

EFET

European Federation of Energy Traders

Amstelveenseweg 998 / 1081 JS Amsterdam
Tel: +31 20 5207970 / Fax: +31 20 64 64 055

E-mail: secretariat@efet.org

Webpage: www.efet.org

WAIVER: THE FOLLOWING GENERAL AGREEMENT WAS PREPARED BY EFET'S MEMBERS EXERCISING ALL REASONABLE CARE. HOWEVER, EFET, THE EFET MEMBERS, REPRESENTATIVES AND COUNSEL INVOLVED IN ITS PREPARATION AND APPROVAL SHALL NOT BE LIABLE OR OTHERWISE RESPONSIBLE FOR ITS USE AND ANY DAMAGES OR LOSSES RESULTING OUT OF ITS USE IN ANY INDIVIDUAL CASE AND IN WHATEVER JURISDICTION. IT IS THEREFORE THE RESPONSIBILITY OF EACH PARTY WISHING TO USE THIS GENERAL AGREEMENT TO ENSURE THAT ITS TERMS AND CONDITIONS ARE LEGALLY BINDING, VALID AND ENFORCEABLE AND BEST SERVE TO PROTECT THE USER'S LEGAL INTEREST. USERS OF THIS GENERAL AGREEMENT ARE URGED TO CONSULT RELEVANT LEGAL OPINIONS MADE AVAILABLE THROUGH EFET AS WELL AS THEIR OWN COUNSEL.

General Agreement

Concerning the Delivery and Acceptance of Electricity

Between

Société Nationale d'Electricité et de Thermique, SA, ("Endesa France")

A company incorporated with the number 399 361 468 RCS under the laws of the French Republic having its registered office at 2, rue Jacques Daguerre – 92565 Rueil- Malmaison

and

Morgan Stanley Capital Group Inc.

having its registered office at **2000 Westchester Avenue, 1st Floor, Purchase, New York 10577, USA**

(referred to jointly as the "**Parties**" and individually as a "**Party**")

entered into on 30th April 2008 (the "**Effective Date**").



shall be delivered by letter (overnight mail or courier, postage prepaid) or facsimile as provided in the Election Sheet. Each Party may change its notice information by written notice to the other. Written notices, declarations and invoices shall be deemed received and effective:

- (a) if delivered by hand, on the Business Day delivered or on the first Business Day after the date of delivery if delivered on a day other than a Business Day;
- (b) if sent by first class post, on the 2nd Business Day after the date of posting, or if sent from one country to another, on the 5th Business Day after the day of posting; or
- (c) if sent by facsimile transmission and a valid transmission report confirming good receipt is generated, on the day of transmission if transmitted before 17.00 hours (recipient's time) on a Business Day or otherwise at 09.00 hours (recipient's time) on the first Business Day after transmission.

2. **Amendments:** Except as provided in § 3 (*Concluding and Confirming Individual Contracts*) with respect to Confirmations, any amendments or additions to this General Agreement shall be made only in writing signed by both Parties.

3. **Partial Invalidity:** If, at any time, any provision of this General Agreement or an Individual Contract is or becomes illegal, invalid or unenforceable, in any respect, under the law of any relevant jurisdiction, neither the legality, validity nor enforceability of the remaining provisions of this General Agreement or of any Individual Contract, shall be in any way affected or impaired thereby. The Parties undertake to replace any illegal, invalid or unenforceable provision with a legal, valid and enforceable provision which comes as close as possible to the invalid provision as regards its economic intent.

4. **Third Party Rights:** The Parties do not intend that any third party shall have any rights under or be able to enforce the Agreement and the Parties exclude to the extent permitted under applicable law any such third party rights that might otherwise be implied.

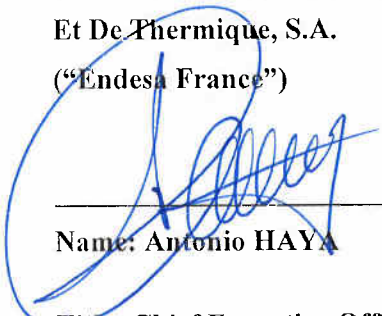
Executed by the duly authorised representative of each Party effective as of the Effective Date.

"Party A"

Société Nationale d'Electricité

Et De Thermique, S.A.

("Endesa France")

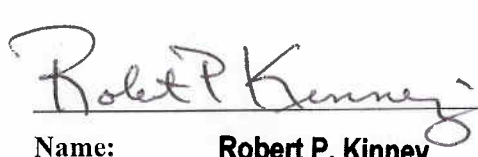


Name: Antonio HAYA

Title: Chief Executive Officer

"Party B"

Morgan Stanley Capital Group Inc.



Name:

Robert P. Kinney
Vice President

Title:

9

§7

Non-Performance Due to Force Majeure

§7.1 Definition of Force Majeure: ☒ § 7.1 shall not apply as written but instead shall be amended by adding the following at the end thereof:

“for the avoidance of doubt, Force Majeure specifically, but not exclusively, excludes: (i) the loss of Buyer’s markets or Buyer’s inability economically to use or resell Electricity purchased hereunder; (ii) the loss or failure of Seller’s Electricity supply; (iii) Seller’s ability to sell Electricity to a market at a more advantageous price; and (iv) regulatory disallowance of the pass-through of costs incurred by a Party.”

§10

Term and Termination Rights

§ 10.2 Expiration Date: ☒ § 10.2 shall apply and there shall be no Expiration Date.

§ 10.4 Automatic Termination: ☒ §10.4 shall not apply to Party A.

☒ §10.4 shall not apply to Party B.

§ 10.5(b) Cross Default and Acceleration:

☒ § 10.5(b) (i) shall not apply to Party A

☒ § 10.5(b) (i) shall not apply to Party B

☒ § 10.5(b) (ii) shall not apply to Party A

☒ § 10.5(b) (ii) shall not apply to Party B

§ 10.5(c) Winding-up/Insolvency/Attachment:

☒ § 10.5(c) (iv) shall apply and the applicable time period, if the proceeding or petition is instituted by the Non-Performing Party or its Credit Support Provider, shall be 0 (zero) days, and if the proceeding or petition referred to in § 10.5(c) (iv) has been instituted or presented by a third party against the Non-Performing Party or its Credit Support Provider, shall be 5 (five) days.

§ 10.5(d) Failure to Deliver or Accept: ☒ § 10.5(d) shall not apply.

§ 10.5 Other Material Reasons: ☒ the following additional Material Reasons shall apply to Party A & B:

(h) **Expiry of Performance Assurance:** The expiration or termination of any Performance Assurance with respect to the obligations of a Party under this Agreement or an Individual Contract, or the failing or ceasing of such Performance Assurance to be in full force or effect for the purpose of this Agreement or an Individual Contract (in either case other than in accordance with the terms of this Agreement and any applicable Confirmation) before the satisfaction of all



obligations of such Party under this Agreement and under each Individual Contract to which such Performance Assurance relates, without the written consent of the other Party;

(i) **Failure of performance assurance or Credit Support Document:** A Party or its Credit Support Provider or its Performance Assurance provider or issuer disaffirms, disclaims, revokes, repudiates or rejects in whole or in part, or challenges the validity of (or of the obligations under) the Agreement, any Confirmation, any Specified Transaction (or such action is taken by any person or entity appointed or empowered to operate it or act on its behalf), or any Credit Support Document or Performance Assurance provided by it;

(j) "The Party, any Credit Support Provider of such Party:

Defaults under a Specified Transaction and, after giving effect to any applicable notice requirement or grace period, there occurs a liquidation of, an acceleration of obligations under, or an early termination of, that Specified Transaction.

"Specified Transaction" means: any contract or any transaction, including an agreement with respect thereto now existing or hereafter entered into between one Party to this Agreement and the other Party to this Agreement (or any Credit Support Provider of such Party or any applicable Specified Entity of such Party)

(a) Which is a commodity swap, commodity option, commodity contract for differences, commodity cap transaction, commodity floor transaction, commodity collar transaction or any other financially-settled derivative transaction with a commodity as an underlying asset.

(b) For the purchase, sale or transfer of any commodity or any physically-settled commodity trading transaction or any other similar transaction (including any option with respect to any of these transactions).

(c) Which is any combination of these transactions.

For purposes of this clause, the word "**commodity**" means any tangible or intangible commodity of any type or description (including, without limitation, electric power, electric power capacity, petroleum, natural gas, natural gas liquids, coal, and by-products thereof).

"Specified Entity" means in relation to Party B for the purpose of this section, Endesa SA and in relation of Party A for the purpose of this section, Affiliates."



(k) With respect to Party A, if Endesa S.A. shall cease to beneficially own directly or indirectly at least 51% of the shares of Party A, or shall cease to have directly or indirectly at least 51% of the beneficial voting rights of Party A and Party A does not otherwise have a shareholder beneficially owning directly or indirectly at least 51% of the shares of Party A, or have directly or indirectly at least 51% of the beneficial voting rights of Party A that is rated at least "BBB-" by Standard & Poor's Rating Group and "Baa3" by Moody's Investor Services Inc, then Party B shall have the right to designate an Early Termination Date in respect of this Agreement.

§12
Limitation of Liability

§ 12 Application of Limitation: [X] § 12 shall apply as written in the General Agreement.

§13
Invoicing and Payment

§13.2 Payment: initial billing and payment information for each Party is set out in § 23 of this Election Sheet.

§13.2 Payment shall apply amended as follows:

"2. **Payment:** On the twentieth (20th) day of each calendar month or if not a Business Day the immediately following Business Day (the "Due Date"), a party owing an invoiced amount shall pay, by wire transfer in freely available funds, the amount set forth on such invoice to the payments address or bank account provided by the other Party as specified in the Election Sheet. Such payment shall be made, unless otherwise agreed, in EURO, and subject to §14 (Vat and Taxes) and the remitter shall pay its own bank charges. Notwithstanding the foregoing, the Due Date for payment of a Premium under an Individual Contract for Options shall be the Premium Payment Date specified in the Individual Contract."

§ 13.3 Payment Netting: [X] § 13.3 shall apply.

§ 13.5 Interest Rate: the Interest Rate shall be the one month EURIBOR interest rate for 11:00 a.m. on the Due Date, plus two percent (2%) per annum.

"EURIBOR" means:

- (a) the applicable Screen Rate; or
- (b) (if no Screen Rate is available and the Payee does not specify another page or service displaying the appropriate rate) the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Payee at its request quoted by not less than two major banks in the Euro-zone interbank market to leading banks in the European interbank market,

in either case as of the relevant time on the relevant day in accordance with market practice in the European Interbank market for the offering of deposits in euro for one (1) month.



"Screen Rate" means the percentage rate per annum interest rates for euro deposits offered in the euro-zone determined by the Banking Federation of the European Union for the relevant period, and displayed on Bridge's Telerate Service Page 248. If the agreed page is replaced or service ceases to be available, the Payee may specify another page or service displaying the appropriate rate.

§ 13.6 Disputed Amounts:

[X] § 13.6 (a) shall apply amended as follows:

"6. Disputed Amounts: Without prejudice to § 13.7 hereunder, if a Party, in good faith, disputes the accuracy of an invoice, it shall on or before the Due Date provide a written explanation of the basis for the dispute and shall pay:

The full amount invoiced no later than the Due Date except in case of manifest error. If any amount paid under dispute is finally determined to have not been due, such overpayment shall, at the election of the owed Party, be credited or returned to it within five (5) days of such determination, along with interest accrued at the Interest Rate from, and including, the date such amount was paid, to the other Party, but excluding, the date returned or credited."

In case of Manifest Error the parties shall resolve it immediately by sending an amended invoice and paying the amount invoiced according to the contract.

Manifest Error: Means obvious inconsistencies between the economic terms orally agreed between the parties and the economic terms stated in the invoice."

[X] §13.6 (b) shall not apply

A new §13.7 shall be added to the Agreement as follows:

"7. Non compliant Invoices: In case the invoice does not comply with the European legislation, rules, regulations or any other binding order applicable to the Receiving Party, such Party shall inform without delay the Issuing Party of such non compliance and shall not be required to pay the amount in relation to the non compliant invoice until the Issuing Party provides it with a compliant invoice. Upon receipt of the compliant invoice, the Receiving Party shall pay without delay the Issuing Party the amount in relation to the said invoice and no Interest shall be due."



§14
VAT and Other Taxes

§ 14.8 Termination for New Tax: ☒ unless otherwise specified in the terms of an Individual Contract the provisions of § 14.8 shall apply to such Individual Contract only in the circumstances specified in the first paragraph of § 14.8, or
☐ subject to the terms of an Individual Contract, the provisions of § 14.8 shall only apply in the following circumstances:
[_____]

§ 14.9 Withholding Tax: ☒ § 14.9 shall apply, or
☐ § 14.9 shall not apply

§15
Settlement of Floating Prices and Fallback Procedures For Market Disruption

§ 15.5 Calculation Agent: ☒ The Calculation Agent shall be Seller, unless Seller is the defaulting Party or unless a Material Reason with respect to Seller has occurred and is continuing, in which case Buyer shall be the Calculation Agent.

§16
Guarantees and Credit Support

§ 16 Credit Support Documents:

Party A shall provide Party B with any such Credit Support Document(s) as the Parties may agree from time to time and satisfactory to Party B.

Party B shall provide Party A with any such Credit Support Document(s): Parent Company Guarantee from Morgan Stanley and any successor thereto.

§ 16 Credit Support Provider:

Credit Support Provider(s) of Party A shall be any such Credit Support Provider as the Parties may agree from time to time and satisfactory to Party B.

Credit Support Provider(s) of Party B shall be: Morgan Stanley and any successor thereto.

§17
Performance Assurance

§ 17.2 Material Adverse Change:

The following categories of Material Adverse Change shall apply to Party A:

☒ §17.2 (a) (Credit Rating):



Execution Copy

Shall be amended to read as follows: "Credit Rating : If the Credit Rating of the shareholders with at least 51% of shares, is withdrawn or downgraded below any one of the following minimum ratings:

- a) "BBB-" by Standard & Poor's Rating Group, or
- b) "Baa3" by Moody's Investor Services Inc.

[X] §17.2 (b) (Credit Rating of Credit Support Provider that is a Bank):

Shall apply if the Credit Rating is withdrawn or downgraded below any one of the following minimum ratings:

- a) "A" by Standard & Poor's Rating Group, or
- b) "A2" by Moody's Investor Services Inc.

[X] §17.2 (e) (Expiry of Credit Support): albeit the original text of §17.2 (e) shall be amended as follows:

"The expiration or termination of any Credit Support with respect to the obligations of a Party under this Agreement or an Individual Contract, or the failing or ceasing of such Credit Support to be in full force or effect for the purpose of this Agreement or an Individual Contract (in either case other than in accordance with the terms of this Agreement and any applicable Confirmation) before the satisfaction of all obligations of such Party under this Agreement and under each Individual Contract to which such Credit Support relates, without the written consent of the other Party;"

Shall apply and the relevant time period shall be 10 calendar days.

[] §17.2 (f) (Failure of Performance Assurance or Credit Support);

[X] §17.2 (h) (Impaired Ability to Perform); and

[X] §17.2 (i) (Amalgamation/Merger)

The following categories of Material Adverse Change shall apply to Party B:

[X] §17.2 (a) (Credit Rating):

Shall be amended to read as follows: "Credit Rating : If the Credit Rating of Party B's Credit Support Provider, is withdrawn or downgraded below any one of the following minimum ratings:

- a) "BBB-" by Standard & Poor's Rating Group, or
- b) "Baa3" by Moody's Investor Services Inc.

[X] §17.2 (b) (Credit Rating of Credit Support Provider that is a Bank):

Shall apply if the Credit Rating is withdrawn or downgraded below any one of the following minimum ratings:

- a)"A" by Standard & Poor's Rating Group, or
- b)"A2" by Moody's Investor Services Inc.



[X] §17.2 (e) (**Expiry of Credit Support**): albeit the original text of §17.2 (e) shall be amended as follows:

“The expiration or termination of any Credit Support with respect to the obligations of a Party under this Agreement or an Individual Contract, or the failing or ceasing of such Credit Support to be in full force or effect for the purpose of this Agreement or an Individual Contract (in either case other than in accordance with the terms of this Agreement and any applicable Confirmation) before the satisfaction of all obligations of such Party under this Agreement and under each Individual Contract to which such Credit Support relates, without the written consent of the other Party;”

Shall apply and the relevant time period shall be 10 calendar days.

[] §17.2 (f) (**Failure of Performance Assurance or Credit Support**);

[X] §17.2 (h) (**Impaired Ability to Perform**); and

[X] §17.2 (i) (**Amalgamation/Merger**)

For the avoidance of doubt, in respect of the Credit Ratings referred to, in §17.2(a), in the event that the applicable respective entity has each of two Credit Ratings, one being from Standard & Poor's Rating Group and the other from Moody's Investor Services Inc., and both such Credit Ratings are not of the same level of parity (commonly known as “split ratings”), then, for the avoidance of doubt, the lowest such Credit Rating will be used to determine conclusively whether or not the respective Material Adverse Change has occurred.

§18

Provision of Financial Statements and Tangible Net Worth

§ 18.1 (a) **Annual Reports:** [X] Party A shall deliver annual reports to the extent that they are not available on the internet at: <http://www.snet-electricite.fr>

[X] Party B shall deliver annual reports to the extent that they are not available on the internet at: <http://www.morganstanley.com>

§ 18.1(b) **Quarterly Reports:** [X] Party A need not deliver quarterly reports.

[X] Party B need not deliver quarterly reports.

§18.2 **Tangible Net Worth:** [X] Party A shall have no duty to notify as provided in §18.2.

[X] Party B shall have no duty to notify as provided in §18.2.

§19

Assignment

§ 19.2 Assignment to Affiliates: ☒ Party A and Party B may assign all (but not part only) of their rights and obligations in accordance with the §19.2, provided that for both parties it shall be a condition precedent that (i) the assigning Party provides at least five (5) business days prior written notice of the assignment and details of the assignee to the other Party, (ii) the non-assigning Party consents to such assignment, (such consent only to be withheld in the event business, credit, tax, legal or regulatory reasons would make such assignment impossible or substantially more onerous to give its consent) (iii) the assignee has its registered offices in the same jurisdiction as the assigning Party or in any of the following countries: United Kingdom, Spain, France.

New section 19.3 will read as follows:

A Party may make a transfer of all or any of its payment rights against a defaulting Party under § 10.3. For the avoidance of doubt, such assignment will discharge the defaulting party from its payment obligations towards the assignor.

§20
Confidentiality

§ 20.1 Confidentiality Obligation: ☒ § 20 shall apply, provided that "Confidential Information" shall also include the terms of this Election Sheet.

§21
Representation and Warranties

The Following Representations and Warranties are made:

	by Party A:	by Party B:
§21(a)	☒ yes ☐ no	☒ yes ☐ no
§21(b)	☒ yes ☐ no	☒ yes ☐ no
§21(c)	☒ yes ☐ no	☒ yes ☐ no
§21(d)	☒ yes ☐ no	☒ yes ☐ no
§21(e)	☒ yes ☐ no	☒ yes ☐ no
§21(f)	☒ yes ☐ no	☒ yes ☐ no
§21(g)	☒ yes ☐ no	☒ yes ☐ no
§21(h)	☒ yes ☐ no	☒ yes ☐ no
§21(i)	☒ yes ☐ no	☒ yes ☐ no
§21(j)	☒ yes ☐ no	☒ yes ☐ no
§21(k)	☒ yes ☐ no	☒ yes ☐ no
§21(l)	☐ yes ☒ no	☐ yes ☒ no
§21(m)	☐ yes ☒ no	☐ yes ☒ no
§21(n)	☒ yes ☐ no	☒ yes ☐ no

The representation in §21(c) is amended by adding the following at the end thereof: "(subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application regardless of whether enforcement is sought in a proceeding in equity or at law);".



