
Assignment Agreement

(Liquefied Gas Project)

BETWEEN

INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT

AND

COMPAGNIE ALGERIENNE DU METHANE LIQUIDE

AND

BRITISH METHANE LIMITED

DATED MAY 14, 1964

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AGREEMENT, dated May 14, 1964, between INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (hereinafter called the Bank), of the first part, COMPAGNIE ALGERIENNE DU METHANE LIQUIDE, "CAMEL" (hereinafter called the Borrower), of the second part, and BRITISH METHANE LIMITED (hereinafter called the Obligor), of the third part.

WHEREAS by an agreement dated December 12, 1961 (hereinafter called the FOB Sale Contract), the Borrower has agreed to sell to the Obligor, and the Obligor has agreed to purchase from the Borrower, certain quantities of liquefied gas on the terms and conditions set forth in such agreement;

WHEREAS by an agreement dated July 12, 1963 (hereinafter called the CEDA Loan Agreement), the Caisse d'Equipement pour le Développement de l'Algérie (hereinafter called CEDA) has agreed to make to the Borrower a loan (hereinafter called the CEDA Loan) in an amount of French francs forty million, and as security therefor the Obligor, CEDA and the Borrower have entered into an assignment agreement dated August 12, 1963 (hereinafter called the CEDA assignment);

WHEREAS by an agreement dated May 14, 1964, which agreement and the schedules therein referred to are hereinafter called the Loan Agreement, the Bank has agreed to make to the Borrower a loan (hereinafter called the Loan) in various currencies equivalent to twenty million five hundred thousand dollars (\$20,500,000), on the terms and conditions set forth in the Loan Agreement;

WHEREAS the Loan Agreement provides that: (i) as security for the due payment of the principal of, interest, premium, if any, on prepayment or redemption, and other charges on the Loan and the bonds which may be executed and delivered in representation therefor (hereinafter called the Bonds), the Borrower shall constitute in favor of the Bank and of the holders from time to time of the Loan and the Bonds an assignment (*délégation*) of any and all rights to and claims for payments from the Obligor which the Borrower now has or may hereafter acquire under the FOB Sale Contract; and (ii) the Borrower shall make arrangements satisfactory to the Bank for the direct payment by the Obligor to the Bank of all the sums payable by the Obligor and so assigned;

NOW THEREFORE, the parties hereto hereby agree as follows:

ARTICLE I

SECTION 1.01. (a) As security for the due payment of the principal of, interest, premium, if any, on prepayment or redemption, and other charges on the Loan and the Bonds, the Borrower hereby conveys, assigns and transfers unto the Bank and the holders from time to time of the Loan and the Bonds any and all rights to and claims for payments from the Obligor which it now has or may hereafter acquire under the FOB Sale Contract.

(b) The Obligor consents to such assignment.

(c) The Bank, on its own behalf, and on behalf of the holders from time to time of the Loan and the Bonds, hereby accepts such assignment.

SECTION 1.02. (a) The assignment made in Section 1.01 of this Agreement shall rank *pari passu* with the CEDA assignment.

(b) Except as the Bank and CEDA shall otherwise agree and direct, any payments made hereunder and under the CEDA assignment by the Obligor to the Bank and CEDA shall be made in the same proportion as the total of all amounts outstanding and unpaid under the Loan and the Bonds shall bear to the total of all amounts outstanding and unpaid under the CEDA Loan Agreement.

(c) For the purposes of paragraph (b) of this Section, the Bank and CEDA shall make arrangements for the notification to the Obligor of the proportion in which any payments made hereunder and under the CEDA assignment should be divided between them.

SECTION 1.03. (a) The Obligor hereby agrees to pay to the Bank, into such account or accounts as the Bank shall designate from time to time, on demand (or in the event that CEDA shall make any demand for payment under the CEDA assignment, immediately upon such demand) all the sums payable (as the same shall become due and payable) and assigned hereunder; provided, however, that the obligation of the Obligor to make payments hereunder shall be subject to any and all defenses which the Obligor could assert against the Borrower under the terms of the FOB Sale Contract.

(b) Payments made under paragraph (a) of this Section shall continue to be made until such date as (i) the Bank shall otherwise notify the Obligor; or (ii) this Agreement shall terminate, whichever is the earlier.

SECTION 1.04. No demand shall be made by the Bank pursuant to Section 1.03 of this Agreement before a default shall have occurred in the payment of principal or interest or any other payment required under the Loan Agreement or the Bonds and such default shall have continued for a period of fifteen days.

SECTION 1.05. Any payments made by the Obligor pursuant to the provisions of this Agreement shall discharge *pro tanto* the obligation of the Obligor to make payments to the Borrower under the FOB Sale Contract.

SECTION 1.06. The obligations of the Borrower to make payments on account of the principal of, the interest and other charges on the Loan, the principal of and interest on the Bonds, and the premium, if any, on the prepayment of the Loan or the redemption of the Bonds in accordance with the provisions of the Loan Agreement and the Bonds shall not be limited or diminished in any way by the provisions of this Agreement.

SECTION 1.07. If and when a Representative (as this term is defined in the Loan Agreement) is appointed by the Bank and CEDA, the Bank shall promptly notify the Borrower, the Obligor and each of the Guarantors (as this term is defined in the Loan Agreement) of such appointment. Such notification shall include the name and address of such Representative.

ARTICLE II

SECTION 2.01. Any notice, demand or request required or permitted to be given or made under this Agreement shall be in writing. Such notice or request shall be deemed to have been duly given or made when it shall be delivered by hand or by mail, telegram, cable or radiogram to the party to which it is required or permitted to be given or made at its address hereinafter specified, or at such other address as such party shall have designated by notice to the party giving such notice or making such demand or request.

The addresses so specified are:

For the Bank:

International Bank for
Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

For the Borrower:

Compagnie Algérienne du Méthane Liquide
22 Place Vendôme
Paris 1er, France

For the Obligor:

British Methane Limited
107 Shirley Street
Nassau, Bahamas

SECTION 2.02. This Agreement may be executed in several counterparts, each of which shall be an original. All such counterparts shall collectively be but one instrument.

SECTION 2.03. This Agreement shall come into force and effect on the day and year first above written.

SECTION 2.04. This Agreement shall terminate and all the obligations of the parties hereunder shall cease and determine if and when the entire principal amount of the Loan and the Bonds and the premium, if any, on the prepayment of the Loan and on the redemption of all Bonds called for redemption (as the case may be) and all interest and other charges which shall have accrued on the Loan and the Bonds shall have been paid. Notice of such termination shall be given by the Bank to the Obligor.

IN WITNESS WHEREOF, the parties hereto, acting through their representatives thereunto duly authorized, have caused this Agreement to be signed in their respective names and delivered in the District of Columbia, United States of America, as of the day and year first above written.

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By GEORGE D. WOODS
President

COMPAGNIE ALGERIENNE DU
METHANE LIQUIDE

By A. K. WINKLER
Authorized Representative

BRITISH METHANE LIMITED

By G. M. GREENACRE
Authorized Representative