10.2 The Parties therefore agree that there will be the following governance obligations, rights and protections:
- (A) GZE will provide a monthly reporting pack for RDK in the English language. Parties will agree on the contents of the pack, but it is expected to include: the monthly management accounts of the Refinery, operating KPIs, HSES KPIs, and board minutes.
 - (B) RDK has the right to appoint one or more observer(s) to the Supervisory Board of the entities of GZE in charge of operations of the Refinery (the “Operational Entities”), to be agreed to by the Parties.
 - (C) A minimum of four (4) meetings of the Supervisory Board of the Operational Entities will be held in Curaçao each year, as part of an approved agenda and calendar.
 - (D) Parties will agree to a list of reserved matters which will require the RDK’s or its observers consent.
 - (E) Monthly meetings should be held between GZE and RDK on operational and technical issues.
 - (F) GZE will present to RDK at the start of each year the Refinery performance for the historical year and the plans for the upcoming year including timing and extent of plant shut downs and the impact if any on production. This presentation should contain as minimum fin, labour, local content, environment and exports/imports of crude.
 - (G) As referred to in Section 7 above, Parties agree to an incentive and penalty scheme which will be linked to the performance in accordance with agreed KPIs. RDK will have the right to commission independent audits to verify these KPIs including, but not limited to HSES compliance, financial performance, operational compliance, maintenance program compliance.

- (H) GZE shall agree to submit to RDK yearly financial reports based on IFRS accounting standards, certified by an external auditor, relating to the Operational Entities.

11. Local Content Obligations

- 11.1 The Parties acknowledge the commitment to increase long term employment for the people of Curaçao, including the use of local employees, contractors, businesses and suppliers.
- 11.2 GZE agrees to prioritize the use of local companies for goods and services including, but not limited to the operations and maintenance of the Refinery and Terminal as well as the execution of the Upgrade Master Plan, associated harbor operations and construction of housing projects for the temporary workforce.
- 11.3 The KPI Incentive Scheme will include local content usage.
- 11.4 The Parties acknowledge that the temporary housing for the temporary workforce for the Upgrade can be handed over or sold to the people of Curaçao at preferential prices in accordance with a mutually agreed procedure to be determined in the Lease Agreement

12. Workforce Development Initiative

- 12.1 GZE acknowledges that the Work Force Development Initiative will include an apprentice program, and that where specific skills or services are not being available or provided locally, the international service provider assigned by GZE will be required to engage apprentice labor from the program and to attract Curaçao nationals abroad for such apprentice program. The apprentice program will include work experience for young professionals at the Refinery and Terminal.
- 12.2 Parties acknowledge the commitment to increase long term employment for Curaçao locals and nationals living abroad.
- 12.3 GZE agrees to at all times employ not less than the current number of 1,200 direct hired employees full time equivalent currently employed at the Refinery, not including the employees of the current contractors, for the duration of the Lease Agreements.
- 12.4 Parties acknowledge that the expectation for the Refinery is that it will largely retain its current workforce through the lease term and Upgrade transition. GZE agrees that the then existing Refinery contractors and employees, and the employees of the contractors, will be given job

offers for their existing roles on comparable terms to their existing contractual arrangements, once GZE takes over operations of the Refinery.

- 12.5 GZE agrees to adherence to the existing collective and individual labor agreements, staff salary arrangements and promotion schedules. GZE shall negotiate the employment terms separately with the respective representatives (unions) of the current direct and indirect hired workforce.
- 12.6 Parties agree that the Work Force Development initiative will target increasing the local competency and capability of the workforce in Curaçao. The initiative will include competency based training, an apprentice scheme, as well as a management training program aimed at creating sustainable management succession options.

13. Domestic Supply and Stock Holding

- 13.1 Parties acknowledge the importance of resilient fuel and energy supply to Curacao, and the role of the Refinery and the Terminal in this.
- 13.2 GZE agrees to offer Curoil the right to buy a minimum of fuel each year for supply and marketing within Curaçao (the “**Domestic Fuel Supply**”). The methods to ensure sufficiency will be subject to agreement between GZE and Curoil.
- 13.3 Pricing for Curoil and the excess of product that Curoil will have the ability to sell will be agreed in further negotiations.
- 13.4 In addition to the Domestic Fuel Supply, GZE agrees to supply an agreed minimum amount of electricity from the Utilities Plant to Aqualectra each year, if required by Aqualectra, quantities, terms, conditions and price to be agreed.
- 13.5 GZE warrants to hold at all times a minimum of 90 days’ worth of Domestic Fuel Supply for emergency purposes in stock at the Refinery at the terms and conditions to be agreed between the Parties, except for the emergency condition under which this reserve is allowed to be reduced until the condition is restored to allow for normal refill (the “**Stock Holding**”). The Stock Holding may be held in feedstock and/or refined product.

14. LNG Gas Purchase and Access to Refinery

- 14.1 GZE agrees that it will enter into a gas purchase agreement with the (to be determined) LNG provider that will build, own and operate the LNG Terminal and Transshipment Facility at

Bullenbaai (the “LNG Terminal”), on commercial market terms. Such gas purchase agreement shall be for all LNG required for the execution of the Upgrade Master Plan and the operation and maintenance of the Refinery under the Lease Agreements, and for a minimum period of 15 years.

- 14.2 The Refinery includes various pipeline and power line connections to facilities of Aqualectra and Curoil and the site of the LNG Terminal. GZE agrees to maintain the sections of pipelines which are included in the Refinery, and to provide access thereto to Aqualectra, Curoil and the (operator of) the LNG Terminal, under the rights of way, access or easements to be agreed.

