



NSP-SPV POWERCORP PLC

RC: 1436994

OFFER FOR SUBSCRIPTION

OF

₦8,500,000,000.00

**SERIES 1: 15-YEAR 15.60% GUARANTEED FIXED RATE SENIOR GREEN INFRASTRUCTURE BONDS DUE 2034
UNDER A ₦50,000,000,000.00 BOND ISSUANCE PROGRAMME**

**Issue Price: ₦1,000 per unit
Payable in full on Application**

Application List Opens: 5th February, 2019

Application List Closes: 18th February, 2019

GUARANTOR



RC: 1368639

This Pricing Supplement is prepared for the purpose of Rule 279(3) of the Rules and Regulation of the Securities & Exchange Commission (the "Commission" or "SEC") in connection with the Series 1 15-year 15.60% Guaranteed Fixed Rate Senior Green Infrastructure Bonds Due 2034 under the ₦50,000,000,000 Bond Issuance Programme established by NSP-SPV POWERCORP PLC ("the Issuer"). This Pricing Supplement is supplemental to, and should be read in conjunction with, the Shelf Prospectus dated 28 February 2019 and any other supplements to the Shelf Prospectus to be issued by the Issuer. Terms defined in the Shelf Prospectus have the same meaning when used in this Pricing Supplement.

To the extent that there is any conflict or inconsistency between the contents of this Pricing Supplement and the Shelf Prospectus, the provisions of this Pricing Supplement shall prevail. This Pricing Supplement may be used to offer and sell the Bonds only if accompanied by the Shelf Prospectus. Copies of the Shelf Prospectus can be obtained from any of the Issuing Houses.

The registration of the Shelf Prospectus and this Pricing Supplement shall not be taken to indicate that the Commission endorses or recommends the Securities or assumes responsibility for the correctness of any statements made or opinions or reports expressed in the Shelf Prospectus or this Pricing Supplement. No Securities will be allotted or issued on the basis of the Shelf Prospectus read together with this Pricing Supplement later than two years after the date of the issue of the Shelf Prospectus.

This Pricing Supplement contains particulars in compliance with the requirements of the Commission for the purpose of giving information with regard to the Securities being issued hereunder (the "Series 1 Bonds" or "Bonds"). Application will be made to the Council of the Exchange for the admission of the Bonds to the Daily Official List of the Exchange. The Bonds now being issued will upon admission to the Daily Official List qualify as a security in which Trustee may invest under the Trustee Investments Act (Cap T22) Laws of the Federation of Nigeria, 2004.

The Issuer accepts full responsibility for the accuracy of the information contained in this Pricing Supplement. The Issuer declares that having taken reasonable care to ensure that such is the case, the information contained in this Pricing Supplement is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information and that, save as disclosed herein, no other significant new factor, material mistake or inaccuracy relating to the information included in the Shelf Prospectus has arisen or has been noted, as the case may be, since the publication of the Shelf Prospectus. Further, the material facts contained herein are true and accurate in all material respects and the Issuer confirms that, having made all reasonable enquiries, to the best of its knowledge and belief, there are no material facts, the omission of which would make any statement contained herein misleading or untrue.

LEAD ISSUING HOUSE

 **United Capital**

RC: 444999

JOINT ISSUING HOUSES



RC: 1031358



RC: 485600



RC: 639491

THIS SUPPLEMENTARY PROSPECTUS IS DATED 28TH FEBRUARY 2019

www.northsouthpower.com

www.sec.gov.ng



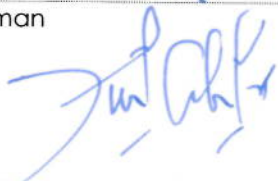





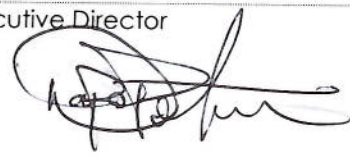
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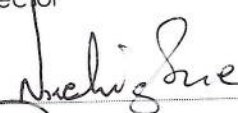




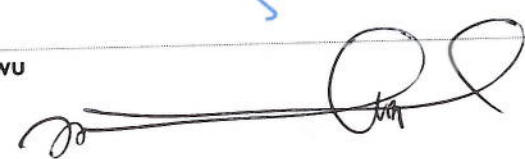


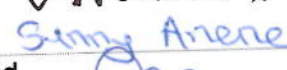





INDICATIVE TIMETABLE

Date	Activity	Responsibility
31 January, 2019	Receive the SEC's approval of Red Herring Prospectus; and approval to commence Book Building	Issuing Houses
05 February, 2019	Commence Book Building	Issuing Houses/Bookrunners
18 February, 2019	Conclude Book Building/Determine Clearing Price and Allocate Bonds	Issuing Houses/Bookrunners
18 February, 2019	Dispatch Allocation Confirmation Letters to Investors	Issuing Houses/Bookrunners
20 February, 2019	Update Transaction Documents and file same with the SEC	Issuing Houses/Bookrunners
27 February, 2019	Effect Payment of allotted Bonds to the Receiving Banks	Successful Applicants
28 February, 2019	Hold Signing Ceremony	All Parties
01 March, 2019	Transfer Net Issue Proceeds To The Issuer	Receiving Banks
04 March, 2019	File Executed Transaction Documents, Allotment Proposal and draft newspaper announcement with the SEC	Issuing Houses/Bookrunners
11 March, 2019	Receive SEC Clearance of Allotment and draft newspaper announcement	Issuing Houses/Bookrunners
18 March, 2019	Announce Allotment in at least two (2) national dailies	Issuing Houses/Bookrunners
18 March, 2019	File Declaration of Compliance, Expression of Interest, Indemnity Letter and General Undertaking with FMDQ	FMDQ Listing Agent (Issuing House)
19 March, 2019	Credit CSCS Accounts of Allottees/dispatch Bond Certificates	Registrar
02 April, 2019	Listing Of Bonds On The NSE And FMDQ	FMDQ listing Agent/ Stockbrokers
02 April, 2019	Post Offer Compliance Report Filing	Issuing Houses/Bookrunners

PARTIES TO THE ISSUE

<p>The Issuer</p>	<p>NSP-SPV PowerCorp Plc The Clan Place Plot 1386, Tigris Crescent Maitama FCT Abuja</p> 
<p>The Co-Obligor</p>	<p>North South Power Company Limited The Clan Place Plot 1386, Tigris Crescent Maitama FCT Abuja</p> 
<p>Co-Obligor's Board of Directors</p>	<p>Mallam Ibrahim Aliyu – Chairman The Clan Place Plot 1386, Tigris Crescent Maitama FCT Abuja</p> 
	<p>BP INVESTMENT LIMITED (Represented by Dr. Peters Olubunmi) – Executive Vice Chairman/CEO The Clan Place Plot 1386, Tigris Crescent Maitama FCT Abuja</p> 
	<p>Engr. Sani Ndanusa – Non-Executive Director The Clan Place Plot 1386, Tigris Crescent Maitama FCT Abuja</p> 
	<p>PAN AFRICAN GLOBAL INFRASTRUCTURE COMPANY LIMITED (Represented by Dr. George Nwangwu) – Non-Executive Director The Clan Place Plot 1386, Tigris Crescent Maitama FCT Abuja</p> 
	<p>NIGER STATE DEVELOPMENT COMPANY LIMITED (Represented by Hajiya Rahmatu Yar'Adua) – Non-Executive Director The Clan Place Plot 1386, Tigris Crescent Maitama FCT Abuja</p> 
	<p>Engr. Emmanuel Katepa – Non-Executive Director The Clan Place Plot 1386, Tigris Crescent Maitama FCT Abuja</p> 
	<p>Mr. Oladapo Peters – Non-Executive Director The Clan Place Plot 1386, Tigris Crescent Maitama FCT Abuja</p> 

PARTIES TO THE ISSUE

	<p>Mrs Sa'adiya Aminu – Non-Executive Director The Clan Place Plot 1386, Tigris Crescent Maitama FCT Abuja</p> 
	<p>Mr. Isaac Mate – Non-Executive Director The Clan Place Plot 1386, Tigris Crescent Maitama FCT Abuja</p> 
	<p>Mrs. Irene Chigbue – Non-Executive Director The Clan Place Plot 1386, Tigris Crescent Maitama, FCT Abuja</p> 
Co-Obligor's Company Secretary	<p>Ratio Legal Practitioners No. 1, Rima Street Maitama FCT Abuja</p> 
Custodian	<p>Zenith Bank Plc Zenith Heights Plot 84, Ajose Adeogun Street Victoria Island Lagos</p>  
Issuer's Directors	<p>Dr. Olubunmi Peters No. 1, Rima Street Maitama FCT Abuja</p> 
	<p>Dr. George Nwangwu No. 1, Rima Street Maitama FCT Abuja</p> 
Issuer's Company Secretary	<p>Ratio Legal Practitioners No. 1, Rima Street Maitama FCT Abuja</p> 
Lead Issuing House	<p>United Capital Plc 12th Floor, UBA House 57 Marina Lagos</p>  
Joint Issuing Houses	<p>Stanbic IBTC Capital Limited I.B.T.C. Place Walter Carrington Crescent Victoria Island Lagos</p>  
	<p>Vetiva Capital Management Limited Plot 266B, Kofo Abayomi Street Victoria Island Lagos</p>  <p>Dr Gbadebo Adenrele</p>
	<p>Zenith Capital Limited 15th Floor, B-Wing, Civic Towers Plot GA & G1, Ozumba Mbadiwe Road Victoria Island Lagos</p>  

PARTIES TO THE ISSUE

Sponsors

<p>Bond Trustee</p>	<p>UTL Trust Management Services Limited 1st Floor, Kingsway Building 2, Davies Street Marina Lagos</p> <p><i>Olufunke Aiyejola</i> OLUFUNKE AIYEJOLA</p>
<p>Solicitors to the Issue</p>	<p>Banwo & Ighodalo 98, Awolowo Road South-West Ikoyi Lagos</p> <p><i>Ogechi Aba</i></p>
<p>Auditors</p>	<p>KPMG Professional Services KPMG Tower Bishop Aboyade Cole Street Victoria Island Lagos</p> <p><i>Chibuzor Anumachi</i> Chibuzor Anumachi</p>
<p>Stockbrokers to the Issue</p>	<p>Vetiva Securities Limited Plot 266B, Kofo Abayomi Street Victoria Island Lagos</p> <p><i>Abiodun Adesokan</i> Abiodun Adesokan</p>
<p>Reporting Accountants:</p>	<p>Ernst & Young 10th & 13th Floors, UBA House 57, Marina Lagos</p> <p><i>Okefeni Alabi</i> Okefeni Alabi</p>
<p>Registrars to the Issue</p>	<p>Africa Prudential Plc 220B, Ikorodu Road Palmgrove Lagos</p> <p><i>Eshejor Veronica</i> Eshejor Veronica</p>
<p>Rating Agencies</p>	<p>Agusto & Co. Limited 5th Floor, UBA House 57, Marina Lagos</p> <p><i>Olusegun Awodok</i> Olusegun Awodok</p> <p>Global Credit Rating Co. Limited 17th Floor, New Africa House 31, Marina Lagos</p> <p><i>Okunola Hafeez</i> Okunola Hafeez</p>
<p>Receiving Banks</p>	<p>Stanbic IBTC Bank PLC I.B.T.C. Place Walter Carrington Crescent Victoria Island Lagos</p> <p><i>Oluchide Alerage</i> Oluchide Alerage</p> <p>United Bank for Africa Plc UBA House 57, Marina Lagos</p> <p><i>Murtala Akinyemi</i> Murtala Akinyemi</p> <p>Zenith Bank Plc Zenith Heights Plot 84, Ajose Adeogun Street Victoria Island Lagos</p> <p><i>Umar Aminu</i> Umar Aminu</p>
<p>Issuer's Auditors</p>	<p>Ugochukwu Ekezie & Co. Suite 3016, Block B, Anbeez Plaza, Zone 5, Wuse, Abuja, Nigeria.</p> <p><i>Ugochukwu Ekezie</i> Ugochukwu Ekezie</p>

SUMMARY OF THE OFFER

The following Summary does not purport to be complete and is qualified in its entirety by the remainder of this Pricing Supplement as a whole, the Shelf Prospectus and other documents, if any, incorporated by reference into this Pricing Supplement.

FINAL TERMS OF THE SERIES 1 BONDS

1. Issuer	NSP-SPV POWERCORP PLC
2. Co-Obligor	North South Power Company Limited
3. Description	15-Year 15.60% Guaranteed Fixed Rate Senior Green Infrastructure Bonds Due 2034
4. Bond Classification/Type	Green Infrastructure Bond
5. Series Number:	1
6. Specified Currency	Nigerian Naira (₦)
7. Aggregate Amount of Series:	Principal ₦8,500,000,000.00
8. Issue Price	Par – ₦1,000 per unit of the Bonds
9. Coupon Rate	15.60%
10. Gross Proceeds	₦8,500,000,000.00
11. Denomination(s) /Subscription:	Minimum of ₦10,000,000.00 and multiples of ₦5,000,000.00 thereafter
12. Source of Repayment	The Issuer shall pay the Coupon and repay the Principal Amount Outstanding from the Payment Account
13. Issue Date:	27 February 2019
14. Interest Commencement Date	27 February 2019
15. Maturity Date:	27 February, 2034
16. Tenor	15 years
17. Interest Basis:	Fixed Rate
18. Redemption/Payment Basis:	Amortised
19. Liability of Co-Obligors	Each Co-Obligor, jointly and severally, irrevocably and unconditionally undertakes to perform the payment obligations of the Issuer as primary obligor
20. Status:	The Series 1 Bonds shall constitute senior direct obligations of the Issuer and shall at all times rank pari passu and without any preference or priority among themselves
21. Guarantor	Infrastructure Credit Guarantee Company Limited ("InfraCredit"), a private company limited by shares and incorporated under the laws of Nigeria with registration

number 1368639

InfraCredit has been assigned a AAA long-term Naira currency national scale rating by Agosto & Co. and GCR

The Bonds are backed by the unconditional and irrevocable guarantee of the Guarantor, by way of continuing guarantee, of the due and punctual observance by the Issuer of all of its payment obligations in respect of all scheduled principal amounts and coupon due and payable by the Issuer under the terms of the Deed of Guarantee.

22. Guarantee

In the case of a claim under the Guarantee in respect of the Bonds, payments of all amounts due under the Guarantee shall be made no later than the applicable scheduled payment date and in any case, no later than the last day of any grace period granted to the Issuer, and only in the scheduled repayment instalments specified in the Coupon and Principal Payment Schedule on page 24

In the event of a default on the Bonds, the Guarantee cannot be accelerated unless the Guarantor in its sole discretion elects to do so by notice in writing to the Note Trustee. If no such election is made, the Guarantor will continue to be liable to make timely payments of the Guaranteed Amounts in accordance with the Coupon and Principal Payment Schedule

After the deduction of the costs and expenses of the Issue, which are estimated at ₦191,883,590 representing c.2.26% of the gross issue proceed, the net proceeds will be utilized as follows:

23. Use of Proceeds

Purpose	Amount (₦)	% of Net proceeds	Timeline for Use
Refinance of USD Facility	1,524,867,414.06	17.94%	Immediately
Refinance of NGN Facility	2,989,630,253.83	35.17%	Immediately
Scheduled Overhaul of Turbine 4 and Systems/Controls Upgrades	3,052,786,998.96	35.92%	Q4 2019
Minimum Reserve Account	740,831,743.15	8.72%	Immediately
Cost of Bond Issuance	191,883,590.00	2.26%	Immediately
Total	8,500,000,000	100%	

24. Listing(s):

The Nigerian Stock Exchange and FMDQ OTC PLC Platform

25. Method of Distribution:

By way of book building to Qualified Institutional Investors and High Net-worth Individuals as defined by Rule 321 of the SEC Rules and Regulations, 2013 (and as amended)

26. Offer Period

As indicated in the Indicative Timetable on Page 3

SUMMARY OF OFFER

27. Event of Default The events of default under the Bonds are as specified within the Programme Trust Deed and as modified by the Series 1 Trust Deed. The Bond Trustee shall notify the Commission of such event(s) of default as required by the Rules and Regulation of the Commission

28. PENCOM Compliance The Bond qualifies as securities in which Pension Fund Assets can be invested under the Pensions Reforms Act 2014.

Provisions Relating To Interest (If Any) Payable

29. Fixed Rate Note Provisions

- Interest Rate: 15.60%
- Coupon Date(s) / Payment Dates: Semi-annual, and payable in arrears on 27, February and 27, August of each year up to and including the Maturity Date
- Interest Amount(s): See 'Amortisation Schedule' on page [24]
- Day Count Fraction: Actual/365
- Business Convention: Day Following Business Day: Where the day on which a payment is due to be made is not a Business Day, that payment shall be effected on or by the next succeeding Business Day.
- Business Day: Any day (other than a Saturday, Sunday or a Federal Government of Nigeria declared public holiday) on which commercial banks are open for general business in Lagos Nigeria
- Other terms relating to method of calculating interest for Fixed Rate Bonds: N/A

Provisions Relating To Redemption

- 30. Optional Early Redemption (Call Option): Early redemption option from year 7 to Year 10
- 31. Optional Early Redemption (Put Option): Not Applicable
- 32. Scheduled Redemption/Amortization: Amortized redemption of Principal as shown in the Coupon and Principal Payment Schedule on page 24
- 33. Redemption Amount(s): ₦740,831,743 on each Payment Date as shown in the Coupon and Principal Payment Schedule on page 24
- 34. Scheduled Redemption Dates: Semi-annually each year commencing on 27 February 2019 until the Maturity Date (each a "Redemption Date") as shown in the Coupon and Principal Payment Schedule on page 24
- 35. Final Redemption Amount: Not Applicable

General Provisions Applicable to the Bonds

36. Form of Bonds: Dematerialised Bonds
37. Form of Dematerialised Bonds: Electronic registration on the CSCS Platform
38. Registrar: Africa Prudential Plc
39. Trustee(s): UTL Trust Management Services Limited
40. Record Date: No Bondholder may require the transfer of a bond to be registered during the period of fifteen (15) days prior to a Coupon Payment Date or the Redemption Date

Distribution, Clearing and Settlement Provisions

41. Names of Issuing Houses/Book Runners
- United Capital Plc (Lead Issuing House/Book Runner)
 - Stanbic IBTC Capital Limited (Joint Issuing House/Book Runner)
 - Vetiva Capital Management Limited (Joint Issuing House/Book Runner)
 - Zenith Capital Limited (Joint Issuing House/Book Runner)
42. Underwriting: At the instance of the Issuer, this Series 1 Bond issuance will not be underwritten
43. Clearing System: Central Securities Clearing System Plc

General

44. Rating:
- (i) Co-Obligor "A-" (Agusto & Co.)
"A-" (Global Credit Rating Co.)
- (ii) Issue "[AAA]" Global Credit Rating Co.

45. Taxation: The Series 1 Bonds are exempt from taxation in Nigeria in accordance with the Companies Income Tax (Exemption of Bonds and Short Term Government Securities) Order 2011 ("CIT Order"), the Value-Added Tax (Exemption of Proceeds of the Disposal of Government and Corporate Securities ("VAT Order")) Order 2011, the Personal Income Tax (Amendment) Act 2011 (PITA), and Value-Added Tax (Exemption of Commissions on Stock Exchange Transactions) Order 2014. As such, all payments made to Bondholders shall be free and clear of Withholding, State and Federal Income and Capital Gains Taxes¹ with no deductions whatsoever being made at source. For avoidance of doubt, the CIT Order and VAT Order has a lifespan of 10 years commencing on the effective date of 2nd January 2012. The exemption under PITA is indefinite. In relation to Bonds with a maturity date later than January 2, 2022, the issuer may be required by law to withhold tax on Coupon payments to the Holders. Accordingly, commissions payable to the SEC, NSE and CSCS will not be subject to

¹ The waiver on Capital Gains Tax has been issued, but the legislative and administrative processes of implementing this have not been finalised

value added tax until July 24, 2019.

46. Governing Law

The Series 1 Bonds will be governed by, and construed in all respects in accordance with the Investments and Securities Act No. 29, 2007 and the laws of the Federal Republic of Nigeria.

Material Adverse Change Statement

Except as disclosed in this document and in the Shelf Prospectus dated 28 February 2019, there has been no significant change in the financial or trading position of the Issuer since the date of the Issuer's last audited financial statements and no material adverse change in the financial position or prospects of the Issuer since the end of the financial year 2017.

Responsibility

The Issuer accepts responsibility for the information contained in this Pricing Supplement which, when read together with the Shelf Prospectus referred to above, contains all information that is material in the context of the issue of the Bonds.

DESCRIPTION OF THE CO-OBLIGOR

North South Power Company Limited was incorporated as a limited liability company on 15 March 2012 to develop, own and operate power plants and other energy infrastructure systems with a special emphasis on renewable energy systems including solar, electric, thermal, wind and hydro power plants.

The Federal Government of Nigeria, as represented by the Ministry of Finance Incorporated ("MoFI") through the BPE, transferred its rights to the operations, restoration, and maintenance of the hydroelectric power production facilities located on the Shiroro Reservoir and the related hydro property of the Shiroro Hydro Electric Power Plant to NSP through a concession agreement. This concession agreement was signed between BPE and NSP on 21 February 2013 for a period of thirty (30) years. However, the Shiroro Hydro Electric Power Plant was officially handed over to NSP on 1 November 2013. The Shiroro Hydroelectric Power Plant currently has a generating capacity of 600MW. Revenue is generated from billings from capacity and energy delivered to the grid/ sold to the Nigerian Bulk Electricity Trading Company Plc (NBET) and ancillary services provided to the Electricity sector. This is represented by the monthly final settlement statements received from Market Operator.

Shiroro Hydro Electricity Plc ("Shiroro") is a hydroelectric power company located in Niger State of Nigeria. The Company was created as part of the successor companies involved in the privatisation programme of the Federal Government of Nigeria.

Shiroro remains Nigeria's most recent hydroelectric plant, hosting Nigeria's SCADA operated national control center, switchyard facilities (including a technical "step down" function for the enhanced distribution into the national grid), advanced control room, and modern training facilities.

Shiroro Solar Power Project

In 2015, after completing a prefeasibility study with respect to a solar power project, NSP executed a Memorandum of Understanding with SinoHydro Corporation, one of the world's largest developers of solar projects, with respect to the upgrading of the pre-feasibility study.

In the same year, NSP executed a contract with SinoHydro Corporation with respect to construction of a 300MW Solar farm at Shiroro on turnkey basis. NSP is in the process of negotiating a power purchase agreement with the Nigerian Bulk Electricity Trading Company which will be used to raise the required financing for the project.

The Shiroro Solar Project provides a unique opportunity to expand NSP's supply to Nigeria by 300MW, thus meeting its target of supplying 10% of Nigeria's power requirements.

The project process is being carefully implemented to attract the right funding parties and partners.

Key attributes of the project include the following:

- 3 hours from Abuja, the Federal Capital city of Nigeria
- Average solar irradiation of 5.42Kwh/m²/day
- 12 Km from existing Shiroro substation
- 12 Km from existing Shiroro Hydroelectric power plant
- 0.1km from major road network (Gwada-Shiroro Road)
- Land flat and unsettled as previous occupants have been resettled

Key milestones achieved include:

- Issuance of 300MW License by NERC
- Completion of preliminary technical feasibility report
- Approval of transmission connection by Transmission Company of Nigeria

DESCRIPTION OF THE CO-OBLIGOR

- Approval of Environmental and Social Impact Assessment studies by the Federal Ministry of Environment

Gurara Hydroelectric Power Plant, a new addition to NSP's assets is a power plant with an installed capacity of 30MW located in Kaduna State, Nigeria. The plant in 2018 was awarded to NSP as the preferred bidder and a concession agreement is currently being negotiated by the Company.

DESCRIPTION OF THE ISSUE

NSP-SPV PowerCorp Plc

NSP-SPV PowerCorp Plc was incorporated in Nigeria on the 8th September, 2017 (with Registration Number 1436994) as a public limited company under the name 'NSP-SPV PowerCorp PLC' and with Registered Address at The Clan Place, Plot 1386, Tigris Crescent, Maitama, FCT, Abuja. The Issuer has no subsidiaries or affiliates and has been established as a special purpose vehicle for the purpose of raising funds from the capital market to finance capital expenditure, and optimise the capital structure of the Co-Obligor.

NSP-SPV has an authorised and issued share capital of ₦1,000,000.00 divided into 1,000,000.00 ordinary shares of ₦1.00 each with 999,999 ordinary shares held by North South Power Company Limited (the "Company").

As set out in Clause 3 of its Memorandum and Articles of Association the principal objectives of the Issuer, amongst other things, are to raise or borrow money by issue of notes or any other debt instruments; to pay interest on any money so raised or borrowed; to issue any of the company's securities, for such consideration and on such terms as may be deemed fit as well as secure and guarantee the performance by the company of any obligation or liability it may undertake, to redeem or pay off any such securities, and to invest the money raised or borrowed in securities or any other investments as the company may deem fit.

Guarantee

The Series 1 Bonds are backed by the unconditional and irrevocable guarantee of the Guarantor, by way of continuing guarantee, of the due and punctual observance by the Issuer of all of its payment obligations in respect of all scheduled principal amounts and scheduled coupon due and payable by the Issuer under the terms of the Deed of Guarantee (the "Guarantee").

Structure of the Issue

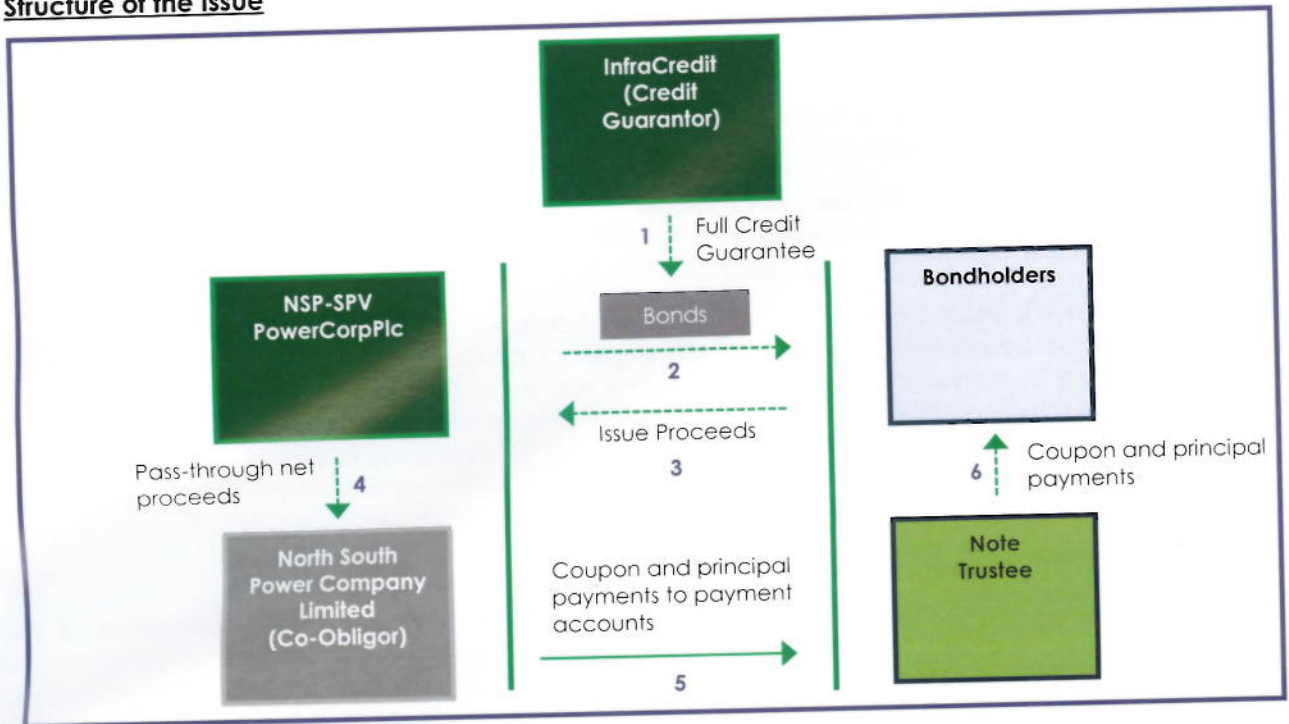
1. The series 1 bond issuance shall be fully guaranteed by InfraCredit
2. NSP-SPV shall issue the series 1 bonds to Qualified Institutional Investors and High Networth Individuals
3. Investors shall subscribe to the NSP- SPV bond Issuance
4. Proceeds from the Bonds will be passed-through to the Co-Obligor under the terms of the Series 1 Trust Deed
5. The Co-Obligor shall have a joint and several obligation to repay the aggregate principal amount outstanding and coupon payable on the Series 1 Bonds, and will directly, on a joint and several basis, fund the Payment Account
6. The Bond Trustee pay the bond obligation (Interest and principal) to the Bondholders:
The Guarantor shall pursuant to the Deed of Guarantee, irrevocably and unconditionally guarantee to the Note Trustee, for and on behalf of the Bondholders, by way of continuing guarantee the due and punctual observance by the Issuer of all its payment obligations in respect of all scheduled principal and/or coupon payable on the Series 1 Bonds

The intent and purpose of the Guarantee is to ensure that the Bondholders, under all circumstances and regardless of any factual and legal circumstances, motivations and considerations on the basis of which the Issuer may fail to effect payment, shall receive the scheduled principal and coupon payable pursuant to the terms and conditions of the Bonds on the due dates in accordance with the Coupon and Principal Payment Schedule

The Guarantee constitutes a contract in favour of the Bondholders as third-party beneficiaries entitling the Note Trustee to require performance of the obligations undertaken by the Guarantor and to enforce such obligations against the Guarantor. Accordingly, the Guarantor shall at any time upon first written demand by the Note Trustee pay all amounts required under the Guarantee without any restrictions if the Issuer for any reason, fails to pay the amounts due and payable in respect of the Series 1 Bonds

DESCRIPTION OF THE ISSUE

Structure of the Issue



DESCRIPTION OF THE GUARANTOR




Infrastructure Credit Guarantee Company Limited Infrastructure Credit Guarantee Company Limited ("InfraCredit" or the "Guarantor") was incorporated in Nigeria on the 20th of October 2016 (RC. No. 1368639) as a private limited company trading under the business name and style of "InfraCredit" (registered no. 2455187) with the Corporate Affairs Commission. The registered office is at 17 Sanusi Fafunwa Street, Victoria Island, Lagos, Nigeria.

InfraCredit is a specialized credit enhancement facility established to support long term local currency infrastructure financing by providing guarantees to enhance the credit quality of local currency debt instruments issued to finance eligible infrastructure related assets in Nigeria. Its guarantees would act as a catalyst to attract the investment interest from pension funds, insurance firms and other long-term investors, thereby deepening the Nigerian debt capital markets. InfraCredit was established by the Nigeria Sovereign Investment Authority ("NSIA"), an independent agency responsible for the management of Nigeria's sovereign wealth fund, in collaboration with GuarantCo, a supranational funded by five G12 countries: the UK (DFID), Switzerland (SECO), Sweden (SIDA), the Netherlands (DGIS through FMO) and Australia (DFAT)

InfraCredit's authorised share capital is N50,000,000,000 divided into 50,000,000,000 ordinary shares of N1.00 each. Its issued share capital is 9,014,500,000 ordinary shares of N1.00 each. An overview of InfraCredit's capital structure, credit ratings and board of directors is provided below:

Capital Providers



In December 2016, InfraCredit signed a Callable Capital Funding Facility Agreement with GuarantCo (the "Callable Capital") under the terms of which GuarantCo commits to support any guarantees issued by InfraCredit, up to a maximum value of US\$ 50 Million, of which US\$25 Million is being utilised by InfraCredit. GuarantCo is owned by the UK government and four G12 governments. The Callable Capital is an unfunded "second loss" component of InfraCredit's capital structure and acts as a liquid credit backstop to InfraCredit's paid in equity (the "Core Capital"). The Core Capital is a highly liquid funded component of the paid in share capital and acts as a "first loss" protection to the beneficiaries of credit guarantees. NSIA has subscribed and fully paid US\$25 Million of the Core Capital and is the initial shareholder of InfraCredit. InfraCredit plans to increase its Total Capital to up to US\$200 Million (Naira Equivalent) to support its guarantee issuing capacity. In furtherance of this objective, in November 2018, InfraCredit announced the successful closing of a US\$35 Million subordinated capital investment by its new investor, KfW Development Bank ("KfW").

Capital Providers	Status	Initial Capital	Int'l Rating
	Sovereign Authority	US\$25 Million Core Capital	N/A
	Supranational	US\$25 Million Callable Capital	AA- /Stable
	Supranational	US\$35 Million Subordinated Capital	AAA

DESCRIPTION OF THE GUARANTOR

Credit Ratings

InfraCredit has been accorded a 'AAA' national scale credit rating, which is the highest credit quality, by the two major domestic rating agencies, thereby reinforcing InfraCredit's credit strength as a financial guarantor. The credit ratings were assigned following a rigorous process of assessment and risk analysis which tested InfraCredit's robust capital structure, corporate governance and claims-paying ability.

Rating Agency	Assigned Rating	Rating Scale	Rating Class
 GCR	AAA (Stable)	National	Long Term
 Agusto	AAA (Stable)	National	Long Term

Board Of Directors

InfraCredit's Board is composed of the following initial members:

Name	Position	Address
Uche Orji	Chairman	4th Floor, Clans Place, 1386A Tigris Crescent, Maitama, Abuja
Chinua Azubike	Chief Executive Officer	17 Sanusi Fafunwa Street, Victoria Island, Lagos, Nigeria
Chris Vermont	Independent Director	Hunserdowns Lane, Ardleigh, Colchester, CO7 7LZ, UK
Stella Ojekwe-Onyejeli	Non-Executive Director	4th Floor, Clans Place, 1386A Tigris Crescent, Maitama, Abuja

Green Bond Classification

The company’s activities and planned green bond issuance in 2019 support both Nigeria’s international commitments to the United Nations Framework Convention on Climate Change (UNFCCC) through Intended Nationally Determined Contributions (INDCs) as well as Global Goals for Sustainable Development (SDGs). Further details on these are provided below






Alignment with Nigeria’s national strategic priorities

The Nigeria INDCs focus on the delivery of direct development benefits and sustainable growth of the economy. The INDCs promote sustainable development and delivering on government priorities. Key measures to allow this include driving energy efficiency and alternative energy programmes, as well as focusing on climate smart agriculture and reforestation. In the INDC, Nigeria has projected that GHG emissions will grow by about 114% by 2030 to around 900 million tCO₂e. Under a high growth scenario, with economic growth at 7%, this climbs to over one billion tCO₂e. As part of the COP21 Paris Agreement, Nigeria aims to unconditionally reduce emissions by 20% below business as usual (BAU) that is consistent with the current development trends and government policy priorities. Additionally, Nigeria can make a significant additional contribution with international support, in the form of finance and investment, technology and capacity building. Combined policies and measures can deliver in a cost-effective manner direct development benefits to the country and reduce emissions by 45% below BAU.

NSP’s activities in renewable energy production have previously contributed to reducing GHG emissions for power generation and will continue to do so, supported by the issuance of the green bond.

Alignment with the SDGs

Recognising the importance of sustainable development and the transition to a low carbon economy, NSP values SDGs aimed to end poverty, protect the planet and ensure prosperity for all. As a company offering low carbon energy for Nigeria, NSP-SPV Powercorp Plc.’s activities are aligned with the following key SDGs.

 <p>7 AFFORDABLE AND CLEAN ENERGY On a global scale, hydropower is considered to be the second (only to wind) among renewables offering the lowest carbon emissions per kilowatt hour, as shown by the International Energy Agency (IEA).</p>	 <p>8 DECENT WORK AND ECONOMIC GROWTH NSP offers climate change resilient jobs with a work force of more than 300 aimed to improve resource efficiency and economic growth from environmental degradation.</p>	 <p>13 CLIMATE ACTION</p>
 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE NSP’s mission as an organisation centres around consistently generating reliable power in line with international best practices, driven by innovation and excellence.</p>	 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION Through renewable energy production, NSP contributes positively to reducing greenhouse gas emissions.</p>	<p>The dam acts as a flood control mechanism, providing potential adaptive capacity to downstream communities in a future where more extreme rainfall events are more likely.</p>

Process For Project Evaluation and Selection

NSP envisions being the foremost power generating company in Africa. This will be achieved by leveraging technology, expertise and knowledge to provide energy and infrastructure solutions required by customers. NSP’s mission is to generate reliable power consistently in line with international best practices and driven by innovation and excellence. The company’s activities and planned green bond issuance in 2019 support and align with other national and international sustainability objective including Nigeria’s international commitments to the United Nations Framework Convention on Climate.

EXTRACT FROM NSP-SPV POWERCORP PLC GREEN BOND FRAMEWORK

Change (UNFCCC) through Intended Nationally Determined Contributions (INDCs) as well as Global Goals for Sustainable Development (SDGs).
The following departments of NSP currently oversee the evaluation and selection of all projects and will continue to conduct such assessments for Eligible Green Projects:

1. Technical and Commercial;
2. Environmental, Health and Safety;
3. Risk Management; and
4. Corporate Finance and Business Development

Environmental Sustainability Objectives

NSP is committed to the integration of environmental and social considerations in to its business activities as well as sustainable development. NSP-SPV Powercorp Plc's Sustainability Management Plan serves as a foundation to its environmental sustainability objectives.

Issuer process for eligible green project evaluation and selection

At inception, the Technical and Commercial department is responsible for understanding the technical specification and feasibility of the project including determining how the project fits within the eligible project categories of the Green Bond Principles, based on the technical specification of the project. The Environmental Department is responsible for conducting the required impact assessments (environmental, social and health) considering the technical specifications of the project, and including whether the project's annual GHG emissions do not exceed the 100 gCO₂e/kWh threshold. These assessments also consider necessary mitigation and adaptation measures. The Risk Management Department is responsible for reviewing outputs from Technical and Commercial and the Environmental, Health and Safety departments, in order to determine the overall risk of the project. This assessment includes technical, financial and environmental risk assessments. Once NSP has completed this initial cycle of reviews, a Project Feasibility Report is developed detailing assessment results and indicating whether the proposed project meets the specified eligibility criteria. The financial valuation and planning and business development processes then follow. These processes are championed by Corporate Finance and Business Development. The aforementioned steps are also highlighted in the figure below:



NSP has an Environmental Policy as well as an Environmental and Social Management System in place. It has recognised the need to carry out its operation in the most environmentally sustainable manner, and has therefore adopted a tri-ennial environmental auditing system in compliance with the statutory requirements.

Key objectives of the environmental audits (EAs) include:

- Assessing potential environmental risks emanating from power generation;

- Assessing the environmental performance and the level of regulatory compliance of the station;
- Recommending measures to improve environmental practices and also increase responsibility to stakeholders and the surrounding environment; and
- Identifying inadequacies in environmental management, occupational health and safety issues and quality compliance in the station.

The EAs also provide recommendations on issues such as policy, training, safety, water treatment, waste management etc. This process enables NSP to identify and assess risks at an early stage and effectively respond to them.

Eligibility Criteria

The proceeds of the Green Bonds will be used to refinance and finance eligible green projects as defined below ("Eligible Green Projects"):

Hydropower: investments in or expenditures for the acquisition, expansion, renovation, construction, development and installation of new and existing hydropower facilities in capacity of no more than 180 MW (per unit), with the annual emissions threshold not exceeding 100 g CO₂e/kWh. Some examples include:

Refinancing Of Acquisition And Renovations To The Facility Including:

- Tangible assets (e.g. properties, plant, equipment etc.)
- Intangible assets (e.g. concession costs, plant alterations/overhauling, information technology software, etc.)

Refinancing of scheduled overhaul of unit 4 and systems/controls upgrades including:

- Procurement and maintenance (e.g. spare parts, machinery and equipment etc.)

Financing operational expenses including:

- Impact reports (e.g. environmental, health and safety)
- Maintenance and repair (e.g. major maintenance required after 10 years)

Financing other transaction costs

Solar power: investments in or expenditures for the acquisition, expansion, renovation, construction, development and installation of new solar power facilities, that still need to undergo the necessary impact assessment processes.

Examples of Eligible Green Projects

As an example of an Eligible Green Project, the issuer has identified a project that exemplifies its objectives of maximising the potential yield and value of Nigeria's natural resources in a sustainable, responsible and efficient manner. This also aligns with Nigeria's INDC approved by President Muhammadu Buhari in 2015.

Proceeds of the Green Bond will not be used to finance or refinance projects that are not deemed to show a positive impact on the environment. These projects may include, but not limited to:

- Coal fired power generation; and
- Nuclear power generation.

Reporting

Allocation Reporting:

The Issuer will keep readily-available and up-to-date information on the use of proceeds to be renewed annually until full allocation, and as necessary thereafter in the event of new developments.

This will include a list of the projects to which green bond proceeds have been allocated, as well as a brief description of the projects and the amounts allocated, and the remaining balance of unallocated proceeds at the end of the reporting period. The Accounting Services Department and the Corporate Finance and Business Development Department will facilitate this process.

Should the issuer deem certain allocations to be confidential, these results will only be made available to the current investors of the Green Bond. Allocations will be reported at a book value and will be subject to annual external audits.

Impact Reporting:

On an annual basis, at least until full allocation the issuer will prepare an impact report detailing measured and achieved impacts in relation to the environmental objectives of this bond issuance. The impact report will be shared with investors, published on a dedicated section of its website, and it shall address the following impact metrics:

- Annual GHG emissions mitigated (tCO₂e);
- Annual GHG emissions intensity (tCO₂e/kWh);
- Annual renewable energy generation (MWh);
- Capacity of renewable energy plant(s) constructed or rehabilitated (MW);
- Annual absolute (gross) GHG emissions from the plant (tCO₂e).

The results of the impact measurement will also be reported in two (2) daily newspapers within Nigeria. The impact reporting process will be led by the Environmental, Health and Safety Department and calculations will be based international best practice guidelines and where there is a lack of same, will make use of company specific methods and factors.

USE AND MANAGEMENT OF PROCEEDS

Use of Proceeds

The net proceeds will be deployed in respect of Shiroro Hydroelectric Power Plant operated by North South Power Company Limited as follows.

Use of Proceeds	Amount (N)	Percentage (%)	Timeline for Use
Refinance of USD Facility*	1,524,867,414.06	17.94%	Immediately
Refinance of NGN Facility*	2,989,630,253.83	35.17%	Immediately
Scheduled Overhaul of Turbine 4 and Systems/Controls Upgrades\$	3,052,786,998.96	35.92%	Q4 2019
Minimum Reserve Account#	740,831,743.15	8.72%	Immediately
Cost of Bond Issuance@	191,883,590.00	2.26%	Immediately
Total	8,500,000,000.00	100%	

*Projects financed with the loans includes: Shiroro Hydro Electric Power Station (Existing); and Shiroro Solar Power Project (Ongoing).

~ Amounts required to fully repay bank loans may vary based on full and final amounts due to the banks as at the Issue Date

\$This involves stripping the components of the turbine to restore the runner to new condition thus enabling high availability of turbine 4 for 8 to 12 years post overhaul ("the overhaul term")

The reserve account shall be held by Guarantor's security trustee for the benefit of the Guarantor. The amount of initial funding of the reserve account may vary based on the final pricing of the Bonds

@ The cost of Bond Issuance may vary based on actual cost incurred

& Timeline for Use starts from date when the Issuer receives proceeds of the Bond

Management of Proceeds

Subject to the provisions of the Custody Agreement, the Issuer shall establish, operate and maintain the Escrow Account with the Custodian. On or before the Allotment Date, the Issuer shall ensure that the Escrow Account is opened in the joint names of the Issuer and the Bond Trustee with the Custodian.

The net proceeds of the issuance under the Transaction shall be remitted into the Escrow Account by the Issuer.

The Issuer and Bond Trustee shall be the signatories to the Escrow Account and shall have the power to manage the Escrow Account and change its signatories.

Proceeds from the Green Bond will be tracked by NSP-SPV Powercorp Plc.'s Corporate Finance and Business Development departments and the Accounting Services Department. NSP-SPV Powercorp Plc. has established a platform that serves as a register to monitor and account for the Eligible Green Projects within the Enterprise Resource Planning (ERP) system.

The net proceeds of Green Bonds will be attested to by a formal internal process linked to the Issuer's lending and investment operations for Green Projects. NSP-SPV Powercorp Plc. will prepare quarterly reports (to be reviewed by the Board) which will contain information from the ERP system on how proceeds have been used for the period in question. The internal audit function will play an integral role in verifying the management and allocation of proceeds related to this green bond.

So long as the Green Bonds are outstanding, the balance of the tracked proceeds shall be periodically adjusted to match allocations to eligible Green Projects made during that period.

In order to prevent the contamination of proceeds for unallocated funds, the Bond Trustee shall either:

- I. Temporarily invest the funds in instruments that are cash, or cash equivalent, within a Treasury function; and
- II. Temporarily invest fund in instruments that do not include greenhouse gas intensive projects which are inconsistent with the delivery of a low carbon and climate resilient economy.

The Issuer shall make known to investors the intended types of temporary placement for the balance of unallocated proceeds which shall comply with both the Nigerian GBG and the ICMA's GBP.

The Issuer adheres to a high level of transparency and will be supplementing the management of proceeds with an auditor, or other third party, to verify the internal tracking method and the allocation of funds from the Green Bond proceeds, on an annual basis. These audits will be conducted both pre-payment and post-payment, and will be spearheaded by the internal audit function of NSP-SPV Powercorp Plc.

In its annual reporting, will disclose both the amount of proceeds allocated to Eligible Green Projects and the balance of unallocated proceeds.

AMORTISATION SCHEDULE

The following table indicates the semi-annual amortising repayment of the Principal Amount and Coupon until maturity. The table reflects the coupon rate of 15.60%.

Period	Bond Obligation Repayment Date	Principal Repayment (N'000)	Interest Payment (N'000)	Principal Obligation Outstanding (N'000)
Interval 1	27 August 2019	77,831,743	663,000,000	8,422,168,257
Interval 2	27 February 2020	83,902,619	656,929,124	8,338,265,638
Interval 3	27 August 2020	90,447,023	650,384,720	8,247,818,614
Interval 4	27 February 2021	97,501,891	643,329,852	8,150,316,723
Interval 5	27 August 2021	105,107,039	635,724,704	8,045,209,684
Interval 6	27 February 2022	113,305,388	627,526,355	7,931,904,297
Interval 7	27 August 2022	122,143,208	618,688,535	7,809,761,089
Interval 8	27 February 2023	131,670,378	609,161,365	7,678,090,710
Interval 9	27 August 2023	141,940,668	598,891,075	7,536,150,043
Interval 10	27 February 2024	153,012,040	587,819,703	7,383,138,003
Interval 11	27 August 2024	164,946,979	575,884,764	7,218,191,024
Interval 12	27 February 2025	177,812,843	563,018,900	7,040,378,180
Interval 13	27 August 2025	191,682,245	549,149,498	6,848,695,935
Interval 14	27 February 2026	206,633,460	534,198,283	6,642,062,475
Interval 15	27 August 2026	222,750,870	518,080,873	6,419,311,605
Interval 16	27 February 2027	240,125,438	500,706,305	6,179,186,167
Interval 17	27 August 2027	258,855,222	481,976,521	5,920,330,945
Interval 18	27 February 2028	279,045,929	461,785,814	5,641,285,016
Interval 19	27 August 2028	300,811,512	440,020,231	5,340,473,504
Interval 20	27 February 2029	324,274,810	416,556,933	5,016,198,694
Interval 21	27 August 2029	349,568,245	391,263,498	4,666,630,449
Interval 22	27 February 2030	376,834,568	363,997,175	4,289,795,881
Interval 23	27 August 2030	406,227,664	334,604,079	3,883,568,216
Interval 24	27 February 2031	437,913,422	302,918,321	3,445,654,794
Interval 25	27 August 2031	472,070,669	268,761,074	2,973,584,125
Interval 26	27 February 2032	508,892,181	231,939,562	2,464,691,943
Interval 27	27 August 2032	548,585,772	192,245,972	1,916,106,172
Interval 28	27 February 2033	591,375,462	149,456,281	1,324,730,710
Interval 29	27 August 2033	637,502,748	103,328,995	687,227,962
Interval 30	27 February 2034	633,624,181	53,603,781	-

GCR

GLOBAL CREDIT RATING CO.

Local Expertise • Global Presence

NSP-SPV POWERCORP PLC – Bond Issuance Programme, Series 1 Guaranteed Green Infrastructure Bonds

Nigeria Structured Finance Analysis – New Issuance Report

November 2018

Security class	Amount	Rating scale	Indicative Rating*	Rating outlook	Expiry date
Series 1 Guaranteed Bonds	Up to N10bn	National	AAA _(IG/G)	Stable	May 2019

Key Counterparties:

Issuer: NSP-SPV Powercorp PLC ("NSP-SPV" or the "SPV")
 Sponsor: North South Power Company Limited ("NSP")
 Borrower/Co-Obligor: NSP
 Guarantor: Infrastructure Credit Guarantee Company Limited ("InfraCredit")
 Lead Issuing House: United Capital PLC
 Joint Issuing Houses/Book runners: Zenith Capital Limited, Stanbic IBTC Capital Limited, Vetiva Capital Management Limited
 Note Trustee: UTL Trust Management Services Limited
 Solicitor to the Issue: Banwo & Ighodalo
 Solicitor to the Trustees: Templars (Barristers and Solicitors)
 Account Bank: Zenith Bank PLC
 Reporting Accountant: Ernst & Young Nigeria
 Registrar: Africa Prudential PLC

Summary of Transaction:

Asset class: Guaranteed Green Infrastructure Bonds
 Programme limit: N50bn
 Sponsor rating: A-_(IG), Outlook: Stable
 Series 1 Bonds Rating (Indicative): AAA_(IG), Outlook: Stable
 Interest rate: To be determined
 Interest payment frequency: Semi-annual
 Transaction closing date: December 2018
 Legal maturity date: December 2033
 Key Documentation: Draft trust deed, draft prospectus, draft deed of guarantee "Deed", draft deed of recourse, draft legal opinion.

Rating Methodologies/Research:

GCR analysed the transaction by applying its: Global Master Criteria for Rating Corporate Entities (February 2018), Global Structured Finance Rating Criteria (February 2017), Global Summary Structurally Enhanced Corporate Bonds Rating Criteria (November 2017), North South Power Company Limited Rating Report (September 2018), Infrastructure Credit Guarantee Company Limited Rating Report (June 2018)

GCR contacts:

Primary Analyst:
 Kunle Ogundijo
 kunle@globalratings.net

Committee Chairperson:
 Dave King

Analyst Location - Lagos, Nigeria
 +23 41 9049462

Website: <http://www.globalratings.com.ng>

Transaction summary

NSP-SPV was incorporated by North South Power Company Limited as a special purpose vehicle to raise funds from the Nigerian capital market or other international markets by way of debt and other forms of capital, to finance various capital projects. In this regard, NSP-SPV is in the process of issuing Bonds into the Nigerian capital market, under a N50bn Bond Issuance Programme ("Programme"). The Programme is backed by a resolution of the Board of Directors, authorising the Issuer to issue the Bonds in series, and under different terms and conditions as may be deemed fit. The Series 1 Guaranteed Senior Fixed Rate Bonds will constitute direct, senior, unconditional and unsubordinated obligations of the Issuer. All payment obligations under the Issue (except otherwise provided for by applicable laws) rank equal with all other present or future unsubordinated payment obligations of both the Issuer and the Guarantor.

Global Credit Rating Company Limited ("GCR") has accorded an *indicative, public*, national scale long term credit rating of 'AAA_(IG/G)' to the Series 1 Guaranteed Senior Fixed Rate Bonds. Please note that the Programme is not rated; only the Notes are. The *indicative* rating accorded to the Series 1 Bonds to be issued by the Issuer under its N50bn Programme relate to timely payment of interest and principal.

Summary rating rationale

- NSP (Sponsor and Co-obligor) is a major private electricity supplier in Nigeria. Total generating capacity is 600 Megawatt ("MW"), whilst a number of projects in the pipeline could see generating capacity more than double over the medium term. NSP is also diversifying its energy sources, leveraging strong technical backing off its diverse shareholder base and an experienced management team. The upward growth trajectory was sustained in FY17, as revenue registered at a new high, largely underpinned by the full-year impact of contractual repricing. GCR upgraded the long term unsecured national scale rating of NSP to A-_(IG) in October 2018.
- By virtue of the guarantee agreement entered into by InfraCredit and the Trustees (acting on behalf of the bondholders) in relation to the Series 1 Bonds, InfraCredit, in its capacity as Guarantor, irrevocably and unconditionally guarantees the punctual and full (100%) settlement of i) scheduled interest payment ii) scheduled principal payment, iii) and any interest accrued but unpaid. GCR affirmed InfraCredit's long term national scale rating* of AAA_(IG) in June 2018.
- The Guarantee shall serve as a continuing security, and will be in full force and effect until all payments under the Series 1 Bonds have been fully discharged, and cannot be accelerated, except, the Guarantor in its sole discretion elects to do so. Accordingly, upon the occurrence of an Event of Default, the Guarantor will continue to be liable to make interest and principal payments on the Series 1 Bonds on the due date in accordance with repayment schedule.
- The 'AAA_(IG/G) *indicative, public*, national scale long term credit rating accorded to the Series 1 Guaranteed Senior Fixed Rate Bonds is fully supported by the Guarantor's credit rating, as the InfraCredit Guarantee offers timely and a 100% coverage of all payments due to the bondholders, under the Series 1 Bonds. In addition, GCR has received a draft legal opinion which confirms that the Guarantee is irrevocable, unconditional and enforceable in line with its terms. The Account Bank has an equivalent short term national scale rating of A1+_(IG) from an internationally recognised rating agency. A downgrade in the rating of the Guarantor and/or relevant risk presenting entities will affect the rating of the Series 1 Bonds, but not necessarily in the same quantum.

*The final public ratings will be accorded upon receipt of satisfactory final, signed and executed transaction documents.

Nigeria Structured Finance Analysis – New Issuance Report | Public Credit Rating

GLOBAL CREDIT RATING CO.

NSP-SPV POWERCORP PLC
STATEMENT OF AFFAIRS AS AT 30TH SEPTEMBER 2018
REPORT OF THE AUDITORS TO THE MEMBERS

We have examined the financial statements of the company set out on pages 4 to 5 and have obtained all the information and explanations which we considered necessary. The financial statements have been prepared under the historical cost convention.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Directors of the company are responsible for preparing the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with generally accepted auditing standards. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant accounting estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion, proper books of account have been kept and the financial statements which are in agreement therewith, give a true and fair view of the financial state of affairs of the company as at 30th September 2018 and in accordance with the relevant standards issued by the Financial Reporting Council of Nigeria and provisions of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004.

Abuja, Nigeria

SAW fce v
..... 2018



Ugochukwu Ekezie

FRCN/2016/ICAN/0000015058
(Chartered Accountants)



NSP-SPV POWERCORP PLC

STATEMENT OF AFFAIRS

AS AT 30TH SEPTEMBER, 2018

STATEMENT OF ACCOUNTING POLICIES

The following significant accounting policies were applied by the company in the preparation of these financial statements.

BASIS OF ACCOUNTING

The Financial Statements have been prepared under the historical cost convention and in accordance with the relevant accounting standards issued by the Financial Reporting Council of Nigeria.

DEFERRED COSTS

Covers the preliminary costs of floating the company such as company incorporation costs and the expenses incurred after the company incorporation till date. These costs are deferred for future write off against operating profit after the company has commenced operation. All deferred costs were paid by the Parent Company (NSP).

COMMENCEMENT

The company was incorporated on 8th September 2017 and is yet to commence business operation.

NSP-SPV POWERCORP PLC

STATEMENT OF AFFAIRS
AS AT 30TH SEPTEMBER 2018

STATEMENT OF FINANCIAL POSITION

	Notes	₦
Deferred Costs	1	435,900
Accrued Expenses	2	(350,000)
NET ASSETS		<u>85,900</u>
<u>FINANCED BY</u>		
Share Capital	3	<u>85,900</u>

The financial statements were approved by the Board of Directors on 7th November 2018 on its behalf by:



Dr. Nwangwu George (Director)
FRCN: FRC/2015/NBA/00000010853



Engr. Peters Olubunmi (Director)
FRCN: FRC/2014/COREN/00000007421

The Statement of Accounting Policies on page 4 together with the notes to the statements on page 6 form an integral part of these financial statements.

NSP-SPV POWERCORP PLC

STATEMENT OF AFFAIRS

AS AT 30TH SEPTEMBER 2018

STATEMENT OF FINANCIAL POSITION

	Notes	₦
Deferred Costs	1	435,900
Accrued Expenses	2	(350,000)
NET ASSETS		<u>85,900</u>
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The Statement of Accounting Policies on page 4 together with the notes to the statements on page 6 form an integral part of these financial statements.



Second Party Opinion on Green Bond Framework

NSP SPV Powercorp Plc

Introduction and overview of Issuer

North South Power Company Limited (NSP) was established in 2012 to own and operate a diverse and growing portfolio of electricity generation businesses across Africa. Apart from operating the 600 MW Shiroro Hydroelectric power plant, the company is currently advancing plans to commence construction of its 300 MW solar farm. This will enable it to continue to provide power to the Nigerian grid, whilst continuing to be an active player in Nigeria's power sector through power generation from the existing Shiroro plant concession period (ending 2043).

NSP-SPV Powercorp Plc (the Issuer) was incorporated in Nigeria in 2017 as a public limited company.. The issuer is wholly owned by NSP and its purpose is to issue green bonds.

The issuer strongly believes that there is great merit in issuing a Green Bond to re-finance existing assets and finance new assets, which are in the pipeline. The issuance of a green bond aligns with the issuer's objectives towards maintaining a sustainable low carbon environment and commitment to the integration of environmental and social considerations into their business activities as well as contributions to sustainable development.

Terms of Engagement

TUV NORD CERT were engaged by NSP to provide a Second Party Opinion (SPO) on whether the Green Bond Framework developed by the Issuer complies with the four core components of the Green Bond Principles (GBP) issued by ICMA in June 2018.

It should be noted that members of the assessment team are not involved in any other projects or activities that would cause a conflict of interest with regard to this engagement

Our Opinion

During the audit process, the issuer has provided evidence, by way of documents and interviews, to enable an opinion to be formed on whether the four core components of the GBP, have been complied with. The components are as follows:

1. Use of Proceeds

The proceeds of the bond will be used to solely finance and/or refinance eligible green projects. The projects will provide clear environmental benefits, which will be assessed and quantified by the issuer.

2. Process for Project Evaluation and Selection

The issuer has developed a clear process on how to determine whether the projects fit within the eligible green project categories of the Green Bond Principles. This process also considers the environmental and sustainability objectives as well as project related risks



3. Management of Proceeds

The net proceeds of the bond will be credited to a sub-account, which will enable the funds to be fully and transparently tracked. A policy exists, which clearly describes how unallocated funds will be managed.

4. Reporting

A policy exists, which will enable the issuer to keep readily available up to date information on the use of proceeds. This will be updated annually until full allocation or there are any material changes.

Conclusion

During this audit process, nothing has come to our attention, which leads us to believe, that the Green Bond Framework developed by the issuer, does not meet the requirements of the Green Bond Principles published in June 2018.

Essen, 26.10.2018

A handwritten signature in blue ink, appearing to be "Dr. Tahsin Choudhury".

Dr. Tahsin Choudhury
Lead & Senior Auditor

A handwritten signature in blue ink, appearing to be "Andreas Backs".

Andreas Backs
Senior Auditor

Disclaimer

For the sake of clarity, it should be noted, that the Second Party Opinion report is solely based on conformance or non-conformance of the Green Bond Framework against the Green Bond Principles and do not in any way constitute purchase or investment recommendations. The Verifier has no responsibility and liability in this regard and remains the sole responsibility of the issuer. The Issuer shall hold the Verifier harmless from and against any claim including but not limited third party claims raised against the Verifier in connection with bonds such as but not limited to the economic profitability and credit worthiness of the bonds.

TÜV NORD CERT GmbH
Climate Change Services
Langemarckstr. 20
45141 Essen
Germany

1. THE SERIES 1 BONDS

2.1 Aggregate Amount and Designation

Pursuant to the provisions of the Programme Trust Deed, the issue of the Series 1 Bonds is hereby authorised in the Aggregate Amount for Series 1 Bonds. The Series 1 Bonds shall be designated and shall be distinguished from any other Bonds of any other Series by the title "Series 1 Bonds".

2.2 Subscription Amount and Units

The Series 1 Bonds shall be issued hereunder in minimum denominations of ₦10,000,000 (Ten Million Naira) each and in integral multiples of ₦5,000,000 (Five Million Naira) thereof.

2.3 Form of Series 1 Bonds

The Series 1 Bonds shall be issued in registered form and details of the Series 1 Bonds and the Series 1 Bondholders shall be registered with the Registrar in the manner set out in Condition 4. The Series 1 Bonds shall be issued in uncertificated (dematerialised or book entry) form which shall be registered with the separate securities identification codes with the Clearing System and the names of the Series 1 Bondholders shall be recorded in the Register.

2.4 Status

The Series 1 Bonds constitute direct, guaranteed unconditional and unsubordinated obligations of the Issuer. The Bonds will rank *pari passu* at all times and in all respects, without any preference or priority among themselves and at least *pari passu* with all guaranteed, unconditional and unsubordinated obligations of the Issuer or assumed by the Issuer other than those mandatorily preferred by law and are of general application.

The payment obligations of the Issuer in respect of the Series 1 Bonds and of the Guarantor under the Deed of Guarantee shall, save for such exceptions as may be provided by Applicable Law, at all times rank at least *pari passu* with all other unsubordinated indebtedness and monetary obligations of the Issuer and the Guarantor respectively, both present and future.

The Bonds qualify as securities in which Trustee, insurance companies, and pension fund administrators may invest under the Trustee Investment Act, the Insurance Act, and the Pension Reform Act respectively.

2.5 Guarantee

The Guarantor has irrevocably and unconditionally guaranteed to the TrusteeTrustee, for and on behalf of the Series 1 Bondholders, by way of continuing guarantee, the due and punctual observance and performance by the Issuer of all of payment obligations in respect of all scheduled Redemption Amount due and payable by the Issuer under or in relation to the Series 1 Bonds in accordance with the terms of the Deed of Guarantee.

In the case of a claim under the Guarantee in respect of the Series 1 Bonds, payments of all amounts due under the Guarantee shall be paid to the Payment Account for the benefit of the Trustee no later than the relevant Payment Date(s), and only in the scheduled repayment instalments specified in the Fifth Schedule (*Redemption Table*).

2.6 Tenor

The Series 1 Bonds shall be redeemed in full on the Maturity Date.

2.7 Application of Proceeds of Series 1 Bonds

2.7.1 The net proceeds of the Series 1 Bonds shall be paid into the Escrow Account and passed through by the Issuer and the Trustee to the Co-Obligor pursuant to the terms of this Deed and utilised for the purpose, and in the manner stipulated in the Pricing Supplement/Supplementary Shelf Prospectus, which for the avoidance of doubt shall include payment of any fees, expenses or costs incurred by the Issuer in connection with the issuance of the Bonds.

The Co-Obligor acknowledges receipt of the proceeds of the Series 1 Bonds in the manner specified in the Pricing Supplement/Supplementary Shelf Prospectus and undertakes to the Trustee that it will use the proceeds of the Series 1 Bonds exclusively for the purpose indicated in the Pricing Supplement/Supplementary Shelf Prospectus, and shall repay the scheduled Redemption Amount in accordance with the Fifth Schedule (*Redemption Table*) to this Deed.

2.7.2 The Trustee shall not be bound to enquire as to the utilisation by the Issuer of the proceeds of the Series 1 Bonds nor shall they be responsible for such application or for the consequence of such application.

3. APPOINTMENT OF TRUSTEE

3.1 The Issuer hereby appoints the Trustee to act for the benefit of the Series 1 Bondholders, to hold the benefit of the covenants and other obligations of the Issuer herein contained for the Series 1 Bondholders in accordance with the terms of this Deed.

3.2 By execution of this Deed, the Trustee has accepted and agreed to enforce the powers and perform its duties and obligations Trustee specifically set out in this Deed and generally provided for in the Trustee Investment Act.

4. DECLARATION OF TRUST

4.1. The Trustee hereby declares itself trustee for the Series 1 Bondholders with effect from the date of this Deed to hold the benefit of the payment obligation and other covenants on the part of the Issuer herein contained on trust for the Series 1 Bondholders subject to the terms of this Deed.

4.2. The trust created by this Deed shall remain in full force and effect until the earlier of:

4.2.1. the occurrence of the date on which the Trustee unconditionally confirm in writing that there is no Principal Amount or Coupon outstanding in respect of the Series 1 Bonds; or

4.2.2. the unconditional release of the Issuer from all of its obligations under this Deed.

5. PRINCIPAL AND INTEREST

5.1. The Issuer shall in accordance with this Deed and the Pricing Supplement/Supplementary Shelf Prospectus pay the Redemption Amount due in respect of the Series 1 Bonds from the Payment Account in the instalments and on each Payment Date as specified in the Fifth Schedule (*Repayment Table*) until the Series 1 Bonds are redeemed in full on or before the Maturity Date.

5.2 Interest on each Series 1 Bonds is as specified in the Pricing Supplement/Supplementary Shelf Prospectus and shall be payable on each Coupon Payment Date in respect of

the Coupon period ending on (but excluding) that Coupon Payment Date with the first payment of interest to be made on the First Payment Date.

- 5.3 Each Coupon Period shall begin on (and include) the Coupon Commencement Date and end on (but exclude), the following Coupon Payment Date, each successive Coupon period shall begin on (and include) a Coupon Payment Date and end on (but exclude) the next succeeding Payment Date.
- 5.4 Every payment of the Redemption Amount on the Series 1 Bonds shall be made free of all costs, commissions, charges, fees, or other payments or deductions, other than tax on income which the Issuer may by any Applicable Laws be required to deduct.
- 5.5 Where a Payment Date is not a Business Day, that payment shall be effected on or by the next succeeding Business Day unless that succeeding business day falls in a different month in which case payment shall be made on or by the immediately preceding Business Day.
- 5.6 The Issuer shall ensure that all amounts required for payments in respect of the Series 1 Bondholders shall be paid to the Payment Account.

6. REDEMPTION OF THE SERIES 1 BONDS

The mode and terms of redemption of the Series 1 Bonds shall be in accordance with Condition 9 (*Redemption, Purchase and Cancellation of the Bonds*) of the Terms and Conditions of this Deed.

6.1 Final Redemption

Unless previously redeemed or purchased and cancelled, the Series 1 Bonds shall be fully redeemed no later than the Maturity Date.

6.2 Cancellation

All the Bonds which are redeemed in accordance with the provisions of the Trust Deed will be cancelled and may not be reissued or resold. For so long as the Bonds are admitted to listing and/or trading on the Stock Exchange and the rules of such exchange so require, the Registrar shall promptly inform the Stock Exchange of the cancellation of any Bonds under Condition 9 (*Redemption, Purchase and Cancellation of the Bonds*) of the Terms and Conditions of this Deed.

7. LIABILITY OF THE CO-OBLIGORS

- 7.1 The Parties agree that all the obligations of the Co-Obligors in this Deed shall be the joint and several obligations of each of the Co-Obligors without preferences or distinction among them (**the "Obligations"**).
- 7.2 Each Co-Obligor, jointly and severally, irrevocably and unconditionally accepts as primary obligor and co-debtor, joint and several liability with the Issuer to the Trustee, in respect of:

7.2.1 the due and punctual payment of the principal and coupon on the Series 1 Bonds and of any other amount payable by the Issuer under this Deed (in immediately available and freely transferable funds, without any deduction, set-off, counterclaim or withholding of any kind (including without limitation, on account of taxes)); and

7.2.2 the due and punctual performance and observance by the Issuer of its obligations which it may from time to time be obliged to perform under or pursuant to this Deed.

- 7.3 The obligations of the Co-Obligors shall include monetary damages arising out of any failure by the Issuer to perform its obligations under this Deed or any other Transaction Document, to the extent that any failure to perform such obligations gives rise to monetary damages.
- 7.4 Where any of the Co-Obligors fails to make any payment with respect to any of the Obligations as and when due, or to perform any of the Obligations in accordance with the terms of this Deed, then, in each case the other Co-Obligors will make such payment with respect to, or perform, such Obligation.
- 7.5 The Obligations of each of the Co-Obligors under the provisions of this Clause 7 constitute the full Obligations of each Co-Obligor and are enforceable against each Co-Obligor to the full extent of its properties and assets, irrespective of the reliability or enforceability of this Deed or any other Transaction Document, or any other circumstance whatsoever.
- 7.6 The Obligations of each Co-Obligor under this Deed are continuing obligations and shall extend to the balance of all sums payable by the Issuer under this Deed and the Series 1 Bonds, regardless of any intermediate payment or discharge in whole or in part.
- 7.7 *Payments*
- 7.7.1 Any payment made by any Co-Obligor pursuant to this Deed shall be in satisfaction of the relevant covenant to pay by the Issuer pursuant to Condition 9. Coupon shall accrue on any payment made after the due date, up to and including the date payment is made. All payments made by any of the Co-Obligors under this Deed shall be subject to Condition 11.
- 7.7.2 Each Co-Obligor agrees that the payment of any amounts due with respect to any indebtedness owed by the Issuer or any Co-Obligor to any other Co-Obligor is hereby subordinated to the prior payment of the Obligations in full.
- 7.7.3 Each Co-Obligor agrees that after an Event of Default has occurred and during its continuance, such Co-Obligor will not demand, sue for or otherwise attempt to collect any indebtedness of any other Co-Obligor or the Issuer, owed to such Co-Obligor until the Obligations shall have been paid in full in cash. Where, notwithstanding the above, any Co-Obligor collects, enforces or receives any amounts in respect of such indebtedness, such amounts collected, enforced and or received by such Co-Obligor would have been collected, enforced or received as a trustee for the Trustee and be paid over to the Trustee to be applied to repay the Obligations.
- 7.8 *Indemnity*
- As an independent and primary obligation, each Co-Obligor unconditionally and irrevocably agrees to indemnify, and keep the Trustee indemnified, from and against all and any cost and liabilities suffered or incurred by them arising from any failure of the Issuer to pay any sum due and payable by it on the due date and in the manner prescribed in this Deed, or through any payment obligation of the Issuer becoming unenforceable, invalid or illegal on any grounds, whether known to the Trustee or not.
- 7.9 *Waiver of Defences*
- 7.9.1 Each Co-Obligor waives all defences that may be available to it by virtue of any valuation, stay, moratorium law or other similar law now or effective in the future, any right to require the ranking of assets of the Co-Obligors and any other entity or person primarily or secondarily liable with respect to any of the Obligations, and all suretyship defences generally.

- 7.9.2 Each Co-Obligor agrees that its Obligations shall not be released or discharged, in whole or in part, or otherwise affected by, the adequacy of any rights which the Trustee may have against any security or other means of obtaining repayment of any of the Obligations.
- 7.9.3 The Obligations of each Co-Obligor under this Clause 7 shall not be diminished or rendered unenforceable by any winding up, reorganization, arrangement, liquidation, reconstruction or similar proceeding regarding any reconstruction or similar proceeding with respect to any other Co-Obligor. The joint and several liability of the Co-Obligors shall continue in full force and effect notwithstanding any absorption, merger, amalgamation or any other change whatsoever in the name, ownership, membership, constitution of any Co-Obligor, the Issuer or the Trustee.
- 7.9.4 The provisions of this Clause 7 are made for the benefit of the Trustee and their respective permitted successors and assigns, and may be enforced by it or them from time to time against any or all of the Co-Obligors and without requirement on the part of the Trustee or any of their agents first to exercise any of their rights against the other Co-Obligors or to exhaust any remedies available to them against any other Co-Obligor or to resort to any other source or means of obtaining payment of any of the Obligations or to elect any other remedy.
- 7.9.5 The provisions of this Clause 7 shall remain in effect until all of the Obligations shall have been paid in full or otherwise fully satisfied.

7.10 Addition and or Substitution of Co-Obligors

- 7.10.1 The Trustee may without the consent of the Series 1 Bondholders agree to the addition of one or more direct or indirect Affiliates of the Issuer to become an additional Co-Obligor under this Deed (the "Additional Co-Obligor"), and or, the substitution of any Co-Obligor as a Co-Obligor under this Deed, and any other agreement in respect of the Series 1 Bonds, of any successor of any Co-Obligor (the "Substitute Co-Obligor") subject to such conditions as the Trustee may require, provided that:
- (a) the prior approval of the Guarantor and the Commission shall first be obtained (where applicable);
 - (b) an accession deed shall be executed by the Substitute Co-Obligor and or Additional Co-Obligor in the form set out in the Sixth Schedule to this Deed, the Series 1 Bonds and any consequential amendments which the Trustee may deem appropriate, as if the Substitute Co-Obligor and or Additional Co-Obligor had been an initial party to this Deed, the Transaction Documents and on the Series 1 Bonds as a Co-Obligor to the Issuer;
 - (c) any authorised officer of the Issuer or (as the case may be) the Substitute Co-Obligor and or Additional Co-Obligor shall certify to the Trustee that the Substitute Co-Obligor and or Additional Co-Obligor will be solvent immediately after the said substitution and or addition is to be effected;
 - (d) the Trustee shall be satisfied that the Substitute Co-Obligor and or Additional Co-Obligor has obtained all necessary consents necessary for its assumption of liability as a Co-Obligor under this Deed and such approval are at the time of substitution and or addition in full force and effect;

- (e) the Rating Agencies must have notified the Trustee in writing that such substitution and or addition shall not result in the withdrawal or reduction of its rating(s) with respect to the Series 1 Bonds; and
- (f) the Issuer and the Substitute Co-Obligor and or Additional Co-Obligor (or any previous Substitute Co-Obligor and or Additional Co-Obligor under this clause) shall execute any relevant Transaction Documents, and instruments as the Trustee may require in order that such substitution and or addition is fully effective and comply with such other requirements in the interest of the Series 1 Bondholders as the Trustee may direct.

7.10.2 On the execution of the accession deed referred to in Clause 7.10.1 (b), the Substitute Co-Obligor and/or Additional Co-Obligor shall be deemed to be named in this Deed as a Co-Obligor in addition to the existing Co-Obligors, and this Deed shall be deemed to be amended to give effect to the substitution and or addition. References to the Co-Obligors in this Deed shall be deemed to be references to the Substitute Co-Obligor and or Additional Co-Obligor where applicable.

8. CANCELLATION OF THE GUARANTEE

8.1 Cancellation of Guarantee

The Issuer shall not be entitled to cancel and/or reduce the Guarantor's liability under the Guarantee unless (i) the prior written consent of the Trustee is obtained; (ii) a replacement guarantor acceptable to the Rating Agencies is appointed on or before such date, and (iii) written confirmation is received from the Rating Agencies confirming that such cancellation shall not result in a withdrawal or downgrade of the credit rating of the Series 1 Bonds.

8.2 Cash Advance Deposit Upon Cancellation of Guarantee

The Issuer undertakes that in the event that no replacement guarantor would be appointed upon the cancellation of the Guarantee, the full cash amount of the Guarantee payable under the Deed of Guarantee shall be funded in the Payment Account no later than two (2) Business Days prior to such cancellation date.

9. ESCROW ACCOUNT

9.1 The Issuer shall, on or about the Closing Date of the Series 1 Bonds, establish and maintain the Escrow Account in the joint name, and under the joint control of the Issuer and the Trustee in such manner as may be provided for under the Pricing Supplement/Supplementary Shelf Prospectus, and such accounts will be funded and operated in the manner set out in the Custody agreement.

9.2 In the event that the Account Bank's short-term, unguaranteed and unsubordinated debt obligations falls below a rating of [A1+] by the Rating Agencies or the long term, unguaranteed and unsubordinated debt obligations falls below a rating of [AA-] by the Rating Agencies (or such other rating as determined by the Rating Agencies) (the "Required Rating"), the Issuer shall procure that the Account Bank at all times shall:

9.2.1 use its reasonable endeavours to procure another person with the Required Rating to assume its obligations under the Transaction Documents to which it is a party, notice of which must be given to the Rating Agencies; or

9.2.2 take such other steps as agreed with the Rating Agencies to ensure that there is no adverse rating effect on the Bonds by reason of such rating downgrade; provided that the Account Bank may continue to act as such if, notwithstanding rating downgrade, the Trustee permit the Account Bank in

writing to continue in its role, and such continued service will not, in the written opinion of the Rating Agencies, lead to any adverse rating effect on the Bonds.

In the event that such rating downgrade will cause an adverse rating on the Bonds and the Account Bank does not procure another person with the Required Rating to assume its obligations under the Transaction Documents after the expiration of thirty (30) days from the occurrence of a downgrade, the Trustee shall replace the Account Bank with a substitute having the Required Rating.

10. ESTABLISHMENT AND FUNDING OF PAYMENT ACCOUNT

10.1 *Payment Account*

10.1.1 The Issuer shall on or before the Closing Date of the Series 1 Bonds, establish and maintain a Payment Account in the name, and under the sole control of the Trustee with the Account Bank.

10.1.2 The Issuer shall pay or cause to be paid into the Payment Account such amounts equal in aggregate to the next scheduled Redemption Amount such that the Payment Account shall be funded with:

- (i) 50% of next scheduled Redemption Amount due payable on the Series 1 Bonds not later than one (1) month before the next Payment Date, and
- (ii) 50% of next scheduled Redemption Amount due payable on the Series 1 Bonds (less coupon accrued on the Payment Account since the last Payment Date) not later than ten (10) Business Days before the next Payment Date.

bringing total funding to not less than 100% of the scheduled Redemption Amount due payable on the Series 1 Bonds on such Payment Date.

10.1.3 Funds standing to the Credit of the Payment Account shall be invested in an Authorised Investment.

10.2 *Trust of Payment Account*

The Issuer irrevocably acknowledges and accepts that the monies in the Payment Account, and any other account opened by the Issuer (or the Trustee as the case may be), either in addition or replacement of the Payment Account from time to time in accordance with the terms of this Deed, shall be held by, or assigned by way of security to the Trustee, for itself and the Series 1 Bondholders, upon similar trusts to those held by the Trustee under this Deed.

10.3 *Payment Confirmation Notice*

The Trustee shall no later than twenty-four hours (24) after each Payment Date, provide or procure the delivery to each Series 1 Bondholder with a Payment Confirmation Notice (in the form or substantially in the form set out in the Fifth Schedule hereto).

INVITATION FOR PARTICIPATION

1. Qualified Institutional Investors are hereby invited to apply for Units of the Bond through the Bookrunners.

Lead Bookrunner: United Capital Plc

Bookrunners: Stanbic IBTC Capital Limited
Vetiva Capital Management Limited
Zenith Capital Limited

The Lead and Co-Bookrunners together make up the Selling Member Group.

2. Application/Bids for the Bonds now being offered must be made in accordance with the instructions set out on the Commitment Form. Care must be taken to follow these instructions, as applications which do not comply may be rejected.
3. The Book Building Period opens on 5th February, 2019 and closes on 18th February, 2019
4. The subscription currency for the Issue is the Nigerian Naira (₦).
5. Applications/Bids must be for a minimum of 10,000 Units and in multiples of 1,000 thereafter. The Participation Amount(s) and the Bid Coupon Rates must be entered on the Commitment Form.
6. The completion and subsequent submission of an Commitment Form is a confirmation that each Participant is in agreement that the Order (or Bid) is irrevocable and creates a binding obligation on the Participant which, to the fullest extent of the law, shall not be capable of termination by any Participant.
7. An applicant should make only one application, whether in his/her name or in the name of a nominee. Multiple or suspected multiple applications will be rejected.
8. A single applicant should sign the declaration and write his/her full name, address, daytime telephone number and occupation on the Application/Commitment Form. Joint applicants must all sign the Application/Commitment Form. A corporate applicant should affix its seal in the box and state its Incorporation (RC) Number or in the case of a corporate foreign subscriber its appropriate identification number in the jurisdiction in which it was constituted.
9. Upon the completion and submission of the Commitment Form, the Bidder/Participant is deemed to have authorised the Issuer and the Issuing Houses/Bookrunners to effect the necessary changes in the Red Herring Prospectus as would be required for the purposes of filing the Final Prospectus with the SEC, without prior or subsequent notice of such changes to the Bidder. The Commitment Form shall be considered as the Application Form for the purposes of registration of the Final Prospectus with the SEC.
10. The Commitment Form presents the Bidder/Participant with the opportunity of indicating three (3) Bid Coupon Rates within the Coupon Band and Participation Amounts for each option. These shall be subject to the minimum Participation Amount and the terms and conditions stated on the Commitment Form.
11. Following the determination of the Coupon Rate, the maximum Participation Amount specified by a Participant at or below the Clearing Price will be considered for allocations of Bonds and all other order(s), irrespective of the corresponding Bid Coupon Rate(s), will automatically become invalid.

APPENDIX 2: PROCEDURE FOR APPLICATION AND ALLOTMENT

12. The Issuer and the Co-obligor in consultation with the Bookrunners reserves the right not to proceed with the Issue at any time including after the Issue Opening Date but before the Allotment Date without assigning any reason thereof.
13. Successful Participants must ensure that payment of the Participation Amount is received 27 February 2019 (the Signing Ceremony Date) via electronic funds transfers, either through CBN Inter-Bank Funds Transfer System ("CIBFTS"), National Electronic Funds Transfer ("NEFT") or Real Time Gross Settlement ("RTGS") in the designated Issue Proceeds Account domiciled with the receiving banks.

1. PAYMENT INSTRUCTIONS

Successful participants should ensure that payment of the participation amounts is received within 24 hours of receipt of Allocation Confirmation Notice, via the CBN Real Time Gross Settlement System ("RTGS") or the Nigerian Inter-bank System Electronic Funds Transfer ("NEFT") or into the following designated issue proceeds accounts domiciled with the Receiving Banks:

Bank	Account Name	Account No.	Sort Code
United Bank for Africa PLC	NSP-SPV PLC SERIES 1 BOND ISSUE PROCEEDS A/C	1021748058	033152048
Stanbic IBTC Bank PLC	NSP-SPV PLC SERIES 1 BOND ISSUE PROCEEDS A/C	0032515449	221150014
Zenith Bank PLC	NSP - SPV POWERCORP PLC	1016091828	057150013

2. ALLOCATION/ALLOTMENT

1. On the Pricing Date, the Issuing Houses/Bookrunners will analyse the demand of submitted bids and in consultation with the Issuer, the Coupon Rate will be determined and an allocation of Bonds made to each applicant whose bid is accepted. Allocation Confirmation Notices will be sent to successful participants.
2. The Issuer/Co-obligor and the Issuing Houses/Bookrunners reserve the right to accept or reject any application in whole or in part for having not complied with the terms and conditions of the Issue.
3. Allotment of the Bonds will be effected only upon clearance of the Final Prospectus by the Securities and Exchange Commission. Allotment will be effected in a dematerialized (uncertificated) form. Participants are mandatorily required to specify their CSCS Account Numbers and their Clearing House Numbers (CHN) in the spaces provided on the Commitment Form. Allotment of Bonds shall be effected not later than fifteen (15) Business Days from the Allotment date.

3. BANK ACCOUNT DETAILS

1. Participants are required to indicate their bank account details in the space provided on the Commitment Form for the purposes of payments of coupon and amortised Principal Amount.
2. Participants are advised to ensure that bank account details stated on the Commitment Form are correct as these bank account details shall be used by the Registrar for all payments indicated in 4.1 above in connection with the Bonds.

APPENDIX 2: PROCEDURE FOR APPLICATION AND ALLOTMENT

3. Failure to provide correct bank account details could result in delays in credit of such payments or issuance of cheques/warrants which shall be sent by registered post to the specified addresses of the affected investors. The Issuer, the Co-obligor, the Issuing Houses, the Receiving Banks, the Trustee and the Registrar shall not have any responsibility nor will any of these specified parties undertake any liability for the same.



Application List
Opening Date
05 February, 2019

Application List
Closing Date
18 February, 2019

NSP-SPV POWERCORP PLC

RC 1436994

Offers for Subscription by way of Book Building

**SERIES 1: ₦8,500,000,000.00 15 YEAR 15.60% GUARANTEED FIXED RATE SENIOR GREEN
INFRASTRUCTURE BONDS DUE 2034
UNDER A ₦50 BILLION BOND ISSUANCE PROGRAMME**

ISSUED AT PAR AT ₦1,000 PER UNIT
PAYABLE IN FULL ON APPLICATION

LEAD ISSUING HOUSE/BOOKRUNNER



RC: 444999

JOINT ISSUING HOUSES/BOOKRUNNERS



RC: 1031358



RC: 485600



RC: 639491

GUARANTOR



RC: 1368639

Please complete all relevant sections of this Form USING BLOCK LETTERS WHERE APPLICABLE															
PARTICIPANT STATUS (PLEASE TICK <input type="checkbox"/>)		DATE (DD/MM/YYYY)						CONTROL NO. (FOR REGISTRARS' USE ONLY)							
<input type="checkbox"/>	High Net worth Investors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	/	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	/	2	0	1	9				
<input type="checkbox"/>	Fund Managers	<p align="center">DECLARATION</p> <ul style="list-style-type: none"> I/We hereby confirm that I am/we are qualified persons to participate in this Bond Issue in accordance with applicable SEC Rules and Regulations. I/We confirm that I/we have read the Prospectus dated 28 February, 2019 and that my/our Order(s) is/are made on the terms set therein I/we hereby irrevocably undertake and confirm my/our Order(s) for the Bonds equivalent to my/our Participation Amount(s) set out below at the fixed Coupon Rate I/We authorise you to enter my/our name on the Register of Bondholders as holder(s) of the Bonds that may be allotted to me/us and to register my/our address as given below 													
<input type="checkbox"/>	Pension Fund Administrators														
<input type="checkbox"/>	Insurance Companies														
<input type="checkbox"/>	Investment/Unit Trusts														
<input type="checkbox"/>	Multilateral/Bilateral Inst.														
<input type="checkbox"/>	Market Makers														
<input type="checkbox"/>	Staff Schemes														
<input type="checkbox"/>	Trustees/Custodians														
<input type="checkbox"/>	Stock-broking Firms														
<input type="checkbox"/>	Resident Corporate Investors														
<input type="checkbox"/>	Non-Resident Investors														
<input type="checkbox"/>	Hedge Funds														
<input type="checkbox"/>	Banks														

PARTICIPANT DETAILS (INDIVIDUAL/CORPORATE/JOINT) (Please use one box for one alphabet leaving one box blank between first word and second)

Participants have to make orders on the Commitment Form and such orders shall not be considered as multiple applications. All orders must be for a minimum amount of ₦10 million (Ten million Naira) and in multiples of ₦5 million thereafter.

ORDER 1

PARTICIPATION AMOUNT (minimum amount of ₦10 million and in multiples of ₦5 million thereafter)	COUPON RATE
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APPENDIX 3: COMMITMENT FORM

(ISSUING HOUSES/BOOKRUNNERS TO THE ISSUE ONLY)