

SAMPLE ACCEPTANCE AGREEMENT

_____, 2011

[Applicant]
[Name & Address]

RE: Acceptance Agreement

Dear _____:

The North American Development Bank ("NADB") is in receipt of the application from _____ ("Applicant") for loan financing from NADB for the proposed _____ (the "Project"), dated _____. NADB understands that Applicant has also submitted the Project to the Border Environment Cooperation Commission ("BECC") for certification. I am pleased to confirm that, after preliminary review of financial and other information relating to the Project, NADB is prepared to consider participating in the financing of the Project through an NADB loan (the "Loan").

This letter shall constitute the acceptance agreement between NADB and Applicant required under Part IV, paragraph B, of NADB's Loan Policies and Procedures. Applicant acknowledges and agrees that execution of this acceptance agreement shall not be construed to represent a commitment on the part of NADB to provide financing to the Project. Participation by NADB in the financing of the Project shall be subject to the following, to the satisfaction of NADB, in its sole and absolute discretion: (1) NADB's completion of its evaluation and review of the Loan and the comprehensive financing package for the Project; (2) finalization of the financing package for the Project with evidence of commitment from all funding partners; (3) negotiation of the amount and all other terms and conditions of the Loan; (4) certification of the Project and approval of the Loan by BECC/NADB's Board of Directors; (5) negotiation and execution of all Loan documentation; and (6) payment by Applicant of all expenses incurred by NADB in the evaluation and review of the Loan proposal.

NADB may, in its sole and absolute discretion, retain advisors (including, without limitation, an independent engineer, environmental engineer, insurance consultant, outside financial advisor and outside legal counsel) to assist NADB in the duties to be performed pursuant to this acceptance agreement. [Applicant hereby approves NADB's retention of _____, as NADB's New York counsel, and _____, as NADB's outside financial advisor.]¹ Applicant hereby agrees to directly engage such advisors at NADB's request and directly pay all expenses and fees of any advisor retained by NADB[, including the fees and expenses incurred prior to the date hereof by _____ of up to \$[_____] and _____ of

¹ Include if NADB has retained advisors for the Project prior to the date of this acceptance agreement.

up to \$[_____] in connection with the Loan].² Applicant hereby further agrees to execute and deliver engagement letters with such advisors as may be reasonably requested. [Upon execution of this acceptance agreement, Applicant shall deposit \$[_____] in the aggregate with NADB as a retainer to pay for expenses and fees of NADB's advisors (such amount, the "Retainer"). After the Retainer has been fully applied to pay for such expenses and fees (including the fees and expenses of such advisors incurred prior to the date hereof),]³ Applicant shall be obligated to pay all invoiced expenses and fees of NADB's advisors within ten (10) days of receipt of an invoice therefor and Applicant's failure to timely pay any such expenses and fees shall give rise to the right of NADB and its advisors to cease work and withhold work product until such outstanding expenses and fees are paid in full. Applicant agrees that its obligation to directly pay all expenses and fees of any advisor retained by NADB, shall be a binding obligation whether or not financial close occurs, and Applicant shall pay all such expenses and fees incurred during the period through the termination of this acceptance agreement as provided herein.

In addition to any fees and expenses that may be payable to any advisor retained by NADB or otherwise in connection with this acceptance agreement, Applicant agrees to reimburse NADB upon request for all reasonable out-of-pocket costs incurred by NADB in connection with the Loan (whether or not financial close occurs), including, without limitation, travel and accommodation. Applicant further agrees to pay all costs and expenses of NADB (including, without limitation, fees and disbursements of outside legal counsel) incurred in connection with the enforcement of any of the rights and remedies under this acceptance agreement. Applicant agrees that any payments hereunder shall be made (i) in immediately available funds, (ii) free and clear of any taxes and withholdings, and (iii) not be subject to counterclaim or set-off for, or be otherwise affected by any claim or dispute relating to, any other matter.

This acceptance agreement may be terminated at any time by NADB or Applicant by delivery of written notice to the other party hereto. Upon the termination of this acceptance agreement, the parties hereto shall have no further obligations hereunder, other than (1) Applicant's obligations to reimburse NADB for its reasonable out-of-pocket costs, including, without limitation, the fees and expenses of NADB's independent engineer, environmental engineer, insurance consultant, outside financial advisor, outside legal counsel and other advisors retained by or engaged on behalf of NADB, as described above, and (2) Applicant's indemnification obligations, as described below.

Applicant agrees to cooperate fully with NADB in its evaluation and review of the Loan. Applicant further agrees to provide NADB and its advisors with such information relating to the Loan and the Project as NADB may reasonably request. Applicant acknowledges that, in performing its evaluation and review of the Loan, NADB will rely upon information furnished by Applicant, and that Applicant shall be responsible for the accuracy of such information. Applicant hereby represents and warrants that any written or oral information provided to NADB by Applicant will not contain any untrue statement of material fact or omit any material fact necessary to support statements therein.

² Include if advisors retained by NADB have incurred expenses in connection with the Project and will seek to have Applicant pay such amounts prior to continuing to work on the Project.

³ Include if NADB has requested a Retainer from Applicant.

NADB shall have no liability (in tort, contract or otherwise) to Applicant or to any of its officers, employees, agents or representatives for any claims, liabilities, losses, damages or expenses arising out of any act or omission of NADB in performing its evaluation and review of the Loan unless the same is finally judicially determined to have resulted solely from NADB's gross negligence or willful misconduct. Applicant agrees to indemnify and hold harmless NADB and each of its directors, officers, employees, agents and representatives from and against any and all expenses, losses, claims, damages and liabilities (including all legal or other expenses) arising out of, or related to its evaluation and review of the Loan, other than any expense, loss, claim, damage or liability arising from NADB's gross negligence or willful misconduct.

This acceptance agreement may not be assigned by Applicant without the prior written consent of NADB (and any purported assignment without such consent will be null and void). This acceptance agreement may not be amended or modified except in writing signed by each of the parties hereto and shall be governed by and construed and enforced in accordance with the laws of the State of New York.

Applicant hereby irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of the State of New York and of the United States District Courts located in the County of New York for any lawsuits, actions or other proceedings arising out of or relating to this acceptance agreement and agrees not to commence any such lawsuit, action or other proceeding except in such courts. Applicant further agrees that service of any process, summons, notice or document by mail to Applicant's address set forth above shall be effective service of process for any lawsuit, action or other proceeding brought against Applicant in any such court. Applicant hereby irrevocably and unconditionally waives any objection to the laying of venue of any lawsuit, action or other proceeding arising out of or relating to this acceptance agreement in the courts of the State of New York or the United States District Courts located in the County of New York, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such lawsuit, action or other proceeding brought in any such court has been brought in an inconvenient forum. Any right to trial by jury with respect to any lawsuit, claim or other proceeding arising out of or relating to this acceptance agreement or the services to be rendered by NADB hereunder is expressly and irrevocably waived by Applicant.

PLEASE NOTE THAT THIS ACCEPTANCE AGREEMENT DOES NOT CONSTITUTE A COMMITMENT FROM NADB TO PROVIDE THE LOAN OR ANY OTHER FINANCING. PRIOR TO ISSUING ANY COMMITMENT TO LEND, NADB MUST OBTAIN THE REQUIRED APPROVALS, AND NADB HAS NOT APPLIED FOR OR RECEIVED ANY SUCH APPROVALS. ANY DECISION AS TO WHETHER TO SEEK SUCH APPROVALS WILL BE MADE BY NADB IN ITS SOLE AND ABSOLUTE DISCRETION. THERE CAN BE NO ASSURANCE THAT SUCH APPROVALS TO ISSUE ANY COMMITMENT TO LEND WILL BE OBTAINED. ANY SUCH COMMITMENT WOULD BE UNDERTAKEN UNDER A SEPARATELY NEGOTIATED AGREEMENT.

Kindly arrange to have an authorized signatory sign on behalf of Applicant one enclosed original of this letter to indicate Applicant's agreement with the arrangements described in this

letter. Return one signed original to NADB, and retain the other for Applicant's files. NADB looks forward to working with you.

Sincerely,

Project Development Director

I agree with the terms and conditions contained in this acceptance agreement. I represent and warrant that all consents, permits and approvals required to sign this acceptance agreement on behalf of Applicant and to make payment of the Expenses referred to in this acceptance agreement have been obtained.

FOR:

NAME:

TITLE:

DATE: