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**EFET**

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**EFET/IECA
COMMODITIES SCHEDULE**

**to the
Cross-Product Master Agreement
(the “Schedule”)**

**NOTICE & WAIVER: THIS SCHEDULE WAS PREPARED BY EFET IN CONJUNCTION WITH THE IECA EXERCISING ALL REASONABLE CARE. HOWEVER EFET, IECA AND THEIR RESPECTIVE 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 PARTICULAR CASE AND IN WHATEVER JURISDICTION. IT IS THEREFORE THE RESPONSIBILITY OF EACH PARTY WISHING TO USE THIS SCHEDULE AND THE AGREEMENT TO ENSURE ITS TERMS AND CONDITIONS ARE LEGALLY BINDING, VALID AND ENFORCEABLE AND BEST SERVE TO PROTECT THE USER’S LEGAL INTEREST. USERS OF THIS SCHEDULE ARE URGED TO CONSULT THE PRACTICE NOTES AND RELEVANT LEGAL OPINIONS MADE AVAILABLE THROUGH EFET AND THE BOND MARKET ASSOCIATION AS WELL AS THEIR OWN COUNSEL.**

**EFET/IECA
COMMODITIES SCHEDULE**

**to the**

**Cross-Product Master Agreement**

dated as of \_\_\_\_\_\_\_\_\_\_\_

between

[\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_]

having its registered office at [\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_]

(“**Party A**”)

and

[\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_]

having its registered office at [\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_]

(“**Party B**”)

This Schedule is to be used in conjunction with the Cross-Product Master Agreement published by The Bond Market Association in February 2000. Division 1 of this Schedule requires the Parties to make a series of elections in respect of certain matters, whilst Division 2 of this Schedule makes further amendments to apply to the Cross-Product Master Agreement entered into by Party A and Party B.

Capitalised terms used but not defined in this Schedule shall have the meanings ascribed to them in the Agreement.

In the event of any inconsistency between the provisions of this Schedule and any other provisions of this Agreement, this Schedule will prevail.

DIVISION 1— ELECTIONS BY THE PARTIES

**Part I. Principal Agreements, Excluded Agreements and Uncovered Transactions**

**A. The Principal Agreements are:**

|  |  |
| --- | --- |
| 1. [ ] | Electricity Forward Agreement Association Grid Trade Master Agreement dated as of [ ] (the “**GTMA**”) |
| 2. [ ] | European Federation of Energy Traders General Agreement concerning Delivery and Acceptance of Electricity with an Effective Date of [ ] (the “**EFET Power Agreement**”) |
| 3. [ ] | European Federation of Energy Traders General Agreement concerning Delivery and Acceptance of Natural Gas with an Effective Date of [ ] (the “**EFET Gas Agreement**”) |
| 4. [ ] | International Swaps and Derivatives Association, Inc. (“**ISDA**”) Master Agreement (Multicurrency - Cross-Border) dated as of [ ] (the “**ISDA Master Agreement**”) |
| 5. [ ] | Zeebrugge Hub Natural Gas Trading Terms and Conditions 2001 (“**ZBT Terms**”) |
| 6. [ ] | Master agreements agreed between the Parties incorporating the Short Term Flat NBP Trading Terms and Conditions 1997 dated as of [ ] (“**NBP Master**”) \* |
| 7. [ ] | Any master agreement between the Parties covering securities contracts, spot or forward, physically or cash settling commodity contracts or currency contracts, repurchase agreements, swap agreements and any other physical or cash settling transaction whether currently in existence or arising hereafter. |
| 8. [ ] | All agreements or transactions between the Parties similar to the transactions covered by the master agreements in 1-7 above that are documented under a confirmation or similar document which incorporates by reference all or some of the terms of the master agreements in 1-7. |
| 9. [ ] | Other [Specify]: |

\*A form of document that could be used in conjunction with Short Term Flat NBP Trading Terms and Conditions 1997 to create a master agreement is attached to the guidance notes as Annexure A.

**B. The Excluded Agreements are:**

|  |  |
| --- | --- |
| 1. |  |
| 2. |  |
| 3. |  |

**C. Uncovered Transactions**

Unless the Parties make at least one election under each of items (a) — (d) below of this Part I of Division 1 they shall be deemed to agree that this Agreement applies only to the identified Principal Agreements.

The Parties elect that:

[ ] ***Close-Out and netting shall apply across the Principal Agreements only (and not Uncovered Transactions)***, and therefore the Parties agree to amend and restate Section 2.1 as follows:

“2.1 *Right to Close Out*

If a Close-Out Event has occurred and is continuing in respect of a Party, then the other Party (the “**Closing-Out Party**”) shall be entitled to Close Out all (but not fewer than all) of the Principal Agreements by providing a Close-Out Notice under Section 2.2(a), except that no Close-Out Notice shall be required for the Close Out of any Principal Agreement which has been Closed Out by its terms or under Section 2.2(b). A Close-Out Event will be deemed to be continuing until the earlier of such time as the conditions that constituted the Close-Out Event cease to exist or the Settlement Amount that is due and payable under such Principal Agreement has been paid in full. Each Principal Agreement is hereby amended accordingly.”

**OR**

[ ] ***Close-Out and netting shall apply to Principal Agreements and Uncovered Transactions,*** and therefore the Parties agree to amend and restate Section 2.1, ***and have made certain elections,*** as follows:

“2.1 *Right to Close Out*

If a Close-Out Event has occurred and is continuing in respect of a Party, then the other Party (the “**Closing-Out Party**”) shall be entitled to Close Out all (but not fewer than all) of the Uncovered Transactions and the Principal Agreements by providing a Close-Out Notice under Section 2.2(a), except that no Close-Out Notice shall be required for the Close Out of any Uncovered Transaction or Principal Agreement which has been Closed Out by its terms or under Section 2.2(b). A Close-Out Event or an Uncovered Transaction Default will be deemed to be continuing until the earlier of such time as the conditions that constituted the Close-Out Event or Uncovered Transaction Default cease to exist or the Settlement Amount that is due and payable under such Principal Agreement or such Uncovered Transaction has been paid in full. Each Principal Agreement and each Uncovered Transaction are hereby amended accordingly.

Each reference in every other provision of this Agreement to the term “Principal Agreement” shall be construed to mean “Principal Agreement or Uncovered Transaction.”

Where the Parties have elected that Close-Out and netting shall apply to Principal Agreements and Uncovered Transactions, they shall elect as follows:

(a) “**Commodities**” means:

[ ] crude oil, oil products, chemical products, natural gas, coal, metals, pulp, paper, freight, electricity, electricity transmission capacity or any other form of energy or energy related products and by-products thereof and weather;

[ ] a greenhouse emissions allowance, a tradable renewable energy credit and bandwith;

[ ] other: [Specify].

(b) “**Uncovered Transaction**” means any contract (whether oral or in writing) entered into by the Parties other than a Principal Agreement or an Excluded Agreement (as identified in Part I of Division 1 of this Schedule, or any transaction which is part of or subject thereto), and:

[ ] is described in its terms as being an Uncovered Transaction for the purposes of this Agreement;

[ ] incorporates the Short, Flat NBP Trading Terms and Conditions 1997, but is not subject to a NBP Master;

[ ] incorporates the Beach 2000 standard terms and conditions;

[ ] incorporates the Zeebrugge Hub Natural Gas Trading Terms and Conditions 1999;

[ ] contemplates the spot or forward physical delivery, notification or nomination of Commodities (including any option thereto);

[ ] contemplates or is a cash settled forward or swap (including any cap, collar, or floor) or other derivative relating to any or all Commodities, or with respect to the price or value of any or all Commodities, or any similar transaction or combination of the foregoing;

[ ] is a rate swap transaction, basis swap, forward rate transaction, commodity swap, commodity option, equity index swap, equity index option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross currency rate swap transaction, currency option or any other similar transaction (including any option with respect to any of these transactions);

[ ] other: [Specify].

(c) “**Uncovered Transaction Default**” means, in respect of a Party:

[ ] a breach of any of the obligations of that Party or its Credit Support Provider under any Uncovered Transaction; or

[ ] the occurrence with respect to that Party or its Credit Support Provider under any Uncovered Transaction of:

[ ] (i) **Payment Default**: a failure to perform any payment obligation under any Uncovered Transaction by the relevant due date, where such failure is not remedied on or before the later of any grace period provided for in the Uncovered Transaction or two Business Days after notice of such failure is given to the Party;

[ ] (ii) **Insolvency**: howsoever described in the Uncovered Transaction, a default or event of default consequent on any insolvency or bankruptcy event;

[ ] (iii) **Breach of Agreement**: a failure to comply with or perform any material obligation (other than an obligation to pay or deliver, accept delivery, notify or nominate under an Uncovered Transaction) to be complied with or performed by the Party or its Credit Support Provider in accordance with any Uncovered Transaction or Credit Support if such failure is not remedied on or before the later of any grace period provided for in the Uncovered Transaction or ten Business Days after notice of such failure is given to the Party by the other Party;

[ ] (iv) **Misrepresentation**: a material representation or warranty made or repeated (or deemed to have been made or repeated) in respect of any Uncovered Transaction or Credit Support, as applicable, proving to have been incorrect or misleading in any material respect when made or repeated (or deemed to have been made or repeated);

[ ] (v) **Other**: [Specify].

(d) Where a Close-Out Notice has been served, with respect to each Uncovered Transaction, “**Settlement Amount**” means the net amount which would be due and payable by one Party to the other Party pursuant to agreement, or where no such provision exists in a particular Uncovered Transaction, the Settlement Amount:

[ ] means the net amount which would be due and payable by one Party to the other Party pursuant to applicable law as a result of a breach by the Closed-Out Party of its obligations under such Uncovered Transaction; or

[ ] has the following meaning: [Specify],

and Section 3.1 is construed accordingly.

***AND***

Section 2.2(c) shall be restated as follows:

“(c) **Non-Global Close-Out**: For the avoidance of doubt, the Closing-Out Party may elect to exercise its rights under this Agreement by providing a Section 2 Notice. If one of the events listed in Section 2.1 hereof has occurred, unless and until a Closing-Out Party gives a Section 2 Notice, each Party shall retain its rights and obligations under each Principal Agreement without regard to Sections 3 and 4 hereof.

Where a Party elects to exercise its rights under a Principal Agreement rather than its rights under this Agreement, it is required to satisfy the notification requirements under the relevant Principal Agreement.”

***UNLESS***

[ ] The Parties hereby elect that Section 2.2(c) shall be restated as follows:

“(c) **Global Close-Out**: In the event that the Closing-Out Party exercises any right to Close Out one or more (but not all) of the Principal Agreement(s) for one of the events listed in Section 2.1 hereof (whether or not in conjunction with the giving of a Section 2 Notice), the exercise of such right shall be deemed to be effective provision of a Section 2 Notice.”

**D. Application of this Agreement**

This Agreement applies to Principal Agreements and transactions thereunder entered into before or after the date of this Agreement.

**Part II. Definition of Close-Out Event and Excluded Event**

**A**. [ ] “Close-Out Event” means an event that is not an Excluded Event and:

[ ] is an event in relation to a Party on the basis of which the other Party has the contractual right to Close Out all the transactions under a Principal Agreement and shall include events on the basis of which a Party would have the contractual right to Close Out all of the transactions under a Principal Agreement or which would cause automatically the Close-Out of all of the transactions under a Principal Agreement even if there are no transactions outstanding under that Principal Agreement at the relevant time;

[ ] occurs when a representation or warranty made or repeated by a Party under Section 5 of this Agreement proves to have been incorrect or misleading in any material respect when made or repeated;

[ ] occurs when a Party is in violation of a covenant made under this Agreement;

[ ] is an Uncovered Transaction Default (as defined in Section 2.1);

[ ] is the failure by a Party or its Credit Support Provider to give adequate assurances of its ability to perform any of its obligations under any Principal Agreement within three Business Days of a written request to do so when the other Party has reasonable grounds for insecurity. Such failure shall be a Close-Out Event for the purposes of each Principal Agreement. Each Principal Agreement is hereby amended accordingly.