Eligible Contract Participant: In addition, each Party represents and warrants to the other Party that it has total assets exceeding US\$10 million

Non-ERISA Representation: In addition, each Party represents and warrants to the other Party that it is either (1) an entity that is primarily engaged, directly or through a majority owned subsidiary or subsidiaries, in the production or sale of a product or service other than the investment of financial assets and is entering into all transactions under this Agreement on a principal basis, or (2) in connection with any Transaction under this Agreement, is not, and is not using the assets of or otherwise acting on behalf of a plan, fund or program (a "Plan") designed to provide deferred compensation, retirement income or health or other welfare benefits to employees, or to the person who established such Plan, other than such a Plan maintained outside the United States primarily for persons substantially all of whom are nonresidents of the United States

In addition, Party B represents and warrants to Party A that the income it derives under this Agreement and any Individual Contract hereunder (if any) is not effectively connected with the conduct by Party B of a trade or business in the United States.

§22

Governing Law and Arbitration

§ 22.1 Governing Law:

[X] § 22.1 shall not apply as written but instead shall be as follows:

This agreement shall be construed and governed in accordance with the laws of England and Wales, excluding any application of the "United Nations Convention on Contracts for the International Sale of Goods of April 11, 1980".

§22.2 Arbitration:

[X] § 22.2 shall not apply as written but instead shall be as follows:

"With respect any dispute, controversy or claim arising out of or connected with the Agreement, Individual Contract and/or this § 22.2, including a dispute as to their existence, validity, interpretation, breach or termination (a "Dispute"), each Party irrevocably submits to the exclusive jurisdiction of the Courts of England & Wales in London, England and waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, waives any claim that such Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such Proceedings, that such court does not have any jurisdiction over such Party."

§23

Miscellaneous

§ 23.2 Notices, Invoices and Payments:

(a) **TO PARTY A:**

**Société Nationale d'Electricité et
de Thermique, SA, ("Endesa
France")**

Notices & Correspondence

Address:

2, rue Jacques Daguerre

92565 Rueil Malmaison

France

Telephone No:

+33 1 47 52 39 54

Execution Copy

Fax No: +33 1 47 52 39 29
Attention: Hilbrunner Jean: Markets Director
Invoices
Fax No: +33 1 47 52 39 29
Attention: Pascaline Dollet: Administrative,
Back office & Fuel manager
Payments
Bank account details: FR76 3000 7999 9904 1615 0600088
Bank Address: (IBAN):NATEXIS Banques
Populaires,
5, place de la Défense
92090 Paris la Défense Cedex 26

Bank Identifier Code (BIC) : CCBPFRPPPAR

(b) TO PARTY B:

Notices & Correspondence

Morgan Stanley Capital Group Inc.
c/o its affiliate- Morgan Stanley & Co. International Limited
Commodities Dept.
20 Cabot Square
Canary Wharf
London E14 4QW
+44 20 7677 9850
+44 20 7677 3698
Daniel Wilson
Morgan Stanley Capital Group Inc.
c/o its affiliate- Morgan Stanley & Co. International Limited
20 Cabot Square
Canary Wharf
London E14 4QW

Address:

Telephone No:

Fax No:

Attention:

**Additional Copies for Ann Notices
Required Under § 9, 10 or 11:**

Telephone No:

Fax No:

Attention:

Invoices

Payments

Bank account details

Morgan Stanley Capital Group Inc.
HSBC Plc, London
Account No.: 37859965
Swift Code: MIDLGB2L

PART II: ADDITIONAL PROVISIONS TO THE GENERAL AGREEMENT



1. Each party shall pay its own bank charges (additional provision)
2. New § 10.3(g) is added at the end of § 10.3(f):

(g) Set-off:

(i) The occurrence or designation of an Early Termination Date on account of a Material Reason with respect to the Non-Performing Party shall constitute a material breach and event of default (howsoever described) under all Specified Transactions to which the Non-Performing Party is a party, whereupon the Terminating Party or any Specified Entity of the Terminating Party shall have the right to terminate, liquidate and otherwise close out any such Specified Transactions (and the Non-Performing Party shall be liable for any damages suffered by the Terminating Party and any of its Specified Entities as a result thereof).

(ii) If the Termination Amount (calculated pursuant to §10.3(c)) is payable by the Terminating Party to the Non-Performing Party then, at the discretion of such Terminating Party, and without prior notice to the Non-Performing Party, the Termination Amount may be reduced by its set-off against any amounts payable by the Non-Performing Party to the Terminating Party and/or the Terminating Party's Specified Entities under any Specified Transactions between the Non-Performing Party and the Terminating Party and/or the Terminating Party's Specified Entities (the "Other Agreement Amount"). The Other Agreement Amount will be discharged promptly and in all respects to the extent of its set-off. If the Terminating Party elects to exercise its right to set-off under this § 10.3 (g) it shall give notice to the Non-Performing Party. Nothing in this § 10.3 (g) shall be effective to create a charge or other security interest.

(iii) For purposes of the foregoing, the Terminating Party and any of its Specified Entities shall be entitled to convert any obligation denominated in one currency into the currency in which the other is denominated at such rates of exchange as it deems appropriate in good faith and in a commercially reasonable manner, and amounts may be set off and recouped irrespective of the currency, place of payment or booking office of any obligation to or from the Non-Performing Party.

(iv) If an obligation is unascertained, the Terminating Party or any of its Specified Entities, as appropriate, may in good faith estimate that obligation and set off and recoup in respect of that estimate, subject to the relevant Party's accounting to the other(s) when the obligation is ascertained.

(v) Nothing in this subsection shall be effective to create a charge or other security interest. This subsection shall be without prejudice and in addition to any right of setoff, recoupment, combination of accounts, lien or other right to which any Party or any of its Specified Entities is at any time otherwise entitled (whether by operation of law, contract or otherwise).

(vi) Condition Precedent to Payments to the Defaulting Party. All obligations of the Terminating Party or any of its Specified Entities under this Agreement, or any Specified Transaction with the Non-Performing Party, are subject to the condition precedent that the Non-Performing Party shall have performed all of its obligations to the Terminating Party (or its Specified Entities) under such Agreements whether or not contingent and regardless of the currency, place of payment or booking office of the obligation.

(vi) Transfers to Address Reasonable Grounds for Insecurity. If either Party ("C"), its Credit Support Provider or any of its Specified Entities, has reasonable grounds for insecurity regarding a potential default under this Agreement or any Specified Transaction by the other Party ("D"), any Credit Support Provider or any Specified Entity of D, then C or any Specified Entity of C may transfer its rights and obligations under this Agreement or any agreement for a Specified Transaction to any Specified Entity of C or to C, and each of the parties hereto agrees to any such assignment of the benefit of its obligations and agrees to use its best efforts to obtain any required consents from its



Execution Copy

relevant Specified Entity to any such assignment of the benefit of that obligation of that Specified Entity of D. C shall give written notice to D and any Specified Entity of D of any assignments of rights to C by Specified Entities of C pursuant to his provision.

"Specified Entity" means in relation to Party A for the purpose of this section, Affiliates of Party A, which now or in the future enters into any Specified Transaction with Party B or any of Party B's Specified Entities and in relation of Party B for the purpose of this section, any Affiliate of Party B, which now or in the future enters into any Specified Transaction with Party A or any of Party A's Specified Entities, except for Morgan Stanley Derivative Products Inc."

3. § 10.5(b)(i) is deleted and replaced in its entirety as follows:

"a default, event of default or other similar condition or event (however described) in respect of either Party or its Credit Support Provider(s), if any, or such Party's Controlling Party (if such Party does not have a Credit Support Provider but has a Controlling Party) under one or more agreements or instruments relating to Specified Indebtedness of any of them (individually or collectively) in an aggregate amount of not less than the Threshold Amount specified in the Election Sheet for that Party, which has resulted in such Specified Indebtedness becoming, or becoming capable at such time of being declared, due and payable under such agreements or instruments before it would otherwise have been due and payable, or"

- § 10.5(b)(ii) is deleted and replaced in its entirety as follows:

"a default by such Party or its Credit Support Provider(s), if any, or Controlling Party, if any, (individually or collectively) in making one or more payments on the due date thereof in an aggregate amount of not less than the Threshold Amount specified in the Election Sheet for that Party under one or more agreements or instruments relating to Specified Indebtedness (after giving effect to any applicable notice requirement or grace period)."

4. New § 23.6 is added as follows:

"6. **Provision of Documents:** Each Party agrees with the other that, so long as it has or may have any obligations under the Agreement, it will deliver to the other Party the form(s) or other document(s) set forth below:

<u>Party required to deliver document</u>	<u>Document</u>	<u>Date by which to be delivered</u>
Party A	A certificate showing its registration in the Commercial and Companies Registry in which it is registered or such other certified copies of its constitutional documents as and proof of its incorporation are acceptable to Party B acting reasonably..	Promptly upon demand by Party B.
Party B	Either: (1) a signature booklet containing secretary's certificate and resolutions ("authorizing resolutions") authorizing the Party to enter into transactions of the type contemplated by the Parties; or (2) a secretary's certificate, authorizing resolutions and	Promptly upon demand by Party A.



EFET

European Federation of Energy Traders

Annex 2a
to the
General Agreement
Confirmation of Individual Contract
(Fixed Price)

between

_____ as Seller

and

_____ as Buyer.

concluded on: __/__/__, __. __ hours

Delivery Schedule

<i>Total Supply Period</i>		From CET	To CET	Contract Capacity MW	Contract Quantity MWh	Contract Price Euro / MWh	Total amount Euro
First Date	Last Date						
					(Total)		(Total)
					(Total)		(Total)
					(Total)		(Total)
					(Total)		(Total)
					(Total)		(Total)

and additional (for single-block contracts)

Mon	Tue	Wed	Thu	Fri	Sat	Sun	including Holidays	excluding Holidays as specified below

Delivery Point (Trading zone)

Voltage Level:

Excluded Holidays:

Other arrangements:

Annex 2A - 1

Version 2.1(a)

Copyright © 2007 by European Federation of Energy Traders



This Confirmation confirms the Individual Contract entered into pursuant to the EFET General Agreement Concerning the Delivery of Electricity between the Parties (General Agreement) and supplements and forms part of that General Agreement. In case of any inconsistencies between the terms of this Confirmation and the Individual Contract, please contact us immediately.

Date: _____ Signature: _____



EFET

European Federation of Energy Traders

Annex 2b to the General Agreement

Confirmation of Individual Contract

(Floating Price)

between

_____ as Seller

and

_____ as Buyer.

Date and time of conclusion: ____/____/____, ____ hours

Delivery Schedule

First Date	Last Date	From CET	To CET	Contract Capacity MW	Contract Quantity MWh	Floating Price	Settlement Date
					(Total)	(variable)	
					(Total)	(variable)	
					(Total)	(variable)	
					(Total)	(variable)	
					(Total)	(variable)	

and additional (for single-block contracts)

Mon	Tue	Wed	Thu	Fri	Sat	Sun	Including Holidays	excluding Holidays as specified below

Price Source: _____

Commodity Reference Price: _____

Alternate Commodity Reference Price: _____

Calculation Date: _____

Calculation Agent: _____

Calculation Method: _____

Delivery Point (Trading zone): _____

Annex 2B - 1

Version 2.1(a)

Copyright © 2007 by European Federation of Energy Traders

Voltage level: _____

Excluded Holidays: _____

Other arrangements:

This Confirmation confirms the Individual Contract entered into pursuant to the General Agreement Concerning the Mutual Delivery of Electricity between the Parties (General Agreement) and supplements and forms part of that General Agreement. In case of any inconsistencies between the terms of this Confirmation and the Individual Contract, please contact us immediately.

Date: _____ Signature: _____



EFET

European Federation of Energy Traders

Annex 2c to the General Agreement

Confirmation of Individual Contract

(Call Option)

between

_____ as Writer

and

_____ as Holder

Date and time of conclusion: __/__/__, __. __ hours

Option Details:

- a) Option Type: Call
- b) Exercise Deadline:
- c) Premium:
- d) Premium Payment Date:

Delivery Schedule:

First Date	Last Date	From CET	To CET	Contract Capacity MW	Contract Quantity MWh	Strike Price (Contract Price) Euro / MWh	Total amount Euro
					(Total)		(Total)
					(Total)		(Total)
					(Total)		(Total)
					(Total)		(Total)
					(Total)		(Total)

Annex 2C - 1

Version 2.1(a)

Copyright © 2007 by European Federation of Energy Traders



and additional (for single-block contracts)

Mon	Tue	Wed	Thu	Fri	Sat	Sun	including Holidays	excluding Holidays as specified below

Delivery Point (Trading zone): _____

Voltage Level: _____

Excluded Holidays: _____

Other arrangements: _____

This Confirmation confirms the Individual Contract entered into pursuant to the General Agreement Concerning Delivery of Electricity between the Parties (General Agreement) and supplements and forms part of that General Agreement. In case of any inconsistencies between the terms of this Confirmation and the Individual Contract, please contact us immediately.

Date: _____ Signature: _____



EFET

European Federation of Energy Traders

Annex 2d to the General Agreement

Confirmation of Individual Contract

(Put Option)

between

_____ as Writer

and

_____ as Holder

Date and time of conclusion: ____ / ____ / ____, ____ hours

Option Details:

- a) Option Type: Put
- b) Exercise Deadline:
- c) Premium:
- d) Premium Payment Date:

Delivery Schedule:

First Date	Last Date	From CET	To CET	Contract Capacity MW	Contract Quantity MWh	Strike Price (Contract Price) Euro / MWh	Total amount Euro
					(Total)		(Total)
					(Total)		(Total)
					(Total)		(Total)
					(Total)		(Total)
					(Total)		(Total)

Annex 2D - 1

Version 2.1(a)

Copyright © 2007 by European Federation of Energy Traders

and additional (for single-block contracts)

Mon	Tue	Wed	Thu	Fri	Sat	Sun	including Holidays	excluding Holidays as specified below

Delivery Point (Trading zone): _____

Voltage Level: _____

Excluded Holidays: _____

Other arrangements:

This Confirmation confirms the Individual Contract entered into pursuant to the General Agreement Concerning Delivery of Electricity between the Parties (General Agreement) and supplements and forms part of that General Agreement. In case of any inconsistencies between the terms of this Confirmation and the Individual Contract, please contact us immediately.

Date: _____ Signature: _____



EFET
European Federation of Energy Traders

Annex 3

To the

General Agreement

Cross Border Annex

1. Tax Representation

For the purposes of § 21 (k) of this General Agreement, each Party represents, warrants and undertakes to the other Party (which representation will be deemed to be repeated at all times until termination of this General Agreement) in relation to each Individual Contract that, where applicable:

(a) Payer Representation

As paying Party, it is not required by any applicable law of any Relevant Jurisdiction to make any withholding of or deduction for or on account of Tax from any payment (other than interest) to be made by it to the other Party under this General Agreement. In making this representation, it may rely on (i) the accuracy of any representations made by the other Party pursuant to Section 1(b) of this Annex, (ii) the satisfaction of the agreement contained in Section 2(a) of this Schedule and the accuracy of any document provided by the other Party pursuant to Section 2(a) of this Annex, and (iii) the satisfaction of the agreement of the other Party contained in Section 2(b) of this Schedule.

For these purposes,

The “**Relevant Jurisdiction(s)**” of Party A shall be: France, and

The “**Relevant Jurisdiction(s)**” of Party B shall be: The United States

(b) Payee Representation

- (i)** As the Party to be paid, it is fully eligible for such relief as is available under the Double Taxation Convention between Payee's Jurisdiction and the Payer's Jurisdiction with respect to taxes on income and capital for Tax in respect of any payment to be received by it in connection with an Individual Contract and it has no permanent establishment in Payer's Jurisdiction to which such payment is attributable.

For these purposes,

The “**Payee's Jurisdiction**” shall be: the France where Party A is the Payee and The United States where Party B is the Payee, and

The “**Payer's Jurisdiction**” shall be: the France where Party A is the Payer and the The United States where Party B is the Payer.



- (ii) (a) Party A makes the following representation: As the Party to be paid, it is a company duly organised under the laws of France, and it is a "foreign person" for United States federal income tax purposes.
- (b) Party B makes the following representation: it is a U.S. corporation duly organised and incorporated under the laws of the State of Delaware.

2. Additional Tax Representations:

- (a) For the purposes of Council Directive 2006/112/EEC of 28 November 2006 (as amended) (the "Directive"), Article 38(1) and (2) or Article 39 each Party represents, warrants and undertakes to the other Party (which representation will be deemed to be repeated at all times until termination of this General Agreement) in relation to each Individual Contract that, where applicable:

(a) Party A Representation

Party A represents that it is a "Taxable Dealer" as defined in the Directive.

Party A further represents that the establishment to which the electricity supplied under this Agreement and underlying contracts is made as follows:

VAT : FR 71 399 361 468

(b) Party B Representation

Party B represents that it is a "Taxable Dealer" as defined in the Directive.

Party B further represents that the establishment to which the electricity supplied under this Agreement and underlying contracts is, as follows:

Party B is established in the United States and so has no relevant VAT number.

Each Party is obliged to inform the other Party within 5 days of any change to the above representations.

In the event that, in respect of an Individual Contract, a Party is in breach of its obligations under this Annex, it shall indemnify and hold harmless the other Party against any liability for VAT (and any associated charges or penalties) in respect of electricity delivered under such Individual Contract.

3. Agreement

Each Party agrees with the other that, so long as it has or may have any obligations under this Agreement:

- (a) it will deliver to the other Party or to such authority having power to tax the form(s) or other document(s) set forth below as the other Party reasonably requests or such other forms or documents requested by the relevant tax authority to allow the other Party to make payment under the Agreement without any withholding of or deduction for, or on account of, any Tax or with such withholding or deduction at a reduced rate.

<u>Party required to deliver document</u>	<u>Document</u>	<u>Date by which to be delivered</u>
---	-----------------	--------------------------------------

Party A	An executed United States Internal	(a) Upon the execution of this
---------	------------------------------------	--------------------------------



Execution Copy

Revenue Service Form W-8BEN (or any successor thereto) with respect to any payments received or to be received by Party B, including the statement provided in Part III of such Form relating to "Notional Principal Contracts". Agreement; (b) promptly upon reasonable demand by Party A; and (c) promptly upon any Form W-8BEN (or any successor thereto) previously provided by Party B becoming obsolete or incorrect or expiring.

- (b) it will give notice of any failure of a representation made by it under Section 1(b) of this Annex to be true and accurate promptly upon learning of such failure.



Execution Copy

incumbency certificate for such Party and any Guarantor of such Party reasonably satisfactory in form and substance to Party A.

5. The following amendments are made to "Annex I to the General Agreement" (Defined Terms):

The definition of "Affiliate" is amended by adding the following at the end thereof:
"except that 'Affiliate' shall not include Morgan Stanley Derivative Products Inc."

6. The following new definitions are added:

"Non-Performing Party" means the Party who is not the Terminating Party.

"Valid Certificate" means any appropriate documentation accepted by the relevant taxing authorities or as required by applicable law, order, rule, regulation, decree or concession or the interpretation thereof

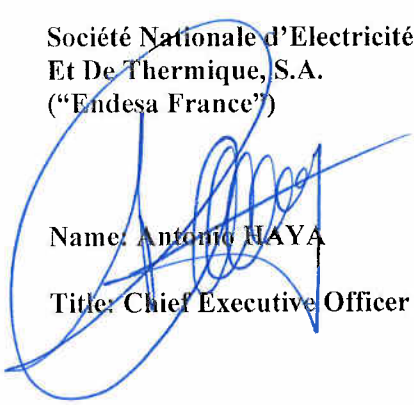
7. Telephonic Recording: Subject to any specific consent required by applicable law, the parties:

- (ii) Consent to the recording of all telephone conversations between them in connection with this Agreement and any potential Transaction, with or without the use of a warning tone, and
- (ii) Agree to obtain any necessary consent and give any necessary notices of such recordings. The parties further agree that (insofar as may be permitted by applicable law) any such recordings may be submitted in evidence in any Proceedings related to this Agreement or any potential Transaction under this Agreement.

Executed by the duly authorised representative of each Party effective as of the Effective Date.

"Party A"

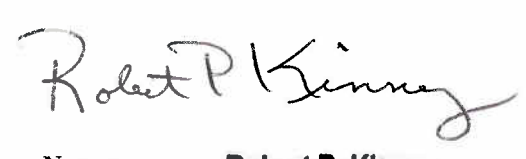
**Société Nationale d'Electricité
Et De Thermique, S.A.
("Endesa France")**


Name: Antonio NAYA

Title: Chief Executive Officer

"Party B"

Morgan Stanley Capital Group Inc.


Name:

**Robert P. Kinney
Vice President**

Title: