



March 2005

DATED []

BETWEEN

[]

AND

[]

ROC TRADING MASTER AGREEMENT

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DATED:

BETWEEN:

- (1) []; and
(2) [].

INTRODUCTION

- A. The Parties have entered into and/or anticipate entering into one or more Transactions that are or will be governed by this Master Agreement (and which will form the Agreement), which includes Schedules 1 and 2 (together, the "Schedules") and the documents and other confirming evidence (each a "**Confirmation**") exchanged between the Parties confirming those Transactions.
- B. Each Transaction relates or will relate to the effecting of ROC transfers from the Seller to the Buyer.

IT IS AGREED

1. INTERPRETATION AND CONSTRUCTION

1.1 Definitions

The terms set out in part 1 of Schedule 1 have the meanings set out in that part for the purposes of this Agreement.

1.2 Interpretation

The terms of this Agreement shall be construed in accordance with part 2 of Schedule 1.

1.3 Single Agreement

All Transactions are entered into in reliance on the fact that the Transactions and this Master Agreement and all Confirmations form a single agreement between the Parties (collectively, the "**Agreement**") and the Parties would not otherwise enter into any Transactions.

2. CONFIRMATION PROCEDURE

2.1 Agreement of a Transaction

The Parties intend that they are legally bound by the terms of each Transaction from the moment they agree to those terms (whether orally or otherwise).

2.2 Exchange of Written Confirmations

2.2.1 Unless otherwise agreed, the Seller shall send to the Buyer by facsimile (or such other means as may be agreed between the Parties and specified in Schedule 2) a Confirmation duly signed by the Seller recording the details of the Transaction within 3 Banking Days of a Transaction having been entered into.

2.2.2 If the Buyer is satisfied that the Confirmation accurately reflects the terms of the Transaction, the Buyer shall confirm its acceptance of the Confirmation by returning by facsimile (or such

other means as may be agreed between the Parties) a copy of the Confirmation duly signed by the Buyer to the Seller within 3 Banking Days of receipt of the Confirmation from the Seller.

- 2.2.3 If the Buyer is not so satisfied, the Buyer shall send to the Seller details of any inaccuracies within 3 Banking Days of receipt of the Confirmation. If the Seller agrees that the Confirmation is inaccurate, the Seller shall send a new Confirmation within 3 Banking Days of receipt of the details of any inaccuracies from the Buyer and the provisions of Clauses 2.2.1, 2.2.2 and 2.2.3 shall apply with all necessary changes.
- 2.2.4 If the Buyer has not received a Confirmation from the Seller within 3 Banking Days of a Transaction having been entered into, the Buyer shall send to the Seller a Confirmation, and Clauses 2.2.2 and 2.2.3 shall apply in relation to that Confirmation by replacing all references to "Buyer" with "Seller" and all references to "Seller" with "Buyer" in those Clauses and by replacing the reference to "3 Banking Days" with "6 Banking Days".
- 2.2.5 Failure by either Party to send or return a Confirmation shall not: (a) affect the validity or enforceability of any Transaction; or (b) be a material breach of this Agreement under Clause 13.1.5.

2.3 Evidence of a Transaction

- 2.3.1 The Parties consent to the recording of all telephone conversations between the Parties relating in whole or part to this Agreement. Each Party agrees to notify its employees of that consent and obtain their consent to that recording if required by law.
- 2.3.2 The evidence of the terms of a Transaction contained in recordings made under Clause 2.3.1 and in any undisputed Confirmation shall prevail over any other oral or written evidence.

3. GENERAL OBLIGATIONS, REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties

Each Party represents and warrants to the other Party (which representations and warranties are deemed to be repeated by each Party on each date on which a Transaction is entered into and on each date that either Party makes an Alternative ROC Transfer Request) that:

- 3.1.1 **(Status)** It is duly organised and validly existing under the laws of the jurisdiction of its organisation or incorporation (and, if relevant under those laws, in good standing);
- 3.1.2 **(Power)** It has the power (a) to execute this Agreement and any other documentation relating to this Agreement to which it is a party, (b) to deliver this Agreement and any other documentation relating to this Agreement that it is required by this Agreement to deliver, and (c) to perform its obligations under this Agreement and any obligations it has under any Credit Support Document to which it is a party and has taken all necessary action to authorise that execution, delivery and performance;
- 3.1.3 **(No Violation or Conflict)** The execution, delivery and performance referred to in Clause 3.1.2 do not violate or conflict with any law applicable to it, any provision of its constitutional documents, any order or judgement of any court or other agency of government applicable to it or any of its assets or any contractual restriction binding on or affecting it or any of its assets;
- 3.1.4 **(Required Authorisations)** All governmental and other licences, authorisations, permits, consents, contracts and other approvals (if any) that are required to enable the Party to fulfil any of its obligations under this Agreement or any Credit Support Document to which it is a party ("**Required Authorisations**") have been obtained and are in full force and effect and all conditions of any Required Authorisations have been complied with;

- 3.1.5 **(Obligations Binding)** Its obligations under this Agreement and any Credit Support Document to which it is a party constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms subject to applicable bankruptcy, reorganisation, 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);
- 3.1.6 **(No Event of Default)** No Event of Default, or event which with notice and/or lapse of time would constitute an Event of Default, has occurred with respect to it and no such event would occur as a result of its entering into or performing its obligations under this Agreement or any Credit Support Document to which it is a party;
- 3.1.7 **(No Litigation)** No litigation, arbitration or administrative suit or proceeding at law or in equity or before any court, tribunal, governmental body, agency, official or arbitrator is pending or, so far as it is aware, threatened against it or its Credit Support Provider that is likely to affect the legality, validity or enforceability against it of this Agreement or that Credit Support Document or its ability to perform its obligations under this Agreement or that Credit Support Document;
- 3.1.8 **(No Reliance)** It is not relying upon any representations of the other Party other than those expressly set out in this Agreement;
- 3.1.9 **(Principal)** It has negotiated, entered into and executed this Agreement and any Credit Support Document to which it is a party as principal (and not as agent or in any other capacity, fiduciary or otherwise);
- 3.1.10 **(Risk Assumption)** It has entered into this Agreement and any Credit Support Document to which it is a party with a full understanding of the material terms and risks of this Agreement and any Credit Support Document and it is capable of assuming those risks;
- 3.1.11 **(No Advice)** The other Party is not acting as a fiduciary or an advisor for it, nor has the other Party given to it any advice, representation, assurance or guarantee as to the expected performance, benefit or result of this Agreement; and
- 3.1.12 **(Accurate Information)** All applicable information that is furnished in writing, if any, by or on behalf of it to the other Party and is identified for the purpose of this Clause 3 is, as of the date it is furnished to the other Party, true, accurate and complete in every material respect.

3.2 **Representations and Warranties by the Seller**

The Seller represents and warrants to the Buyer :

- 3.2.1 on each Matching Request Acknowledgement Date that it has good legal and beneficial title to all the ROCs or Alternative ROCs that are being transferred to the Buyer pursuant to this Agreement, free and clear of any adverse claims and encumbrances; and
- 3.2.2 on each ROC Transfer Request Date and Alternative ROC Transfer Request Date each ROC and Alternative ROC that is being transferred to the Buyer pursuant to this Agreement is in full force and effect and to the Seller's best information, knowledge and belief, no circumstances exist under which Ofgem could revoke that ROC or Alternative ROC.

3.3 **Required Authorisations**

Each Party shall maintain in full force and effect all Required Authorisations at all times during which it has unfulfilled obligations under this Agreement.

4. **ROC TRANSFERS**

- 4.1 Each Party shall effect ROC Transfers and Alternative ROC Transfers subject to and in accordance with this Agreement.

- 4.2 Pursuant to each Transaction, the Seller shall sell and the Buyer shall purchase and pay for a ROC or ROCs which are the subject of a ROC Transfer in accordance with and subject to this Agreement. A Transaction shall complete and title in each ROC that is transferred pursuant to the Transaction shall pass from the Seller to the Buyer on the ROC Transfer Date.
- 4.3 Title in each Alternative ROC that is transferred pursuant to this Agreement shall pass from the Seller to the Buyer on the Alternative ROC Transfer Date.

5. OBLIGATIONS IN RESPECT OF ROC TRANSFERS

- 5.1 In respect of a ROC Transfer to which a Transaction relates, each Party shall do all things necessary in co-operation with the other as appropriate, to effect the ROC Transfer by the Long Stop Date.
- 5.2 Without prejudice to the generality of Clause 5.1, in relation to ROC Transfers that are the subject of a Transaction the Seller shall send the Buyer the ROC Transfer Request Acknowledgement no later than 6 Banking Days before the Long Stop Date.
- 5.3 Once the Seller has provided the Buyer with the ROC Transfer Request Acknowledgement in accordance with Clause 5.2, unless a special condition to the contrary is specified in the applicable Confirmation, the Buyer shall submit a corresponding ROC Transfer Request within 5 Banking Days of receipt of the ROC Transfer Request Acknowledgement and if earlier no later than 3 Banking Days before the Long Stop Date.
- 5.4 The Parties shall, in co-operation with each other as appropriate, do all such things as may be required by Ofgem, directly or indirectly and whether before or after the ROC Transfer Date, to establish the title of the Buyer to any ROC that is the subject of a Transaction.
- 5.5 If Ofgem requests either Party to provide information to Ofgem in respect of a ROC which has been or may be issued by Ofgem, either Party shall observe this request in such form and within such period as Ofgem may reasonably request in order to carry out any of its functions under the Renewables Obligation Order.
- 5.6 Each Party shall adhere to the guidelines in respect of the ROC Register (and any other procedures or similar guidelines issued by Ofgem in respect of the Renewables Obligation), as issued and updated from time to time by Ofgem, in order to effect properly any and all ROC Transfers.

6. ROC TRANSFER DEFAULT

6.1 Seller default

- 6.1.1 If the Seller is in breach of any of its obligations under Clause 4.2 or Clause 5, and such breach results in a failure to register any proposed ROC Transfer pursuant to the terms of the relevant Transaction and such failure has not been remedied by the Seller by no later than 5 Banking Days following the Long Stop Date (or 10 Banking Days for the calendar month of September only) (a "ROC Transfer Failure") then the Seller, except for so long as it is relieved from complying with the terms of this Agreement by reason of Force Majeure, shall compensate the Buyer by paying to the Buyer for each ROC in respect of which a ROC Transfer Failure has occurred an amount calculated in accordance with the method stipulated in paragraph 12 of Schedule 2.
- 6.1.2 For the avoidance of doubt, where "Loss" is stipulated in paragraph 12 of Schedule 2 as the method of calculating the amount payable under Clause 6.1.1 the definition of "Loss" set out in Clause 13.5.2 shall be interpreted as if the reference to "termination of the Transactions" shall be replaced with the phrase "ROC Transfer Failure" and the reference to "Early Termination Date" shall be replaced with the phrase "ROC Transfer Failure Date".

6.2 Buyer default

- 6.2.1 If the Buyer is in breach of any of its obligations under Clause 5, and such breach results in a failure to register any proposed ROC Transfer pursuant to the terms of the relevant Transaction and such failure has not been remedied by the Buyer by no later than 5 Banking Days of the Long Stop Date (or 10 Banking Days for the calendar month of September only) (a “ROC Transfer Failure”) then the Buyer, except for so long as it is relieved from complying with the terms of this Agreement by reason of Force Majeure, shall compensate the Seller by paying to the Seller for each ROC in respect of which a ROC Transfer Failure has occurred an amount calculated in accordance with the method stipulated in paragraph 12 of Schedule 2.
- 6.2.2 For the avoidance of doubt, where “Loss” is stipulated in paragraph 12 of Schedule 2 as the method of calculating the amount payable under Clause 6.2.1 the definition of “Loss” set out in Clause 13.5.2 shall be interpreted as if the reference to “termination of the Transactions” shall be replaced with the phrase “ROC Transfer Failure” and the reference to “Early Termination Date” shall be replaced with the phrase “ROC Transfer Failure Date”.

6.3 **Invoicing of ROC Transfer Failure Payments**

Any payments which result from Clause 6.1 shall be invoiced by the Buyer to the Seller and any payments which result from Clause 6.2 shall be invoiced by the Seller to the Buyer in either case as soon as reasonably practicable after the ROC Transfer Failure Date (“the ROC Transfer Failure Statement”) and shall be payable within 5 Banking Days of the date of receipt by the Buyer or the Seller as the case may be of the ROC Transfer Failure Statement.

- 6.4 Clauses 9.3.2, 9.3.3, 9.4, 9.5 and 9.6 shall apply mutatis mutandis to payments under this Clause 6.

7. REVOCATION

- 7.1 Where a ROC which is the subject of a Transaction or an Alternative ROC is revoked by Ofgem after the ROC Transfer Request Date or the Alternative ROC Transfer Request Date applying to that ROC or Alternative ROC respectively (a “Revocation”) the Party receiving the revocation notice issued by Ofgem or a copy thereof (“the Revocation Notice”) shall as soon as reasonably practicable, and in any event no later than 3 Banking Days following receipt, provide the other Party (“the Receiving Party”) with a copy of the same. The date of receipt of the copy Revocation Notice by the Receiving Party shall be the Revocation Notice Date.
- 7.2 Where a Revocation Notice is issued after the ROC Transfer Date the Seller shall have the option to replace the Revoked ROC with an Alternative ROC PROVIDED THAT:
- 7.2.1 there is no right to replace Revoked ROCs with Alternative ROCs if the Revocation Notice is issued before the ROC Transfer Date;
- 7.2.2 the right to remedy a Revocation by providing an Alternative ROC is specified as applying to the Parties in Schedule 2; and
- 7.2.3 where the Specified Day relating to the Obligation Period in respect of which the ROC or Alternative ROC was issued has passed at the relevant Revocation Notice Date, the Revoked ROC has not been submitted pursuant to Article 3(1) of the Renewables Obligation Order; and
- 7.2.4 the Alternative ROC Transfer Request Acknowledgement Date will be on or before the 18th Banking Day after the Revocation Notice Date or, if earlier, 23 Banking Days prior to the next Specified Day following the Revocation Notice Date (“the Alternative Long Stop Date”).
- 7.3 Where the Seller wishes to exercise the option pursuant to Clause 7.2 (“the Option”) it must notify the Buyer of this fact in writing within 3 Banking Days after the Revocation Notice Date.

- 7.4 Where the Seller has validly exercised its Option the Buyer shall submit an Alternative ROC Transfer Request which corresponds with the Alternative ROC Transfer Request Acknowledgement no later than 3 Banking Days after the Alternative ROC Transfer Request Acknowledgement Date.
- 7.5 The Parties shall, in co-operation with each other as appropriate, do all such things as may be required by Ofgem, directly or indirectly and whether before or after the Alternative ROC Transfer Date, to establish the title of the Buyer to any Alternative ROC.
- 7.6 Where the Seller:
- 7.6.1 has not been granted the Option by means of the required stipulation in Schedule 2; or
- 7.6.2 fails to exercise the Option in accordance with Clauses 7.2 and 7.3; or
- 7.6.3 exercises the Option but the Alternative ROC Transfer Request Acknowledgement Date is not on or before the Alternative Long Stop Date and such breach results in the Alternative ROC(s) failing to appear in the name of the Buyer on the ROC Register within 8 Banking Days of the Alternative Long Stop Date (or 13 Banking Days for the calendar month of September only) except for so long as it is relieved from complying with its obligations to transfer by the Alternative Long Stop Date, pursuant to Clause 10, by reason of Force Majeure;
- the Buyer shall calculate an amount by way of compensation for the Revoked ROC(s) (which shall be payable by the Seller to the Buyer or by the Buyer to the Seller, as appropriate) according to the method stipulated in paragraph 12 of Schedule 2 and issue a statement to the Seller detailing the amount.
- 7.7 If the Option is validly exercised and the Buyer is in breach of its obligations under Clause 7.4 and such breach results in the Alternative ROC failing to appear in the name of the Buyer on the ROC Register within 8 Banking Days of the Alternative Long Stop Date (or 13 Banking Days for the calendar month of September only) then the Seller shall calculate an amount by way of compensation for the Revoked ROC(s) (which shall be payable by the Buyer to the Seller or by the Seller to the Buyer, as appropriate) according to the method stipulated in paragraph 12 of Schedule 2 and shall issue a statement to the Buyer detailing the amount.
- 7.8 For the avoidance of doubt, where “Loss” is stipulated in paragraph 12 of Schedule 2 as the method of calculating the amount payable under Clause 7.5 or Clause 7.6 the definition of “Loss” set out in Clause 13.5.2 shall be interpreted as if the reference to “termination of the Transactions” shall be replaced with “Revocation” and the reference to “Early Termination Date” shall be replaced with the phrase “Revocation Notice Date”.
- 7.9 Where the Seller owes the Buyer monies pursuant to a Revocation Statement the Seller shall pay to the Buyer the net amount payable under the Revocation Statement plus any applicable VAT on the 5th Banking Day after receipt of a Revocation Statement.
- 7.10 Where the Buyer owes the Seller monies pursuant to a Revocation Statement the Buyer shall pay to the Seller the net amount payable under the Revocation Statement plus any applicable VAT on the 5th Banking Day after the date of a Revocation Statement.
- 7.11 Clause 9.3.2, 9.3.3, 9.4, 9.5 and 9.6 shall apply mutatis mutandis to payments under this Clause 7.

8. VAT AND OTHER TAXES

8.1 VAT

All amounts referred to in this Agreement are exclusive of any applicable VAT, and, where applicable, VAT shall be payable in addition to such amounts.

8.2 Other Taxes

Subject to each Party's obligations relating to VAT, each Party shall cause all royalties, taxes, duties and other sums (including any stamp duty, other documentary taxes, environmental tax or levy) legally payable by that Party arising in connection with this Agreement to be paid. To the extent that a Party is required to pay any such royalties, taxes, duties or other sums for which the other Party is primarily liable, the other Party shall reimburse the paying Party for such amount.

9. BILLING AND PAYMENT

9.1 Billing Statement

On or before the 5th Banking Day of the Month following each ROC Transfer Date, the Seller for a Transaction shall send to the Buyer a written statement ("**Billing Statement**") showing for the preceding Month:

- 9.1.1 the Obligation Period Volumes that have been the subject of the ROC Transfer(s) to which the Billing Statement relates;
- 9.1.2 the Contract Price for each such ROC Transfer;
- 9.1.3 the Contract Amount for each such ROC Transfer;
- 9.1.4 the net amount payable from one Party to the other after taking into account all the matters set out above; and
- 9.1.5 VAT.