***OR***

[ ] “**Close-Out Event**” means the following events and circumstances:

|  |  |
| --- | --- |
| 1. [ ] | [Insolvency Event] |
| 2. [ ] | [Breach of Representation or Warranty] |
| 3. [ ] | [Non-Payment] |
| 4. [ ] | [Persistent Notification/Delivery Default] |
| 5. [ ] | [Breach of Material Obligation] |
| 6. [ ] | [Failure of Credit Support] |
| 7. [ ] | [Cross Default] |
| 8. [ ] | [Default under Relevant Transaction] |
| 9. [ ] | [Material Adverse Change] |

[ ] an Uncovered Transaction Default (as defined in Section 2.1);

[ ] the failure by a Party or its Credit Support Provider to give adequate assurances of its ability to perform any of its obligations under any Principal Agreement within three Business Days of a written request to do so when the other Party has reasonable grounds for insecurity. Such failure shall be a Close-Out Event for the purposes of each Principal Agreement. Each Principal Agreement is hereby amended accordingly.

B. “**Excluded Events**” means the following events and circumstances:

[ ] any event on the basis of which a Party has the contractual right to Close Out all of the transactions, or all of the affected transactions, under a Principal Agreement due to: (i) the imposition or incurrence of tax liabilities or the obligation to gross-up payments on account of tax, or (ii) a change in law that makes performance under or in respect of that Principal Agreement illegal;

[ ] any event which is defined as a “Force Majeure” under any Principal Agreement;

[ ] any failure to nominate, deliver, notify or accept under a Principal Agreement where the Principal Agreement provides by its terms for payment to be made consequent upon such event;

[ ] The following events and circumstances: [Specify]

C. Automatic Close-Out of each Principal Agreement

[ ] The Parties agree that Section 2.2(b) is restated as follows: “

(b) *Automatically Closed Out Agreements*

Each of the Principal Agreements shall Close Out automatically immediately upon the automatic Close-Out of any one of the Principal Agreements pursuant to its terms. If all of the Principal Agreements are Closed Out automatically, the Settlement Amount under each Principal Agreement shall be settled at the times and in the manner set forth in Sections 2.1 (where applicable, in relation to Uncovered Transactions), 3.3 and 4 hereof, if the Closing-Out Party so specifies in a notice to the

Closed-Out Party promptly after the automatic Close Out of all such Principal Agreements. Each Principal Agreement is hereby amended accordingly.”

**Part III. Additional Acknowledgments and Representations**

[ ] The parties agree the following additional acknowledgements and representations are added to Section 5:

|  |  |
| --- | --- |
| 1. |  |
| 2. |  |
| 3. |  |
| 4. |  |

**Part IV. Governing Law and Jurisdiction**

Unless the Parties make an election below the governing Iaw shall be the law of England and Wales, and the Parties submit to the exclusive jurisdiction of the English courts for the purposes of any dispute under or in connection with this Agreement.

[ ] Governing Law: Germany

Jurisdiction: The Parties submit to the exclusive jurisdiction of the Frankfurt/Main courts for the purposes of any dispute under or in connection with this Agreement.

