**SCHEDULE 5**

Form of Construction Security

To. PNG Power Limited

BANK GUARANTEE

Pursuant to the Agreement (the ***Agreement***) between PNG Power Limited (***Utility***) and (name of bidder) dated xx 2023 and as guarantor for the performance of the Company's obligations under the Agreement in relation to the satisfactory achievement of Commissioning of the FR BESS Project by the Required Commercial Operations Date pursuant to Sections xx of the Agreement, we [BANK NAME], [BANK ADDRESS], hereby establish our unconditional and irrevocable guarantee, number [•], in your favour and for the account of the Company for the amount of (10% of project value) (the ***Guaranteed Amount***) upon presentation to us of a copy of a Liquidated Damages Notice delivered by Utility to the Company pursuant to Section xx of the Agreement at least 30 Days prior to such presentation to us together with a certificate signed by a duly authorized officer of Utility attesting to the fact that the Company has failed to pay all or part of the amount indicated on the Liquidated Damages Notice.

Capitalised terms referred to in this guarantee but not otherwise defined in this guarantee shall have the meaning given to them in the Agreement.

We unconditionally undertake to pay on demand any sum or sums which may from time to time be demanded under this guarantee by the Utility up to a maximum aggregate sum equal to the Guaranteed Amount.

We hereby agree to make payment to the Utility upon our receipt of the Utility's written demand stating the amount to be paid to the Utility.

We shall be entitled to rely and shall rely upon the demand of the Utility presented hereunder and shall be under no duty to nor shall we inquire into any circumstances relating to any demand.

We hereby agree to make such payment notwithstanding any claims, demands or objections by the Company or any other party whatsoever.

We hereby waive any right we may have of first requiring the Utility to pursue its legal remedies against the Company and waive any presentment, demand, protest or notice of any kind whatsoever.

We hereby agree that the Agreement may be modified, amended or supplemented without our consent in any manner and agree that no such modification, amendment or supplement shall release, affect or impair our liability under this guarantee.

Our obligations hereunder are continuing, absolute and unconditional, and will not be in any way affected by any actions or circumstances which might constitute a legal or equitable discharge or defence of a guarantor or surety, all of which are hereby expressly waived by us.

Our payments hereunder shall be made to the bank account designated by the Utility, free and clear of and without deduction, withholding or set-off by reason of any and all present and future taxes, levies, charges or withholdings whatsoever, imposed or collected with respect thereto.

This guarantee shall be effective on and as of the date hereof and shall remain valid and in full force and effect until the earlier to occur of:

1. the day which is [30] Days after the Commercial Operations Date; and
2. the termination or expiry of the Agreement.

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 758 (***URDG758***), or any subsequent revision of them.

Except to the extent it is inconsistent with the express terms of this guarantee, this guarantee shall be governed by and construed in accordance with the laws of Papua New Guinea.

In witness whereof, we have caused this guarantee to be executed by duly authorized officers on this \_\_\_\_ Day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2023.

Any claim under this guarantee must be submitted to us within [•] ([•]) Days after the expiry date otherwise it will be dishonoured.

[BANK NAME]

[BANK ADDRESS]