Each Party shall provide to the other Party such further information as may reasonably be requested by the other Party to substantiate the information contained in the Billing Statements issued pursuant to this Clause 9.1.

9.2 Buy-Out Fund

- 9.2.1 On each Buy-out Recycling Date or as soon as reasonably practicable thereafter the Seller for each Transaction shall invoice the Buyer for an amount equal to the Buy-Out Recycling Benefit multiplied by the number of ROCs and Alternative ROCs for which a ROC Transfer (or Alternative ROC Transfer as appropriate) has taken place pursuant to a Transaction and which have not been the subject of Revocation plus applicable VAT ("the Buy-Out Recycling Statement").
- 9.2.2 On or before the 10th Banking Day after the payment by Ofgem of Buy-Out Recycling the Buyer shall pay the amount set out in the Buy-Out Recycling Statement.
- 9.2.3 Clauses 9.3.2, 9.3.3, 9.4, 9.5 and 9.6 shall apply mutatis mutandis to such payment under this Clause.

9.3 Payment Mechanics

- 9.3.1 On the 10th Banking Day of the Month in which the Billing Statement is received by the Buyer or the 5th Banking Day after receipt, whichever is the later, the Buyer or the Seller, as the case may be, shall pay to the other Party to whom it is due the net amount payable in accordance with the Billing Statement.
- 9.3.2 Payment shall be made in sterling by the Due Date (subject to Clause 21) by direct bank transfer or equivalent transfer of immediately available funds to the Party to whom payment is due and to the credit of the account specified by that Party.

9.3.3 An amount equal to VAT payable by a Party shall not be required to be paid before the other Party provides it with an appropriate VAT invoice in relation to that amount. Each Party shall provide the other with any additional appropriate VAT invoices as required for the purposes of this Agreement.

9.4 **Disputed Payments**

9.4.1 If a Party disputes in good faith any sum shown in a Statement as being payable by that Party, it shall make payment of any undisputed amount on or before the Due Date and shall give notice of the amount in dispute and the reasons for the dispute to the other Party.

9.4.2 The Parties shall seek to settle the dispute as to the amount due as soon as reasonably possible.

9.4.3 Any adjustment payment required to be made in accordance with the resolution of a dispute shall be made within 3 Banking Days of that resolution.

9.4.4 A Party shall not under any circumstances be entitled to initiate any dispute concerning any sum shown in, or which should have been shown in, a Statement 24 months or more after that Statement is received, or is deemed to have been received, by the Buyer.

9.5 **Interest**

9.5.1 If a Party fails to pay to the other Party any amount due by the Due Date as set out in this Agreement (or otherwise determined by any dispute resolution process), interest shall be payable on that amount at a rate equal to LIBOR plus 3% (the “default rate”) re-calculated and compounded monthly from and including the Due Date to but excluding the date payment is made.

9.5.2 If, following the resolution of a dispute or otherwise to correct any mistaken overpayment or underpayment made in good faith, one Party is required to pay an amount to the other Party, interest shall be payable on that amount at a rate equal to LIBOR plus 1% (the “non-default rate”) recalculated and compounded monthly from the date when the amount would have been paid or not paid (as applicable) if the dispute, overpayment or underpayment had not occurred to but excluding the date payment is made.

9.5.3 If the rate in Clause 9.5.1 or 9.5.2 ceases temporarily or permanently to be published then the Party owed money may substitute a rate which it considers in good faith to be equivalent to that rate published by a London clearing bank.

9.5.4 The Parties agree that the provisions of this Clause 9.5 constitute a substantial remedy for late payment of any sum due under this Agreement. The Parties further agree that, to the extent they may be excluded in accordance with the terms thereof, the provisions of the Late Payment of Commercial Debts (Interest) Act 1998, and any orders or regulations made pursuant thereto, as to rates of interest or credit periods shall not apply to this Agreement.

9.6 **Netting**

If on any date Statement Amounts would otherwise be payable by each Party to the other as a result of two or more Statements being issued, then, on that date, each Party's obligation to make payment of any such amount will be automatically satisfied and discharged and, if the Statement Amount(s) that would otherwise have been payable by one Party exceeds the Statement Amount(s) that would otherwise have been payable by the other Party, replaced by an obligation upon the Party by whom the larger total Statement Amount would have been payable to pay to the other Party the excess of the larger total Statement Amount over the smaller total Statement Amount.

9.7 **Failure to Issue Billing Statement**

- 9.7.1 If the Seller fails to issue a Billing Statement in accordance with Clause 9.1, then the Buyer may issue that Billing Statement to the Seller and, once issued, that Billing Statement shall be treated as a Billing Statement issued by the Seller for the purposes of this Agreement.
- 9.7.2 Except as provided in this Clause 9, failure to issue a Statement shall not affect the rights and obligations of the Parties under this Agreement and shall not be a material breach of this Agreement under Clause 13.1.5.

9.8 **No Accurate Information**

- 9.8.1 If any information required to prepare a Statement is not available at the time that Statement is prepared, then a Party may prepare that Statement based on its reasonable estimate of that information.
- 9.8.2 If there is any change to the information used to prepare a Statement after that Statement is received or information that was estimated in order to prepare a Statement becomes available, then at any time within 12 months of the date that the Statement was received, either Party may, by notice to the other, require an adjustment payment to be made to reflect the changed or newly available information. The adjustment payment shall be made within 10 Banking Days of receipt of the notice, together with interest calculated at the non-default rate.

10. **FORCE MAJEURE**

If a Party (the "**Force Majeure Party**") is prevented from carrying out any one or more of its obligations in accordance with Clause 5 by reason of Force Majeure, then the Force Majeure Party shall:

- 10.1 be relieved of its obligations to timeously comply with Clause 5 to the extent that it is prevented by Force Majeure from complying with them; and
- 10.2 not have to pay amounts under Clause 6 to the extent attributable to its failure to timeously perform its obligations under Clause 5,

provided that:
 - 10.3 the Force Majeure Party advises the other Party in writing as soon as reasonably practicable of:
 - 10.3.1 the event or circumstance constituting Force Majeure;
 - 10.3.2 its estimate of the likely effect of that Force Majeure on its ability to perform its obligations under Clause 5; and
 - 10.3.3 its estimate of the likely period of that Force Majeure; and
 - 10.4 the Force Majeure Party uses all reasonable endeavours to terminate or overcome the event or circumstance constituting Force Majeure and resumes full performance of its obligations as soon as reasonably practicable.

This Clause 10 shall only relieve a Party in respect of and to the extent that the time period(s) for complying with its obligations under Clause 5 and Clause 6 are affected by Force Majeure and accordingly any time periods for performing any affected obligation under this Agreement will be deemed extended by an amount reasonably attributable to the Force Majeure.

11. **CONFIDENTIALITY**

The Parties shall treat the terms of this Agreement (including each Transaction) and all information provided under or in connection with this Agreement ("**Confidential**

Information") as confidential and shall not disclose Confidential Information without the prior written consent of the other Party, save that consent shall not be required for disclosure:

- 11.1 to directors, employees or Affiliates of a Party, provided that they in turn are required by that Party to treat the Confidential Information as confidential in favour of the other Party on terms substantially the same as those set out in this Clause 11;
- 11.2 to persons professionally engaged by a Party, provided that they in turn are required by that Party to treat the Confidential Information as confidential in favour of the other Party on terms substantially the same as those set out in this Clause 11;
- 11.3 to the extent required by any government department or agency or regulatory authority having jurisdiction over that Party (including the Gas and Electricity Markets Authority);
- 11.4 to any bank, other financial institution or rating agency to the extent required in relation to the financing of a Party's business activities, provided that the bank, or other financial institution or rating agency, as the case may be, is required by that Party to treat the Confidential Information as confidential in favour of the other Party on terms substantially the same as those set out in this Clause 11;
- 11.5 to the extent required by any applicable laws, judicial process or the rules and regulations of any recognised stock exchange;
- 11.6 to any intending assignee of the rights and interests of a Party under this Agreement or to a person intending to acquire an interest in a Party or that Party's Affiliate holding company provided that the intending assignee or acquirer in turn is required by that Party to treat the Confidential Information as confidential in favour of the other Party on terms substantially the same as those set out in this Clause 11;
- 11.7 to the extent that the Confidential Information is in or lawfully comes into the public domain other than by breach of this Clause 11; or
- 11.8 to price reporting agencies in respect of Contract Price, Obligation Periods and Obligation Period Volumes only but excluding specifically names and/or identity of either Party.

12. ASSIGNMENT

12.1 Prohibition of Assignment

If consent for assignment is specified as applying to a Party in Schedule 2, and subject always to Clauses 12.2, 12.3, 12.4 and 12.5, then that Party shall not assign or transfer to any person any of its rights or obligations in respect of this Agreement (including any Transaction) without the written consent of the other Party (consent for an assignment or transfer of all, but not some only, of a Party's rights and obligations shall not be unreasonably withheld or delayed). For these purposes it shall be unreasonable to withhold consent for an assignment or transfer of all a Party's rights and obligations in the case of an assignee or transferee that is demonstrably capable of fulfilling the obligations of the assignor or transferor under this Agreement, has a financial standing no worse than that of the assignor or transferor as at the date the assignor or transferor became a Party to this Agreement and as of the date it entered into the relevant Transactions and provided it is demonstrably capable of continuing to provide security and/or performance assurance at least equal to that provided (or required to be provided) by the assignor or transferor.

12.2 Assignment to Affiliates

Subject to Clause 12.5, a Party may assign and transfer its rights and obligations under this Agreement to an Affiliate on notice to, but without the consent of the other Party, provided that the assignor remains liable for the performance of any obligations that that Affiliate fails to perform (even if that Affiliate ceases to be an Affiliate of the assignor).

12.3 **Assignment by way of Security**

Subject to Clause 12.5, either Party may assign all, but not some only, of its rights under this Agreement by way of security to or in favour of any bank or financial institution in relation to the financing of that Party's business activities.

12.4 **Assignment in the case of Termination**

Subject to Clause 12.5, a Party may assign all or any part of its interest in any Termination Payment payable to it from a Defaulting Party under Clause 13.5.

12.5 **No Adverse Assignment**

A Party may not assign or transfer to any person any of its rights or obligations in respect of this Agreement (including any Transaction) without the written consent of the other Party if that assignment or transfer would render any right of the other Party in respect of this Agreement unenforceable, render the performance of any obligation by either Party in respect of this Agreement illegal or adversely affect the other Party's position in relation to tax.

13. **TERMINATION**

13.1 **Event of Default**

"**Event of Default**" means the occurrence at any time with respect to a Party or, if applicable, any Credit Support Provider of that Party (the "**Defaulting Party**") of any of the following events:

13.1.1 **(Insolvency)** the Party or any Credit Support Provider of the Party:

- (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (b) becomes insolvent or is unable to pay its debts as they become due or fails or admits in writing its inability generally to pay its debts as they become due;
- (c) makes a general assignment, arrangement or composition with or for the benefit of its creditors;
- (d) institutes or has instituted against it a proceeding seeking a judgement of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, that proceeding or petition (i) results in a judgement of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (ii) is not withdrawn, dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation of that proceeding or petition;
- (e) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (f) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;
- (g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and that secured party maintains possession, or that process is not withdrawn, dismissed, discharged, stayed or restrained, in each case within 30 days of that event;

- (h) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in Clauses (a) to (g) (inclusive); or
 - (i) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts referred to in this Clause 13.1.1;
- 13.1.2 **(Representation or Warranty)** any representation or warranty made, or deemed to have been made, by the Party or any Credit Support Provider of that Party in this Agreement or any Credit Support Document proves to have been false or materially misleading at the time it was made or was deemed to have been made so as to adversely affect or potentially adversely affect the Non-Defaulting Party's position under or in relation to this Agreement or any Credit Support Document;
- 13.1.3 **(Non-Payment)** the Party fails to pay any amount when due under this Agreement, and that failure is not remedied on or before the 3rd Banking Day after the Non-Defaulting Party gives the Party notice of that failure;
- 13.1.4 **(Persistent Transfer Default)** if a Compensation Threshold is specified in Schedule 2, the Party fails to comply with Clause 5 or Clause 7 and, as a result, the total of the amounts which the Party is liable to pay under Clauses 6 and 7 during an Obligation Period exceeds the Compensation Threshold for that Party and such sum is not paid within 5 Banking Days of the Non-Defaulting Party giving the Party notice of that failure;
- 13.1.5 **(Material Obligations)** the Party fails to perform a material obligation under this Agreement (other than an obligation referred to in Clause 13.1.3) and that failure is not remedied within 5 Banking Days of the Non-Defaulting Party giving the Party notice of that failure;
- 13.1.6 **(Credit Support)** if specified in Schedule 2:
- (a) the Party or any Credit Support Provider of the Party fails to comply with or perform any agreement or obligation to be complied with or performed by it in accordance with any Credit Support Document if that failure is continuing after any applicable grace period has elapsed;
 - (b) any Credit Support Document expires or terminates or fails or ceases to be in full force and effect for the purpose of this Agreement (in either case other than in accordance with its terms) prior to the satisfaction of all obligations of the Party under each Transaction to which that Credit Support Document relates without the written consent of the other Party and such expiration or termination is not remedied within 5 Banking Days of notification; or
 - (c) the Party or any Credit Support Provider of that Party disaffirms, disclaims, repudiates or rejects, in whole or in part, or challenges the validity of, that Credit Support Document;
- 13.1.7 **(Cross Default)** if Cross Default and the related Cross Default Threshold are specified in Schedule 2 and there occurs or exists:
- (a) a default, event of default or other similar condition or event (however described) in respect of the Party or any Credit Support Provider of the Party under one or more agreements or instruments relating to Indebtedness of any of them (individually or collectively) in an aggregate amount of not less than the Cross Default Threshold which has resulted in that Indebtedness becoming, or becoming capable at the time of being declared, due and payable under those agreements or instruments, before it would otherwise have been due and payable; or
 - (b) a default by that Party or that Credit Support Provider (individually or collectively) in making one or more payments on the due date for those purposes under those

agreements or instruments in an aggregate amount of not less than the Cross Default Threshold (after giving effect to any applicable notice requirement or grace period).

- 13.1.8 (**Material Adverse Change**) if a Material Adverse Change is specified as applying in Schedule 2 and in the reasonable opinion of the other Party, one or more events occur which cause a material adverse change in the financial standing or creditworthiness of the Party (unless all of the Party's financial obligations under this Agreement are fully guaranteed under a Credit Support Document), or any Credit Support Provider of the Party, and which affects the Party's, or the Credit Support Provider's, ability to perform its financial or other obligations under this Agreement or any Credit Support Document, respectively, and the Party or the Credit Support Provider fails to procure a guarantee, letter of credit, or other credit support from a person and in a form which is acceptable in the reasonable opinion of the other Party for the performance of its financial obligations under this Agreement or the Credit Support Document, respectively, within 3 Banking Days of the other Party's written request for that guarantee, letter of credit or other credit support.
- 13.1.9 (**Revocation for Fraudulent Behaviour**) the Party provided false information to the Non-Defaulting Party or to Ofgem or ensured that a ROC was issued on the basis of fraudulent behaviour, statement or undertaking as envisaged by article 5(1)(a) of the Renewables Obligation Order;
- 13.1.10 (**Merger without Assumption**) the Party or any Credit Support Provider of such Party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer:
- (1) the resulting, surviving or transferee entity fails to assume all the obligations of such Party or such Credit Support Provider under this Agreement or any Credit Support Document to which it or its predecessor was a party by operation of law or pursuant to an agreement reasonably satisfactory to the other Party to this Agreement; or
 - (2) the benefits of any Credit Support Document fail to extend (without the consent of the other Party) to the performance by such resulting, surviving or transferee entity of its obligations under this Agreement;
- 13.1.11 (**Credit Event Upon Merger**) if Credit Event Upon Merger is specified in Schedule 2 as applying to the Party, such Party ("X"), any Credit Support Provider of X or any applicable Specified Entity of X consolidates or amalgamates with, or merges into, or transfers all or substantially all its assets to, another entity and such action does not constitute an event described in 13.1.10 but the creditworthiness of the resulting, surviving or transferee entity is materially weaker than that of X, such Credit Support Provider or such Specified Entity, as the case may be, immediately prior to such action (and, in such event, X or its successor or transferee, as appropriate, will be the Affected Party).

13.2 **Suspension**

Notwithstanding any other provision of this Agreement, after the occurrence of:

- 13.2.1 an Event of Default; or
- 13.2.2 an event which, with the giving of notice or the passage of time or both would constitute an Event of Default,
- with respect to a Party, the other Party (the "**Suspending Party**") may for the period that the relevant event subsists or, if shorter, 30 days, do one or more of:
- 13.2.3 withhold or suspend payments under this Agreement; or
- 13.2.4 suspend its compliance with Clause 5;

in addition to any other remedies that the Suspending Party may have, subject to Clause 14.

13.3 Termination Right

- 13.3.1 If, at any time, an Event of Default has occurred and is continuing, the Non-Defaulting Party may designate a day as an early termination date (the "**Early Termination Date**") in respect of all outstanding Transactions between the Parties by giving not more than 20 days' notice to the Defaulting Party. This notice shall specify the relevant Event of Default. The Early Termination Date may not be earlier than the day the notice is effective.
- 13.3.2 The right under Clause 13.3.1 is in addition to any other remedies available under this Agreement or at law.
- 13.3.3 The notice of the Early Termination Date may be given by telephone if that notice is confirmed in writing within 2 Banking Days.

13.4 Early Termination Date

- 13.4.1 If notice designating an Early Termination Date is given under Clause 13.3.1, the Early Termination Date will occur on the date so designated even if the circumstances giving rise to the Event of Default are no longer continuing.
- 13.4.2 Upon the effective designation of an Early Termination Date: (a) no further payments or compliance with Clause 5 will be required in respect of all Transactions; and (b) the amount, if any, payable in respect of an Early Termination Date shall be determined pursuant to Clause 13.5.

13.5 Termination Payment

- 13.5.1 On, or as soon as reasonably practicable after, the Early Termination Date, the Non-Defaulting Party shall in good faith calculate the termination payment (the "**Termination Payment**"), being the Loss or Market Amount for all Transactions or parts thereof (as appropriate), in accordance with the termination payment method specified in paragraph 11 of Schedule 2. If a termination payment method is not specified in paragraph 11 of Schedule 2, the Loss method shall apply.
- 13.5.2 "**Loss**" means an amount that the Non-Defaulting Party reasonably determines in good faith to be its total losses and costs (or gain, in which case expressed as a negative number) in connection with the termination of the Transactions, including any loss of bargain, cost of funding (based on the actual costs of the Non-Defaulting Party, whether or not greater than market costs) or, at the election of the Non-Defaulting Party but without duplication, loss or cost incurred as a result of its terminating, liquidating, obtaining or re-establishing any related trading position (or any gain resulting from any of them). Loss includes losses and costs (or gains) in respect of any payment required to have been made and not made or non-compliance with Clauses 5 or 7 (whether or not as a result of the suspension of the obligation to pay or comply with such Clause under Clause 13.2 or 13.4.2) on or before the Early Termination Date. Loss does not include the Non-Defaulting Party's legal fees and out-of-pocket expenses. The Non-Defaulting Party may (but need not) determine its Loss by reference to quotations of relevant prices from one or more leading undertakers of ROC Transfers who are independent of the Parties.
- 13.5.3 "**Market Amount**" means either:
- (a) the sum (whether positive or negative) of (i) the Market Quotation for the Transactions if a Market Quotation is determined and (ii) losses and costs (or gains) in respect of any payment required to have been made and not made or non-compliance with Clauses 5 or 7 on or before the Early Termination Date or as a result of suspension under Clause 13.2; or

- (b) the Non-Defaulting Party's Loss (whether positive or negative) for the Transactions if a Market Quotation cannot be determined or would not (in the reasonable belief of the Non-Defaulting Party) produce a commercially reasonable result,

where:

- (d) "**Market Quotation**" means, with respect to the Non-Defaulting Party, an amount determined on the basis of the average of quotations from Reference Market Makers. Each quotation will be for an amount, if any, that would be paid to the Non-Defaulting Party (expressed as a negative number) or by the Non-Defaulting Party (expressed as a positive number) in consideration of an agreement between the Non-Defaulting Party and the quoting Reference Market Maker to enter into transactions (the "**Replacement Transactions**") that would have the effect of preserving for the Non-Defaulting Party the economic equivalent of any payment or compliance with Clauses 5, 6 or 7 as applicable (whether the underlying obligation was absolute or contingent) that would, but for the occurrence of the relevant Early Termination Date, have been required after that date. The quotation shall (i) take into account any existing Credit Support Document with respect to the obligations of the Non-Defaulting Party but (ii) disregard any losses, costs (or gains) in respect of any payment required to have been made and not made (or non-compliance with Clauses 5, 6 or 7) on or before the Early Termination Date; and
- (e) "**Reference Market Makers**" means 3 leading traders in the England and Wales electricity market selected by the Non-Defaulting Party in good faith which satisfy all the criteria that the Non-Defaulting Party applies generally at the time in deciding whether to offer or to make an extension of credit and which are independent of the Parties.

The Non-Defaulting Party shall notify the Defaulting Party of the Termination Payment including detailed support for the Termination Payment calculation.

- 13.5.4 A Party shall not be required to enter into replacement transactions in order to determine the Termination Payment.
- 13.5.5 If the Termination Payment is a positive number, the Defaulting Party shall pay the Termination Payment to the Non-Defaulting Party within 2 Banking Days of invoice or notification of the Termination Payment amount (the "**Termination Payment Date**.")
- 13.5.6 If the Termination Payment is a negative number, the Non-Defaulting Party shall pay the Termination Payment to the Defaulting Party within 30 Banking Days of the Termination Payment Date, which amount shall bear interest in accordance with Clause 9.5.1 at the default rate specified therein.
- 13.5.7 The Non-Defaulting Party may, at its option, set off the Termination Payment against any or all other amounts owing (whether or not matured, contingent or invoiced) between the Parties under this Agreement or 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 Non-Defaulting Party may reasonably estimate the amount to be set off. The Parties shall make any adjustment payment required within 3 Banking Days of the amount becoming ascertained.
- 13.5.8 Disputed amounts under this Clause 13.5 shall be paid by the Defaulting Party subject to refund with interest calculated in accordance with the non-default rate under Clause 9.5.2 if the dispute is resolved in favour of the Defaulting Party.

13.6 **Illegality**

If, due to the adoption of, or any change in, any applicable law after the date on which a Transaction is entered into, or due to the promulgation of, or any change in, the interpretation

by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law after that date, it becomes unlawful (other than as a result of a breach by the relevant party of Clause 3) for a Party (the "**Affected Party**"):

- 13.6.1 to perform any absolute or contingent obligation to make a payment or delivery or to receive a payment or delivery in respect of that Transaction or to comply with any other material provision of this Agreement relating to that Transaction; or
- 13.6.2 to perform, or for any Credit Support Provider of that Party to perform, any contingent or other obligation which the Party (or that Credit Support Provider) has under any Credit Support Document relating to that Transaction,

(an "**Illegality**") then, unless the Parties otherwise agree in writing, either Party may elect to terminate, liquidate and accelerate that Transaction in accordance with Clauses 13.3, 13.4 and 13.5, except that, for the purposes of Clause 13.3, either Party may designate an Early Termination Date and, for the purposes of Clauses 13.4 and 13.5, references to the Defaulting Party will be read as references to the Affected Party, references to the Non-Defaulting Party will be read as references to the Party which is not the Affected Party, references to "all Transactions" will be read as references to all Transactions affected by the Illegality. However, if both Parties are Affected Parties, each Party shall determine the Termination Payment in respect of the terminated Transactions and the amount payable shall be the algebraic average of the two Termination Payments.

13.7 **Event of Default and Illegality**

If an event or circumstance which would otherwise constitute or give rise to an Event of Default also constitutes an Illegality it will be treated as an Illegality and will not constitute an Event of Default.

13.8 **Change in Taxes**

13.8.1 If, due to:

- (a) any action taken by a taxing authority or brought in a court of competent jurisdiction on or after the date on which a Transaction is entered into (regardless of whether that action is taken or brought with respect to a Party); or
- (b) a Change in Tax Law,

a Party (the "**Affected Tax Party**") will, or there is a substantial likelihood that it will, on the next Due Date either:

- (c) be required to pay an amount in respect of a Relevant Tax; or
- (d) receive a payment from which an amount is required to be deducted or withheld for or on account of a Relevant Tax and no additional amount is required to be paid in respect of that Relevant Tax,

other, in either case, than in respect of interest payable under this Agreement (a "**Relevant Change in Tax**"), then, if specified as applying in Schedule 2, the Affected Tax Party may give a notice electing to terminate, liquidate and accelerate that Transaction in accordance with Clauses 13.3, 13.4 and 13.5, except that, for the purposes of Clause 13.3, either Party may designate an Early Termination Date and, for the purposes of Clauses 13.4 and 13.5, references to the Defaulting Party will be read as references to the Affected Tax Party, references to the Non-Defaulting Party will be read as references to the Party which is not the Affected Tax Party, references to "all Transactions" will be read as references to all Transactions affected by the Relevant Change in Tax and the notice given by the Affected Tax Party electing to terminate, liquidate and accelerate the Transaction shall be deemed to be the notice to terminate, liquidate and accelerate to be given by the Non-Defaulting Party for the purposes of Clause 13.3. However, if both Parties are Affected Tax Parties, each Party shall

determine the Termination Payment in respect of the terminated Transactions and the amount payable shall be the algebraic average of the two Termination Payments.

13.8.2 "**Change in Tax Law**" means the enactment, promulgation, execution or ratification of, or any change in or amendment to, any law (or in the application or official interpretation of any law) that occurs on or after the date on which the relevant Transaction is entered into.

13.8.3 "**Relevant Tax**" means any present or future tax, levy, impost, duty, charge, assessment or fee of any nature (including interest or penalties) that is imposed by any government or other taxing authority directly in respect of any payment, notification or nomination under this Agreement other than stamp, registration, documentation or similar tax. Relevant Tax does not include, without limitation, income tax, taxes on the generation, transmission, distribution or use of electricity or taxes imposed generally on a Party's business.

14. LIABILITIES

14.1 No Consequential Loss

14.1.1 Except to the extent included in any amounts to be paid under Clause 6 or Clause 7 or any Termination Payment, neither Party shall be liable to the other, whether in contract, tort (including negligence and breach of duty, statutory or otherwise) or otherwise at law, for any loss of use, profits, contracts, production, revenue or for business interruption or for any consequential or indirect loss or damage of whatsoever nature and howsoever arising.

14.1.2 Notwithstanding anything to the contrary contained in this Agreement, the liability of a Party to the other Party for:

14.1.2.1 death or personal injury resulting from negligence of the Party liable, its employees, agents and contractors; or

14.1.2.2 fraud or fraudulent misrepresentation,

shall not be limited, save that nothing in this Clause 14 shall confer a right or remedy upon the other Party to which that Party would not otherwise have been entitled.

14.2 Reasonable Pre-estimate

Each Party acknowledges that the payment obligations in Clauses 6, 7 and 13 are reasonable in light of the anticipated harm and the difficulty of estimation or calculation of actual damages. Each Party waives the right to contest those payments as an unreasonable penalty or otherwise.

14.3 Sole Remedy

Subject to the rights to suspend, take action, terminate, liquidate and accelerate and to be paid a Termination Payment under Clause 13, payment in accordance with the provisions of Clause 6 and 7 shall be in full and final satisfaction of the rights of the Parties for any total or partial failure to comply with Clause 5 or 7 (as applicable), howsoever caused and even where caused by the negligence or breach of duty statutory or otherwise of a Party.

15. WAIVER

No waiver by either Party of any breach by the other of this Agreement shall operate unless expressly made in writing, and any such waiver shall not be construed as a waiver of any other breach.

16. VARIATION

No variation to the provisions of this Agreement shall be valid unless it is in writing and signed by each Party (otherwise than to the extent that the variation relates to a specific Transaction, in which case, variations may be made orally in accordance with Clause 2).

17. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement and understanding of the Parties with respect to its subject matter and supersedes and extinguishes any representations previously given or made other than those included in this Agreement, provided that nothing in this Clause 17 shall limit or exclude any liability for fraud in relation to those representations.

18. SEVERABILITY

If any provision or part of a provision of this Agreement is found by a court or authority of competent jurisdiction to be void or unenforceable, that provision or part of a provision shall be deemed to be deleted from this Agreement and the remaining provisions shall continue in full force and effect. The Parties shall in this event seek to agree upon a valid and enforceable provision or part of a provision to replace the provision or part of a provision found to be void and unenforceable.

19. NOTICES

19.1 Notices to be in writing

Any notice or other written communication to be given or made in respect of this Agreement by one Party to the other shall be given or made in writing to the other at the address or contact number that the other Party shall specify in Schedule 2 or notify to the notifying party from time to time or, if no address has been so specified or notified, at the other Party's registered office.

19.2 Deemed Receipt

A written notice shall be deemed to have been received:

- 19.2.1 if delivered by hand, on the Banking Day of delivery or on the 1st Banking Day after the date of delivery if delivered on a day other than a Banking Day;
- 19.2.2 if sent by first class post, on the 2nd Banking Day after the day of posting or, if sent from one country to another, on the 5th Banking Day after the day of posting;
- 19.2.3 if sent by facsimile transmission and a valid transmission report confirming good receipt is generated, on the day of transmission if transmitted before 1800 hours on a Banking Day or otherwise on the 1st Banking Day after transmission;
- 19.2.4 if sent by e-mail, on the day of receipt if received before 1800 hours on a Banking Day, or otherwise on the 1st Banking Day after receipt.

20. THIRD PARTY RIGHTS

Subject to the rights that may accrue to any successor or permitted assigns of the Parties, no provision of this Agreement shall be construed as creating any rights enforceable by a third party and all third party rights implied by law are, to the extent permissible by law, excluded from this Agreement.

21. CONVERSION TO EURO

21.1 Euro Mechanics

With effect from the date (if any) that United Kingdom adopts the Euro as its lawful currency in substitution for sterling (the "**Euro Effective Date**");

- 21.1.1 to the extent relevant, invoiced amounts shall be calculated in sterling and converted from sterling to Euro and shall be stated in the invoice in Euro;
- 21.1.2 payment of those invoices and all other payments falling due under this Agreement on or after the Euro Effective Date shall be made by the payer to the relevant Euro account of the recipient in Euro in accordance with the provisions of Clause 9.3;
- 21.1.3 no payments of invoices falling due after the Euro Effective Date which would have been payable in sterling under this Agreement but for the adoption of the Euro by United Kingdom as its lawful currency shall be made in sterling or national currency units; and
- 21.1.4 the rate of interest referred to in Clause 9.5.1 (the "default rate") shall be the one month EURIBOR interest rate for 11:00 a.m. Frankfurt time on the Due Date, plus 3 percent (%) per annum.
- 21.1.5 the rate of interest referred to in Clause 9.5.2 (the "non-default rate") shall be the one month EURIBOR interest rate for 11.00 a.m. Frankfurt time on the Due Date, plus 1 percent (%) per annum.

21.2 Additional Matters

For the purposes of Clause 21.1:

- 21.2.1 conversions from sterling to Euro will be at the fixed conversion rate provided for by English law; and
- 21.2.2 "**Euro**" means the lawful currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union.

22. APPLICABLE LAW

This Agreement shall be governed by and construed in accordance with English law. Subject to the express referral of any matter to the Expert under this Agreement, the Parties submit to the exclusive jurisdiction of the English courts for the purposes of any dispute under or in connection with this Agreement. If either Party is not incorporated within England or Wales and does not have, or ceases to have, a permanent place of business within England or Wales, it shall immediately irrevocably appoint an agent to accept service of process on its behalf within England or Wales.

23. EXPERT DETERMINATION

- 23.1 If any matter is referred to an independent expert (the "Expert") in accordance with the Agreement, the Expert shall be appointed by agreement between the Parties. If the Parties fail to agree upon that appointment within 10 Banking Days of a Party notifying the other Party of its decision to refer the matter to an Expert, the President of the Law Society of England and Wales may appoint the Expert on the application of either Party.
- 23.2 In the absence of the Parties agreeing any amendments to this Agreement, if that failure to agree is referable to the Expert, the Expert shall have power to make amendments binding on the Parties to this Agreement consistent with any relevant requirements, purposes or restrictions concerning those amendments expressly provided for in this Agreement. The Parties agree that it is their intention that in the absence of their ability to agree any required

amendments to this Agreement, this Agreement should continue and not come to an end or be deemed to be void or voidable in accordance with the doctrine of frustration or any other legal theory. Accordingly, if the Expert is unable to decide upon any amendments based on the express or implied intentions of the Parties, the Expert shall be entitled to have regard to the way in which similar issues or amendments are addressed or are proposed to be addressed by other electricity industry participants and to substitute the Expert's own view of what is reasonable in all the circumstances.

- 23.3 The Expert shall act as an expert and not as an arbitrator and shall give his or her determination in writing.
- 23.4 In the absence of fraud or manifest error, the determination of the Expert shall be final, conclusive and binding upon the Parties.
- 23.5 The Expert shall determine the procedure to be followed by the Expert for the purpose of making a determination provided that the Parties shall use their respective reasonable endeavours to ensure that he or she makes his or her determination within 20 Banking Days of being appointed.
- 23.6 Each of the Parties shall bear one half of the costs of the Expert unless the Expert determines otherwise.
- 23.7 Pending the determination of any amendments to this Agreement by the Parties or the Expert, the Parties shall continue to the extent possible to perform their obligations under this Agreement.

24. CHANGES TO THE RENEWABLES OBLIGATION

24.1 Renewables Obligation Changes

Subject to Clause 13.6 (Illegality), if:

- 24.1.1 there are any changes to the enactments or regulatory rules with which either Party is required to comply in effecting ROC Transfers or Alternative ROC Transfers as contemplated by this Agreement (whether made at the direction of any government, governmental body, regulator, competent authority or otherwise); and/or
- 24.1.2 there are any changes to the Balancing and Settlement Code with which either of the Parties are required to comply in order to effect ROC Transfers or Alternative ROC Transfers as contemplated by this Agreement (whether made at the direction of any government, governmental body, regulator, competent authority or otherwise); and
- 24.1.3 as a result, either Party is unable to comply with one or more provisions of this Agreement,

then, at the written request of either Party, the Parties shall, in good faith, seek to agree the amendments (if any) to this Agreement necessary or appropriate to take account of those changes, so that this Agreement may continue in force and continue to provide for the ROC Transfers of the respective Obligation Period Volumes at the relevant Contract Prices and during the relevant periods and to Alternative ROC Transfers where necessary as agreed for each Transaction. The Parties expressly agree that the purpose of any such amendments is solely to enable the mechanics of this Agreement to be changed so that they effectively integrate with the changes to the relevant enactments or regulatory rules. Any new costs, expenses or risks (including any costs, expenses or risks arising from changes in the way in which transmission or distribution losses or constraints are dealt with) which arise due to the changes and are not of a type provided for in this Agreement are not intended to be allocated from one Party to the other by virtue of this Clause 24.1 (unless otherwise expressly agreed by the Parties). Any such changes to the enactments or regulatory rules shall not constitute Force Majeure for the purposes of this Agreement.

24.2 Reference to Expert

If the Parties fail to agree under Clause 24.1 on whether or not any such amendments are necessary or appropriate or the nature or extent of any such amendments, then after 60 days from the date on which the written request was given, either Party may notify the other Party of its decision to refer the matter to the Expert for determination in accordance with Clause 23 by giving a notice to the other Party.

25 CHANGE IN LAW

25.1 If there are any changes to the enactments and/or regulatory rules relating to ROCs after the date on which a Transaction is entered into which have the effect that:

- (i) ROCs cease to have a value; and/or
- (ii) all issued ROCs are to be revoked and not replaced; and/or
- (iii) no further ROCs are to be issued,

then, in respect of any such Transaction where the ROC Transfer Date has not occurred, at the written notice of either Party such Transaction shall terminate with effect from the date that Designated Electricity Suppliers cease to have a Renewables Obligation. For the avoidance of doubt no Termination Payment shall be payable by either Party where a Transaction terminates pursuant to this Clause 25.

26. EXECUTION IN COUNTERPARTS

This Agreement may be executed in any number of counterparts and by different parties in separate counterparts, any of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement.

SCHEDULE 1

DEFINITIONS AND INTERPRETATION

Part 1 - Definitions

The following words or phrases, where they appear in this Master Agreement or in a Confirmation, have the following meanings respectively:

"Affected Party" has the meaning set out in Clause 13.6;

"Affected Tax Party" has the meaning set out in Clause 13.8.1;

"Affiliate" means any holding company or subsidiary company of a Party or any company which is a subsidiary company of the holding company of a Party and the expressions "holding company" and "subsidiary" shall have the meanings respectively ascribed to them by section 736 Companies Act 1985;

"Agreement" has the meaning set out in Clause 1.3;

"Alternative Long Stop Date" has the meaning set out in Clause 7.2.4;

"Alternative ROC" shall mean a ROC which replaces a Revoked ROC which at some point prior to Revocation appeared in the Buyer's ROC Account pursuant to this Agreement and which (i) meets the specifications set out in the Confirmation applicable to the ROC it is replacing; and (ii) is issued for the same Obligation Period as the ROC it is replacing, except that, where the Specified Day has passed for the Obligation Period for which the Revoked ROC was issued a ROC issued for the subsequent Obligation Period may be an Alternative ROC;

"Alternative ROC Transfer" means the transfer of Alternative ROCs from the Seller's ROC Account to the Buyer's ROC Account so that the same appears in the Buyer's ROC Account;

"Alternative ROC Transfer Date" means the date an Alternative ROC which has replaced a Revoked ROC in circumstances where Revocation took place after the ROC Transfer Date appears in the Buyer's ROC Account;

"Alternative ROC Transfer Request" means a written request made (by the Seller or the Buyer, as the context may require) to Ofgem (in any form prescribed by Ofgem from time to time) for the Buyer to be substituted as the holder of the relevant Alternative ROC;

"Alternative ROC Transfer Request Acknowledgement" means the written confirmation received by the Seller from Ofgem that the Seller's Alternative ROC Transfer Request has been received by Ofgem (in such form as Ofgem may prescribe from time to time);

"Alternative ROC Transfer Request Acknowledgement Date" means, subject to Clause 7.2.4, the date on which the Seller gives the Alternative ROC Transfer Request Acknowledgement to the Buyer;

"Alternative ROC Transfer Request Date" means the date on which an Alternative ROC Transfer Request is made by the Seller to Ofgem;

"Balancing and Settlement Code" means the document of that name, as modified from time to time, setting out electricity balancing and settlement arrangements established by National Grid Company plc (and its successors) pursuant to its transmission licence;

"Banking Day" means a day (other than a Saturday or Sunday) on which the clearing banks in London are open for general business;

"Billing Statement" has the meaning set out in Clause 9.1;

"Buyer" means the Party agreed as such by the Parties for the purposes of a Transaction;

“Buy-Out Fund” has the meaning set out in the Renewables Obligation Order (and for the avoidance of doubt shall include any interest credited to it by Ofgem);

“Buy-Out Recycling” the amount of the Buy-Out Fund and any Late Payments attributable to a ROC submitted in the Obligation Period;

“Buy-Out Recycling Benefit” means the percentage, if any, specified in a Transaction multiplied by the amount allocated to a ROC in the Buy-Out Fund or Late Payments relating to the Obligation Period specified in the Transaction (unless otherwise stated in the Transaction) expressed in £/MWh;

“Buy-Out Recycling Date” means

- (1) the earlier of:
 - (i) the date on which Ofgem publishes the amount of the Buy-Out Fund for the Obligation Period which relates to a Transaction; and
 - (ii) the date on which a Party is notified by Ofgem of the amount attributable to a ROC in the Buy-Out Fund;and/or;
- (2) the earlier of:
 - (i) the date on which Ofgem publishes the amount of Late Payments for the Obligation Period which relates to a Transaction; and
 - (ii) the date on which a Party is notified by Ofgem of the amount attributable to a ROC from Late Payments.

“Buy-Out Recycling Statement” has the meaning set out in Clause 9.2.1;

“Change in Tax Law” has the meaning set out in Clause 13.8.2;

“Co-firing Generating Station” means a generating station which, during the month to which the ROCs relate has been fuelled partly by fossil fuel and partly by biomass, in such case as defined in the Renewable Obligations Order;

“Compensation Threshold” is the amount set out as such in Schedule 2;

“Confidential Information” has the meaning set out in Clause 11;

“Confirmation” has the meaning set out in Recital A;

“Contract Amount” means, for an Obligation Period and a Transaction, the amount (expressed in sterling) calculated by multiplying the Contract Price for that Obligation Period and that Transaction by the Obligation Period Volume that has been the subject of ROC Transfers for that Obligation Period and that Transaction;

“Contract Price” means, for an Obligation Period and a Transaction or part thereof, the amount agreed to be the contract price for that Obligation Period and that Transaction or part thereof (expressed in £/MWh) as agreed at the time a Transaction is entered into, exclusive of VAT and other applicable taxes;

“Credit Rating” means in respect of a Party any of the following:

- (i) the long-term unsecured, unsubordinated (unsupported by third party credit enhancement) public debt rating;
- (ii) the debt issuer's credit rating; or
- (iii) the corporate credit rating given to that entity, in each of cases (i) to (iii) by Standard & Poor's Rating Group (a division of McGraw-Hill Inc.) or Moody's Investor Services Inc. or their successors;

"Credit Support Document" means, for a Party, any agreement or instrument that is agreed as such by the Parties in relation to that Party;

"Credit Support Provider" means, for a Party, the person agreed in writing as such by the Parties from time to time in relation to Transactions;

"Cross Default Threshold" has the meaning specified as such in Schedule 2;

"Defaulting Party" has the meaning set out in Clause 13.1;

"Designated Electricity Supplier" means a designated electricity supplier (as defined in the Renewables Obligation Order);

"Due Date" is any date specified in this Agreement for payments to be made from one Party to the other Party;

"Early Termination Date" has the meaning set out in Clause 13.3.1;

"Euro" has the meaning set out in Clause 21.2.2;

"Euro Effective Date" has the meaning set out in Clause 21.1;

"Event of Default" has the meaning set out in Clause 13.1;

"Expert" has the meaning set out in Clause 23.1;

"Force Majeure" means any failure or delay of any of the systems operated by or on behalf of Ofgem to effect ROC Transfers, and/or a failure of Ofgem to carry out its statutory obligations, which prevents a Party from carrying out any one or more of its obligations under Clause 5;

"Force Majeure Party" has the meaning set out in Clause 10;

"Generating Station Type" means a generating station that is a Co-firing Generating Station or a generating station that is other than a Co-firing Generating Station or such other type of generating station as the Parties shall specify in the Confirmation;

"Illegality" has the meaning set out in Clause 13.6;

"Indebtedness" means any obligation (whether present or future, contingent or otherwise, as principal or surety or otherwise) in respect of borrowed money;

"Late Payments" has the meaning set out in the Renewables Obligation Order (and for the avoidance of doubt shall include any interest credited to it by Ofgem);

"LIBOR" shall mean, in respect of a Month, the one month London Interbank Offered Rate (expressed as a percentage per annum) in sterling as notified by National Westminster Bank plc at which a deposit of a principal sum equal to the relevant sum in question under this Agreement would have been offered by such bank to prime banks in the London Interbank Market at such banks' request at or about 1100 hours on the first Banking Day in such Month for a period commencing on such Banking Day and ending on the first Banking Day in the next succeeding Month;

"Long Stop Date" shall mean for each Transaction the date or dates specified as such in a Confirmation agreed by the Parties at the time a Transaction is entered into;

"Loss" has the meaning set out in Clause 13.5.2;

"Market Amount" has the meaning set out in Clause 13.5.3;

"Market Quotation" has the meaning set out in Clause 13.5.3;

“Master Agreement” has the meaning contained in Recital (A) of this document;

“Matching Request” means a ROC Transfer Request or Alternative ROC Transfer Request submitted by the Buyer to Ofgem in respect of a Transaction or part thereof which Ofgem determines as matching the ROC Transfer Request or Alternative ROC Transfer Request submitted by the Seller to Ofgem for that Transaction or part thereof;

“Matching Request Acknowledgement Date” shall mean for each Transaction or part thereof the date on which Ofgem acknowledges to the Seller and the Buyer that a Matching Request has been received;

“Material Adverse Change” shall mean in respect of a Party that (i) its Credit Support Provider ceases to exist or (ii) the Credit Rating of a Party (if applicable) or of its Credit Support Provider falls below the rating set out for such Party (if applicable) or its Credit Support Provider in Schedule 2;

“Month” shall mean a calendar month;

“Non-Defaulting Party” means the Party that is not the Defaulting Party;

“Obligation Period” means a period, specified by or pursuant to the Renewable Obligations Order, in relation to which a Designated Electricity Supplier is held to account in relation to the Renewables Obligation;

“Obligation Period Volume” means, for an Obligation Period and a Transaction, the volume of ROCs in MWh that the Parties agree at the time the Transaction is entered into to be the Obligation Period Volume for that Obligation Period and that Transaction as specified in the Confirmation;

“Ofgem” means the Gas and Electricity Markets Authority or any successor from time to time having responsibility at law for the implementation and administration of the Renewables Obligation and for the maintenance of the ROC Register;

“Party” means one or other of the parties to this Agreement;

“Receiving Party” has the meaning specified in Clause 7.1;

“Reference Market Makers” has the meaning set out in Clause 13.5.3;

“Relevant Change in Tax” has the meaning set out in Clause 13.8.1;

“Relevant Tax” has the meaning set out in Clause 13.8.3;

“Renewables Obligation” means the obligation specified by the Renewable Obligations Order whereby a Designated Electricity Supplier shall, subject as set out in the Renewables Obligation Order, produce to Ofgem evidence in relation to supplies of electricity that it makes to customers in Great Britain from eligible renewable sources of electricity during an Obligation Period;

“Renewables Obligation Order” means the Renewables Obligation Order 2002 or the Renewables Obligation (Scotland) Order 2002 as applicable;

“Replacement Transactions” has the meaning set out in Clause 13.5.3;

“Required Authorisations” has the meaning set out in Clause 3.1.4;

“Revocation” has the meaning set out in Clause 7.1;

“Revocation Notice” has the meaning set out in Clause 7.1;

“Revocation Notice Date” has the meaning set out in Clause 7.1;

“Revocation Statement” means a statement issued pursuant to Clause 7.5.3 or 7.6;

“Revoked ROC” means a ROC or an Alternative ROC which is (in either case) the subject of a Revocation;

“ROC” means a renewable obligation certificate issued by Ofgem under section 32B of the Electricity Act 1989 and pursuant to the Renewables Obligation Order;

“ROC Account” means an account on the ROC Register in which ROCs are held;

“ROC Register” means the register in respect of ROCs established and maintained by Ofgem, in line with the procedural guidelines issued and updated from time to time by Ofgem;

“ROC Transfer” means, in respect of an Obligation Period, a sale by the Seller and purchase by the Buyer of a ROC or ROCs and the transfer of those ROCs from the Seller’s ROC Account to the Buyer’s ROC Account so that the same appears in the Buyer’s ROC Account. For the avoidance of doubt, the transfer from the Seller to the Buyer of an Alternative ROC is not a ROC Transfer for the purposes of this Agreement;

“ROC Transfer Date” means the date a ROC which is the subject of a Transaction first appears on the Buyer’s ROC Account;

“ROC Transfer Failure” has the meanings contained in Clause 6.1.1 and Clause 6.2.1 in respect of a breach by the Seller or by the Buyer, as applicable;

“ROC Transfer Failure Date” is the date on which a ROC Transfer Failure has occurred;

“ROC Transfer Request” means a written request made (by the Seller or the Buyer, as the context may require) to Ofgem (in any form prescribed by Ofgem from time to time) for the Buyer to be substituted as the holder of the ROCs to which a Transaction relates;

“ROC Transfer Request Acknowledgement” means the written confirmation received by the Seller from Ofgem that the Seller’s ROC Transfer Request has been received by Ofgem (in such form as Ofgem may prescribe from time to time);

“ROC Transfer Request Acknowledgement Date” means the date on which the Seller gives the ROC Transfer Request Acknowledgement to the Buyer;

“ROC Transfer Request Date” means the date on which a ROC Transfer Request is made by the Seller to Ofgem;

“ROC Transfer Failure Statement” has the meaning set out in Clause 6.3;

“Schedule 1” means schedule 1 to this Master Agreement;

“Schedule 2” means schedule 2 to this Master Agreement;

“Seller” means the Party agreed as such by the Parties for the purpose of a Transaction;

“Specified Day” has the meaning set out in the Renewables Obligation Order;

“Specified Entity” has the meaning specified as such in Schedule 2;

“Statement” means any or all of the Billing Statement, the ROC Transfer Failure Statement, the Buy-Out Recycling Statement and the Revocation Statement.

“Statement Amount” means, for a Billing Statement, the aggregate of the amounts referred to in Clauses 9.1.4 and 9.1.5, for a ROC Transfer Failure Statement the amount referred to in Clause 6.1 or Clause 6.2, for a Revocation Statement the amount referred to in Clause 7.5.3 or Clause 7.6 and for a Buy-Out Recycling Statement the amounts referred to in Clause 9.2.1;

"**Suspending Party**" has the meaning set out in Clause 13.2;

"**Termination Payment**" has the meaning set out in Clause 13.5.1;

"**Termination Payment Date**" has the meaning set out in Clause 13.5.5;

"**Transaction**" means an oral or written agreement between the Parties to effect one or more ROC Transfers, which agreement will be governed by this Master Agreement and sets out details of the Obligation Period(s), the Obligation Period Volume(s), the corresponding Generating Station Type(s), the Contract Price(s), the Long Stop Date(s) and applicable volumes, the Buy-Out Recycling Benefit and any special conditions;

"**VAT**" means any value-added tax or any replacement or other tax levied by reference to value added.

Part 2 - Interpretation

1. Any reference, express or implied, to an "**enactment**" includes references to:
 - (a) that enactment as amended, extended or applied by or under any other enactment before or after the date of this Master Agreement;
 - (b) any enactment which that enactment re-enacts (with or without modification); and
 - (c) any subordinate legislation made (before or after the date of this Master Agreement) under any enactment, including one within (a) or (b) above,

except to the extent that any of the matters referred to in (a) to (c) occurring after the earlier of the date of this Master Agreement and the date of the first Transaction entered into materially increase or alter the liability of either of the Parties under this Agreement.

2. Any reference to a "**Clause**" or "**Schedule**", is a reference to a Clause or Schedule of this Master Agreement.
3. Words in the singular may be interpreted as including the plural, and vice versa.
4. Any reference to the words "**include**" or "**including**" shall be construed without limitation.
5. If there is conflict between the provisions of Schedule 2 and the other provisions of the Master Agreement, Schedule 2 shall prevail. In the event of an inconsistency between the terms of a Transaction (whether evidenced in a Confirmation or by other means) and the terms of this Master Agreement, the terms of the Transaction shall prevail for the purpose of the relevant Transaction.
6. Any reference to "**time**" shall be a reference to time in London, England.

8. Cross Default Threshold (Clause 13.1.7)

Party A: £.....
Party B: £.....

Indebtedness shall have the meaning specified in Schedule 1 unless another meaning is specified here:
.....
.....

9. Material Adverse Change (Clause 13.1.8)

Party A:
Minimum Credit Rating.....;
Credit Support Provider..... ;
Minimum Credit Rating.....

Party B:
Minimum Credit Rating.....;
Credit Support Provider..... ;
Minimum Credit Rating.....

10. Credit Event Upon Merger (Clause 13.1.11)

will/will not apply to Party A; and
will/will not apply to Party B
(Delete whichever is not applicable)

11. Specified Entity (Clause 13.1.11)

Party A Specified Entity.....
Party B Specified Entity.....

12. Termination Payment Method (Clause 13.5.1)

Loss/Market Amount

13. Change in Taxes (Clause 13.8)

The change in taxes provisions in Clause 13.8:
will/will not apply to Party A; and
will/will not apply to Party B
(Delete whichever is not applicable)

IN WITNESS of this agreement the Parties have executed this Master Agreement on the respective dates set out below with effect from the date set out on the first page of this document.

.....
(Name of Party)

By:
(Signature)

Name:
Title:
Date:
(Print)

.....
(Name of Party)

By:
(Signature)

Name:
Title:
Date:
(Print)

ANNEX

FORM OF CONFIRMATION

To: [Buyer's full legal name and address]
Attention: [Buyer's documentation contact]
Facsimile Number: [Buyer's facsimile number]
Date: [date on which this written Confirmation is being generated,
in the format DD MMMMM, YYYY]
Reference: [trade reference number]

ROC MASTER TRADE TRANSACTION

This Confirmation evidences the terms of the binding agreement between the Seller and the Buyer named below regarding the Transaction to effect ROC Transfers described in this Confirmation.

This Confirmation supplements, forms a part of, and is subject to the ROC Trading Master Agreement dated as of [date of ROCTMA in the format DD MMMMM, YYYY], as amended and supplemented by agreement in writing from time to time, (the "**Master Agreement**") between the Seller and the Buyer. All provisions of the Agreement shall govern this Confirmation, except as expressly modified below.

In the event of any inconsistency between this Confirmation and the Master Agreement, this Confirmation will govern for purposes of the Transaction. Capitalised terms used in this Confirmation and not defined in this Confirmation shall have the respective meanings assigned in the Master Agreement.

The terms of the particular Transaction to which this Confirmation relates are as follows:

Trade Date:	[trade date in the format DD MM, YYYY]
Time Transaction agreed:	[XX:XX in 24 hour format]
[Broker:	[Broker's full legal name]]
Seller:	[]
Buyer:	[]

OBLIGATION PERIOD(S)

OBLIGATION PERIOD VOLUME (MWh) to be transferred in [] instalment(s):

CORRESPONDING GENERATING STATION TYPES

Maximum number of ROCs or the percentage of ROCs that may be from a Co-Firing Generation Station:

CONTRACT PRICE(S):

LONG STOP DATE(S) AND APPLICABLE VOLUMES:

BUY-OUT RECYCLING BENEFIT (IF ANY):

[]% of Buy-Out Recycling from the Buy-Out Fund of the Renewables Obligation Order 2002; and []% of Buy-Out Recycling from the Buy-Out Fund of the Renewables Obligation (Scotland) Order 2002; and

SPECIAL CONDITIONS:

- 1. (Clause 5.3 of the Master Agreement)** For the purposes of this Transaction the Buyer shall submit a ROC Transfer Request in respect of ROCs with a Long Stop Date of [] within [] Banking Days of receiving the ROC Transfer Request Acknowledgement from the Seller.

If this Confirmation correctly sets out the terms of our agreement, please sign and return a copy within three Banking Days from the date of the Transaction. If you believe that this Confirmation does not correctly set out the terms of our agreement, send a response within three Banking Days from receipt of this Confirmation, which sets out in detail the alleged inaccuracy.

Dated.....

Signed.....
Duly authorised on behalf of the Seller

Signed.....
Duly authorised on behalf of the Buyer