[ ] Governing Law: [Specify law and jurisdiction]

**Part V. Addresses for Communications Between Parties**

For the purposes of Section 8 of this Agreement:

Address for notices or communications to Party A:

Address:
Attention:
Facsimile No:
Telephone No:

Address for notices or communications to Party B:

Address:
Attention:
Facsimile No:
Telephone No:

**Part VI. Base Currency; Payment Instructions**

The Base Currency is:

[ ] Sterling; or

[ ] Euro; or

[ ] Other, [Specify]

Payments due under this Agreement in the Base Currency shall be made to the following accounts:

Name of Bank and Office, Account Number and Reference for Party A: [Specify]

Name of Bank and Office, Account Number and Reference for Party B: [Specify]

**Part VII. Assignment**

Unless the Parties make an election below, Section 7 shall apply but shall be amended to:

(a) include the phrase “or any Principal Agreement” after the word “Agreement” each time it appears in Section 7 save for in line 7 where it already appears; and

(b) add the phrase “The terms of this Section 7 prevail over any inconsistent provisions contained in the Principal Agreements or Credit Support Documents” to the end of the Section.

[ ] Section 7 is deleted and restated as follows:

“Neither this Agreement nor the Principal Agreements nor any rights or obligations thereunder may be transferred (whether by security or otherwise) or assigned by either Party without the prior written consent of the other Party except that a Closing-Out Party may make such a transfer or assignment of all or any part of its interest in any Final Net Settlement Amount payable to it under Section 4.4(b) (and any of the interest thereon payable to it under Section 4.5(c)). The terms of this Section 7 prevail over any inconsistent provisions contained in the Principal Agreements.”

[ ] Section 7 is deleted and restated as follows: [Specify]

**Part VIII. Section 10 - Optional Miscellaneous Provisions**

Section 10 of the Agreement shall contain the following provisions if elected by the Parties:

 10.1 *Set-Off of Final Net Settlement Amount*

 [ ] The following shall be included in the Agreement:

 Where under the terms of Section 4.4(b) the Final Net Settlement Amount is payable, the Closing-Out Party may, at its option and without prior notice to the Closed-Out Party, set off the Final Net Settlement Amount or part thereof against any payment obligation of the Closed-Out Party (whether or not matured, contingent or invoiced) under any other

agreements, instruments or undertakings between the Parties. The right of set-off shall be without prejudice and in addition to any right of set-off, combination of accounts, lien, charge or other right to which any Party is at any time otherwise entitled (whether by operation of law, by contract or otherwise). If an amount is unascertained, the Closing-Out Party under Section 2.1 may reasonably estimate the amount to be set off.

Nothing in this Section 10.1 is intended to create or does create in favour of either Party a mortgage, charge, lien, pledge, encumbrance or other security interest.

Payment obligations of the Closed-Out Party under any agreements, instruments or undertakings between the Parties that are denominated in a currency other than the Base Currency shall, in order to effect set off in accordance with this Section 10.1, be converted into a Base Currency Equivalent under the principles set out in Section 3.2.

 10.2 *No waiver*

[ ] The following shall be included in the Agreement:

A failure or delay in exercising any right, power or privilege in respect of this Agreement will not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege will not be presumed to preclude any subsequent or further exercise, of that right, power or privilege or the exercise of any other right, power or privilege.

 10.3 *Rights of Third Parties*

[ ] The following shall be included in the Agreement:

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.

 10.4 *Suspension*

[ ] The following shall be included in the Agreement:

(i) If (a) a Party has a right to Close Out under Section 2.1, or (b) an event

occurs that with the passage of time or the giving of notice would give a Party a right to Close Out under Section 2.1 (a “Potential Close-Out Event”), then that Party (the “Suspending Party”) shall, for so long as it has a right to Close Out under Section 2.1 or the Potential Close-Out Event continues, be entitled to cease further delivery, acceptance, nomination and notification (and upon the Suspending Party so ceasing, each Party shall be released (and not merely suspended) from the underlying delivery, acceptance, notification and nomination obligations) under all (but not some) Principal Agreements, provided (subject to paragraph (ii) below) that the Suspending Party gives X hours written notice to the other Party of the exercise by it of its rights pursuant to this provision and the Suspending Party does not subsequently seek to deliver, accept, nominate or notify in relation to any obligations arising under such Principal Agreements without first giving at least Y hours written notice to the other Party of its intention to re-commence delivery, acceptance, nomination or notification. For the purposes of this paragraph (i):

X shall be [\_\_\_\_\_\_\_\_] hours, and Y shall be [\_\_\_\_\_\_\_\_] hours.