15. Milestones

- 15.1 Parties shall commit, to their reasonable efforts, to provide legal, financial, tax, technical, environmental, commercial and operational information required for the due diligence of the Refinery, the Terminal, GZE and the GZE Partners, as soon as possible after the signing of this Heads of Agreement.
- 15.2 Parties acknowledge the importance of strict deadlines for the Upgrade Master Plan and the Lease Agreements.
- 15.3 GZE shall provide RdK the first draft of the FEED Plan (as defined in Section 5.4) by 30 April 2017.
- 15.4 GZE and RdK shall negotiate the Lease Agreements and sign the Lease Agreements by 15 November 2017.
- 15.5 GZE shall provide RdK and the Country with a certified translation of the Recordation Notice for the project preliminary report issued by the relevant Development and Reform Commission of the People’s Republic of China for the Curaçao projects once received. Parties acknowledge that the said Recordation Notice is one of the necessary conditions for the effectiveness of this Heads of Agreement.
- 15.6 GZE shall, subject to the complying with any confidentiality obligations, provide RdK and the Country copies of any agreements or legal documents between GZE and the GZE Partners relating the Lease Agreements for the Refinery and the Terminal within thirty (30) days of the signing date of such agreements.
- 15.7 RdK and the Country shall treat documents provided by GZE under paragraphs 5 and 6 above with the highest confidentiality.

16. **Early step in rights**

- 16.1 GZE will make its best efforts to work with PDVSA in matters regarding the operations of the Refinery and the Terminal prior to and after 31 December 2019. This is in view of the longstanding relationship between Curacao and Venezuela.
- 16.2 In the event the current operator cannot comply with its obligations under its current lease agreement with RDK, GZE is permitted to discuss with PDVSA the terms to start the operation of the Refinery and the Terminal prior to the end date of the existing lease agreement with PDVSA. Rdk and the Country will provide GZE with all the necessary supports in this process.

17. **Authority**

- 17.1 Each of the Parties warrants that the person signing this Heads of Agreement on its behalf is fully authorized to do so, and that this Heads of Agreement forms its legal and valid obligations, enforceable against it in accordance with its terms.
- 17.2 Each of the Parties shall submit within thirty (30) days after signing this Heads of Agreement, its respective approval procedures that may apply for it to validly enter the Lease Agreements and other final agreements provided for herein.

18. **Workforce development commitment and letter of intent from a Chinese bank**

- 18.1 Within four weeks of signing the Heads of Agreement, GZE will provide a Letter of Intent for supporting the financing of the upgrade of the Refinery and the Terminal to be issued by a reputable Chinese commercial bank or policy bank.
- 18.2 GZE undertakes to provide to the Country a first draft of the comprehensive workforce development plan by 30 April 2017, which shall include the establishment of a training school in Curaçao, scope of training, funding requirements, and implementation timetable. All the funding for the comprehensive workforce development plan will be funded by GZE or GZE Partners. The Parties will discuss and agree on the final version of the comprehensive workforce development plan for implementation after the signing of the Lease Agreements.

19. **Termination**

- 19.1 This Heads of Agreement shall be irrevocable and binding, and may not be terminated without going through the arbitration procedures provided in this Heads of Agreement, except in the event described in clause 19.3.
- 19.2 The Parties agree that if there is any prolonged delay for reaching the Milestones 3 and 4 and the first draft of the FEED Plan is not provided by GZE by 31 July 2017 or the Lease Agreements are not signed by 15 February 2018 (unless an extension of the relevant Milestone is otherwise agreed between the Parties), any Party may apply for arbitration to terminate this Heads of Agreement.
- 19.3 If a party determines, in its sole and absolute discretion, during or after the results of a due diligence, related only to the due diligence results that it is unacceptable to enter into the lease agreement(s) with the other party, such party shall have the right to terminate this Agreement by giving the other party notice of termination without the need of going through the arbitration procedures provided in this Heads of Agreement and without incurring any liability towards the other party in any way or form.
- 19.4 Parties expressly acknowledge and agree, that if this Heads of Agreement is terminated in the manners as set forth in this Heads of Agreement or if parties do not enter into bindings agreements or if an arbitration has been started to terminate this Heads of Agreement, the Country, MDPT and the respective Government Owned Companies are free to negotiate with any other party toward the execution of eventual agreements mentions in this Heads of Agreement, without incurring any liability towards GZE or CZR in any way or form.
- 20. Governing Law, Jurisdiction, Language and Notices**
- 20.1 This Heads of Agreement shall be governed exclusively by the laws of Curaçao.
- 20.2 All differences arising from understanding of this Heads of Agreement by the Parties shall be settled by thorough discussion and mutual agreement by the Parties.
- 20.3 All disputes arising out of or in connection with this Heads of Agreement shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by three arbitrators appointed in accordance with the said Rules.
- 20.4 The place of arbitration shall be London. The language of the arbitration shall be English.
- 20.5 All notices hereunder shall be in writing and addressed to the Parties' as provided for in the introduction to this Heads of Agreement.

THUS AGREED AND SIGNED ON the date first stated above:

The Country of Curaçao

Guangdong Zhenrong Energy Co. Ltd.

The Prime Minister

Mr. Bernhard D. Whiteman

Authorised Representative

Mr. Chen Bingyan

Refineria di Korsou N.V.

China Zhenrong Holding Limited

By: José C. van den Wall Arnemann

Title: Managing Director

President

Mr. Chen Bingyan