

## Annex VII (a)

### Terms of the Standby Letter of Credit

#### To Be Represented by All Interested Participants

[ VIA SWIFT MT7XX Series Message ]

From: [ ] (*Issuing Bank*)

To: Banco do Brasil S.A., London Branch (SWIFT BIC: BRASGB2L)

Standby Letter of Credit Number: [NUMBER]

We are pleased to issue our Standby Letter of Credit in favour of the Beneficiary as detailed below:

Date of issue : [ ]  
Applicant : [ ]  
Beneficiary : Banco BM&F de Servicos de Liquidacao e Custodia S.A.  
[Praça Antônio Prado, 48 - Centro ]  
[ São Paulo SP ]  
Date of Expiry : As defined in clause 3 below  
Place of Expiry : Banco do Brasil S.A., London Branch  
Advising/Confirming Bank : Banco do Brasil S.A., London Branch  
Amount: : EUR 400,000.00 (EURO FOUR HUNDRED THOUSAND)

1. This Standby Letter of Credit Number [ ] is issued in favour of the Beneficiary at the request of the Applicant in the maximum aggregate sum of EUR 400,000.00 (EURO FOUR HUNDRED THOUSAND), in connection with “INVITATION TO TENDER BM&FBOVESPA No. 001/2008 – AUCTION FOR THE SALE OF CERTIFIED EMISSION REDUCTIONS (CER) (the “Auction”).
2. This Standby Letter of Credit is available at sight at the counters of Banco do Brasil S.A., London Branch against presentation of the Beneficiary's first demand subject to the following conditions:
  - 2.1 Any demand made by the Beneficiary under this Standby Letter of Credit must be received on or before the Date of Expiry (as defined in paragraph 3 below); and

- 2.2 Any demand made by the Beneficiary must be in substantially the form set out below headed "Form of Demand" and sent in writing, purportedly signed by an authorised signatory.
3. Unless previously cancelled by the Beneficiary via authenticated notice from the Beneficiary to Banco do Brasil S.A., London Branch, this Standby Letter of Credit shall expire upon the earliest to occur of (a) at the closing of normal banking hours at the office of Banco do Brasil S.A., London Branch on [ *date = to 30-days after the date of the auction* ] or (b) the date the first payment is made under this Standby Letter of Credit in respect of a demand made under this SBLC (the "**Date of Expiry**").
4. Neither the Applicant, Issuing Bank, the Confirming Bank nor the Beneficiary may transfer, assign, charge, or otherwise dispose of any of their respective rights under this Standby Letter of Credit. For the avoidance of doubt, nothing in this Standby Letter of Credit shall confer on any third party any benefit or the right to enforce any term of this Standby Letter of Credit.
5. The Advising Bank is asked to advise the Beneficiary and to add its confirmation to this Standby Letter of Credit.
6. All banking charges related to this Standby Letter of Credit other than those of the issuer are for the account of the Beneficiary.
7. This Standby Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision) UCP 600. This Standby Letter of Credit shall be governed by, and construed in accordance with, the laws of England and only the English courts shall have exclusive jurisdiction to hear any dispute in relation to this Standby Letter of Credit.
8. Banco do Brasil S.A., London Branch is authorized to claim reimbursement for presentations made in compliance with the terms and conditions of this Standby Letter of Credit via authenticated SWIFT and we undertake to honour such reimbursement claims on the next banking day in London after dispatch of such claim by Banco do Brasil SA, London Branch.
9. This SWIFT message is the operative Standby Letter of Credit and no further advice of the issue of this Standby Letter of Credit will be given.

**FORM OF DEMAND**  
**To be presented to Banco do Brasil S.A., London Branch**  
[ on the letterhead of the Beneficiary ]

[ *name and address of Issuing Bank* ]

[ ]

[ ]

[ Date ]

Dear Sirs,

Reference is made to the Standby Letter of Credit no. [ ] issued on [●], 2008 by [ *name of issuing bank* ] in favour of Banco BM&F de Serviços de Liquidação e Custódia S.A. (“Banco BM&F”) (“the SBLC”).

Banco do Brasil S.A. London Branch reference [ ].

We hereby demand full and prompt payment under the SBLC of EUR [●] in immediately available funds by wire transfer to the bank account as follows:

Pay To : Banco do Brasil S.A., London Branch (SWIFT BIC: BRASGB2L)

For Account Of: Banco BM&F de Serviços de Liquidação e Custódia S.A

IBAN : GB67 BRAS 4050 4720 3539 99

Ref. : SBLC No. [ ]

We hereby certify that:-

- (a) The Applicant was the successful bidder under “INVITATION TO TENDER BM&FBOVESPA No. 001/2008 – AUCTION FOR THE SALE OF CERTIFIED EMISSION REDUCTIONS (CER)” (the “Auction”); and
- (b) the amount being hereby demanded is due to Banco BM&F as a result of Banco BM&F having not received as of the date hereof the collateral in form and substance satisfactory to Banco BM&F as such collateral was required to be procured / provided pursuant to clause 4.1.8 of the Auction.

Yours faithfully

Banco BM&F de Serviços de Liquidação e Custódia S.A

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Authorized Signer(s)

**Anexo VII (b)**

**Terms of the Standby Letter of Credit**

**To Be Represented by Winning Bidder**

[ VIA SWIFT MT7XX Series Message ]

From: [ ] (*Issuing Bank*)

To: Banco do Brasil S.A., London Branch (SWIFT BIC: BRASGB2L)

Standby Letter of Credit Number: [NUMBER]

We are pleased to issue our Standby Letter of Credit in favour of the Beneficiary as detailed below:

Date of issue : [ ]  
Applicant : [ ]  
[ ]  
[ ]  
Beneficiary : Banco BM&F de Servicos de Liquidacao e Custodia S.A.  
[Praça Antônio Prado, 48 Centro ]  
[ São Paulo-SP ]  
Date of Expiry : As defined in clause 3 below  
Place of Expiry : Banco do Brasil S.A., London Branch  
Advising/Confirming Bank : Banco do Brasil S.A., London Branch  
Amount: : EUR [●]

1. This Standby Letter of Credit Number [ ] is issued in favour of the Beneficiary at the request of the Applicant in the maximum aggregate sum of EUR [●] (EURO.....)], in connection with “INVITATION TO TENDER BM&FBOVESPA No. 001/2008 – AUCTION FOR THE SALE OF CERTIFIED EMISSION REDUCTIONS (CER) (“the Auction”)”.
2. This Standby Letter of Credit is available at sight at the counters of Banco do Brasil S.A., London Branch against presentation of the Beneficiary's first demand subject to the following conditions:

- 2.1 Any demand made by the Beneficiary under this Standby Letter of Credit must be received on or before the Date of Expiry (as defined in paragraph 3 below); and
- 2.2 Any demand made by the Beneficiary must be in substantially the form set out below headed "Form of Demand" and sent in writing, purportedly signed by an authorised signatory.
3. Unless previously cancelled by the Beneficiary via authenticated notice from the Beneficiary to Banco do Brasil S.A., London Branch, this Standby Letter of Credit shall expire upon the earliest to occur of (a) at the closing of normal banking hours at the office of Banco do Brasil S.A., London Branch on [ *date = to 210-days after the date of the auction* ] or (b) the date the first payment is made under this Standby Letter of Credit in respect of a demand made under this SBLC (the "**Date of Expiry**").
4. Neither the Applicant, Issuing Bank, the Confirming Bank nor the Beneficiary may transfer, assign, charge, or otherwise dispose of any of their respective rights under this Standby Letter of Credit. For the avoidance of doubt, nothing in this Standby Letter of Credit shall confer on any third party any benefit or the right to enforce any term of this Standby Letter of Credit.
5. The Advising Bank is asked to advise the Beneficiary and to add its confirmation to this Standby Letter of Credit.
6. All banking charges related to this Standby Letter of Credit other than those of the issuer are for the account of the Beneficiary.
7. This Standby Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision) UCP 600. This Letter of Credit shall be governed by, and construed in accordance with, the laws of England and only the English courts shall have exclusive jurisdiction to hear any dispute in relation to this Standby Letter of Credit.
8. Banco do Brasil S.A., London Branch is authorized to claim reimbursement for presentations made in compliance with the terms and conditions of this

Standby Letter of Credit via authenticated SWIFT and we undertake to honour such reimbursement claims on the next banking day in London after dispatch of such claim by Banco do Brasil S.A., London Branch.

9. This SWIFT message is the operative Standby Letter of Credit and no further advice of the issue of this Standby Letter of Credit will be given.



[ EUR  being full payment of the penalty/fine referred to in clause 5.6.3 of the Auction, such amount being 20.00% of this SBLC ]

[ EUR  being full payment of the penalty/fine referred to in clause 5.6.5 of the Auction, such amount being 10% of this SBLC ]

[ EUR  being full payment of the amount due per clause 5.5.2 of the Auction such amount being 100% of this SBLC. ]

(b) Immediately upon payment of the amount demanded as aforesaid, the balance of the SBLC (if any) shall be automatically cancelled and the Date of Expiry of the SBLC shall be considered to have occurred.

Yours faithfully

Banco BM&F de Serviços de Liquidação e Custódia S.A

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Authorized Signer(s)