(ii) If a Party has a right to Close Out under Section 2.1, or if a Potential Close-Out Event has occurred, then the Suspending Party shall, for so long as it has a right to Close Out under Section 2.1 or the Potential Close-Out Event continues, have the right, without providing notice to the other Party, to withhold payments owed by it to the other Party under all (but not some) Principal Agreements.

(iii) Where the Suspending Party exercises its rights under paragraph (i) above the other Party is under a positive obligation to notify, nominate or renominate volumes and quantities to any system operator to reflect the cessation referred to in paragraph (i).

(iv) The exercise by the Suspending Party of its rights under this provision shall not prevent it from subsequently exercising its rights under Section 2.1 of this Agreement, and are without prejudice to the Suspending Party’s existing rights under any Principal Agreement.

(v) If a Suspending Party purports to exercise its rights under paragraph (i) and/or (ii) above in circumstances where neither a Close-Out Event nor a Potential Close-Out Event has in fact occurred in respect of the other Party, then the Suspending Party shall indemnify and hold harmless the other Party against any liabilities, imbalance charges or other costs incurred by the other Party in respect of any transactions under a Principal Agreement as a result of the Suspending Party’s purported exercise of rights under paragraph (i) and/or (ii) above.

(vi) Each Principal Agreement shall be amended by the terms of this Section 10.4.

 10.5 *Automatic Early Termination and Adjustment for Bankruptcy*

[ ] The following shall be included in the Agreement:

In circumstances where Close-Out occurs automatically, the relevant Settlement Amount will be subject to such adjustments as are appropriate and permitted by law to reflect any payments or deliveries made by one party to the other under the relevant Principal Agreement (and retained by such other party) during the period from the date of Close-Out to the date of calculation of the relevant Settlement Amount.

 10.6 *Single Agreement*

[ ] The following shall be included in the Agreement:

This Agreement, all Principal Agreements, and all transactions under Principal Agreements shall together constitute a single agreement between the Parties, and the Parties acknowledge that all such transactions entered into after the date of this Agreement are entered into upon reliance of this fact and that they would not otherwise enter into those transactions.

 10.7 *Benefit of Credit Support*

[ ] The following shall be included in the Agreement:

Without limitation to Section 4.1, if a Party to whom a Settlement Amount under any Closed-Out Agreement is payable has the benefit of Credit Support under any Closed-Out

Agreement or this Agreement, then such Party shall include the Settlement Amount within the set-off pursuant to Section 4.1 but shall only be entitled to apply such Credit Support against the Final Net Settlement Amount.

The definition of Settlement Amount in Section 1.1 is restated as follows:

“**Settlement Amount**” means, in respect of any Closed-Out Agreement, the net amount which is due and payable by one Party to the other upon (i) such agreement having been Closed Out, (ii) the resulting obligations of the Parties having been determined, but (iii) notwithstanding the terms of the applicable Closed-Out Agreement, the Parties shall not be entitled to exercise any rights to Credit Support in determining the Settlement Amount under any Closed-Out Agreement.

 10.8 *Withholding Final Net Settlement Amount*

[ ] The following shall be included in the Agreement:

Where under the terms of Section 4.4(b) the Final Net Settlement Amount is payable to the Closed-Out Party, the Closing-Out Party shall not be required to pay the Final Net Settlement Amount to the Closed-Out Party until the Closing-Out Party receives confirmation satisfactory to it, in its reasonable discretion, that all obligations of any kind whatsoever of the Closed-Out Party to make any payments to the Closing-Out Party or its Affiliates under this Agreement or any other agreement have been or will be fully and finally performed.

 10.9 *Appointment of Process Agent*

[ ] The following shall be included in the Agreement:

Each Party irrevocably appoints the Process Agent (if any) specified opposite its name below to receive, for it and on its behalf, service of process in any suit, action or proceedings relating to this Agreement. If for any reason any Party’s Process Agent is unable to act as such, such Party will promptly notify the other Party and within 30 days appoint a substitute process agent acceptable to the other Party. The Parties irrevocably consent to service of process given in the manner provided for in this Agreement.

Party A appoints as its Process Agent:

Party B appoints as its Process Agent:

 10.10 *Partial Invalidity*

[ ] The following shall be included in the Agreement:

If, at any time, any provision of this Agreement, a Principal Agreement or any transaction thereunder 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 Agreement, any Principal Agreement or transaction thereunder, 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 that comes as close as possible to the invalid provision as regards its economic intent.

**Part IX. Credit Support**

The following shall each be a Credit Support Document:

[ ] The Cross-Product Credit Support Annex attached hereto\*\*;

[ ] Guarantees: [Specify];

[ ] Other: [Specify].

Credit Support Provider means any provider of a Credit Support Document.

\*\* A form of Cross-Product Credit Support Annex that could be used in conjunction with this Agreement is attached to the guidance notes as Appendix B.

**Part X. Additional Terms**

DIVISION 2 FURTHER AMENDMENTS

**Section 1 - Interpretation**

The following definitions are added:

“**Affiliate**” has the meaning given to that term in EFET General Agreement Concerning the Delivery and Acceptance of Electricity, version 2.1, December 20; 2000;

“**Credit Support**” means any margin, collateral, guarantees or other credit support delivered under or held in connection with a Principal Agreement and/or this Agreement, including; but not limited to, any Credit Support Document;

“**Credit Support Document**” has the meaning ascribed to it in Part IX of Division 1 of this Schedule;

“**Credit Support Provider**” means any provider of a Credit Support Document

“**Closing-Out Party**” has the meaning ascribed to it in Section 2.1;

“**Excluded Events**” has the meaning ascribed to it at Part II of Division 1 of this Schedule.

The following definitions are amended and restated as follows:

“**Agreement**” means the Cross-Product Master Agreement published by The Bond Market Association in February 2000 as amended by this Schedule, together with any Credit Support Document. All references in the Agreement to specific Parts of the Schedule shall mean references to the same Part number in Division 1 of this Schedule;

“**Business Day**” means a day (other than a Saturday or a Sunday) on which commercial banks are open for general business at the places where each Party has its registered office; and

“**Close-Out Event**” is restated in accordance with the election made by the Parties at Part II of Division 1 of this Schedule.

**Section 3 — Determination and Settlement of Settlement Amounts**

The first sentence of Section 3.3 is amended by deleting the words from “(unless, in the good faith judgment” to “terms of the relevant Principal Agreements” inclusive, and replacing them with “, notwithstanding any provision to the contrary in any Closed-Out Agreement.”

**Section 4 — Set-Off of Settlement Amounts; Accrual of Interest**

The first sentence of Section 4.4(b) shall be prefaced with the words “Subject to Section 10.8 (if applicable); “

**Section 5 — Representations, Warranties and Covenants**

The final sentence of Section 5 is restated as follows:

“Each Party represents and warrants to the other that it has not transferred (whether by security or otherwise) assigned, purported to assign or otherwise dispose or disposed of, any of its rights to any amounts that may be owed to it under any Principal Agreement.”

**Section 6 — Governing Law and Jurisdiction; Waivers**

The final sentence of Section 6 is deleted in its entirety.

**Section 8 — Notices and Other Communications**

Section 8 is deleted and restated as follows:

“All notices sent by one Party to the other shall be in writing and shall be delivered by letter (overnight mail or courier, postage prepaid) or facsimile to the address provided in Part V of Division 1 of this Schedule. Each Party may change its notice information by two Business Days written notice to the other. Written notices shall be deemed received and effective:

(a) if delivered by hand, on the day delivered if delivered before 17.00 hours (recipient’s time) on a Business Day or otherwise on the first Business Day after the date of delivery;

(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.”

**Party A:**

By: ……………………………………..

Name:
Title:
Date:

**Party B:**

By: ……………………………………..

Name:
Title:
Date: