

2002 ISDA® ENERGY AGREEMENT BRIDGE¹

(1) Energy Agreement Bridging Provisions

(a) **Scope of Provision.** This provision will apply to this Agreement and all transactions into which the parties have entered or may enter as principal and in respect of which the confirmation or other confirming evidence supplements, forms part of or is subject to the terms of any Bridged Agreement (each a "Bridged Transaction").

(b) **Bridged Agreements.** For purposes of this provision, the following agreement[s] between the parties, as amended from time to time, or any restatement or replacement thereof, will constitute [a] Bridged Agreement[s]:

(i) [specify agreements, together with their effective date]; and

(ii) any agreement that the parties agree will be subject to the 2002 ISDA Energy Agreement Bridge.²

(c) **Bridging Event.** For purposes of this provision, a Bridging Event will occur:

(i) [(A)]³ immediately upon the designation of an Early Termination Date as a result of the occurrence of an Event of Default under [Section 5(a)(vii) of]⁴ this Agreement[, or (B) if Automatic Early Termination applies, immediately upon the deemed occurrence of an Early Termination Date][, and (B) if Automatic Early Termination applies, the deemed occurrence of an Early Termination Date will not constitute a Bridging Event]^{5,6} or

(ii) [(A)]⁷ immediately upon the designation, pursuant to the terms of the relevant Bridged Agreement and as a result of the occurrence of an event of default (however described) under a Bridged Agreement, unless that event of default is specified as an Excluded Event pursuant to paragraph (d) below, [(a "Relevant Event")]⁸ of a day on which all transactions outstanding under the Bridged Agreement will be accelerated, terminated or cancelled, as the case may be, in accordance with the provisions of the relevant Bridged Agreement[, or (B) if transactions outstanding under the Bridged Agreement terminate automatically as a result of the occurrence of a Relevant Event, at the same time as those transactions terminate under the terms of the Bridged Agreement][, and (B) if transactions outstanding under the Bridged Agreement terminate automatically as a result of the occurrence

¹ Provision to be added to Part 5 of a Schedule to a 1992 ISDA Master Agreement (Multicurrency - Cross Border), or Part 4 of a Schedule to a 1992 ISDA Master Agreement (Local Currency - Single Jurisdiction). Note that if the parties include the Bridge in the latter form of ISDA Master Agreement, they should be aware that this form does not contain any Termination Currency conversion provisions. Accordingly, they should ensure that they specify as Bridged Agreements only agreements that generate close-out amounts in the same currency as that involved in transactions entered into under the 1992 ISDA Master Agreement (Local Currency - Single Jurisdiction).

² Parties may wish to include language such as "subject to 2002 ISDA Energy Agreement Bridge".

³ Include bracketed language if either of the alternatives identified in footnote 5 is to be used.

⁴ If the bracketed language is omitted, the occurrence of any Event of Default under the ISDA Master Agreement may constitute a Bridging Event. Specify "Section 5(a)(vii) of" if the only potential Bridging Event under paragraph (c)(i) is to be the occurrence of a Bankruptcy Event of Default. If the parties would like the occurrence of other particular Events of Default to be capable of triggering a Bridging Event, they should specify those Events of Default.

⁵ Include the first bracketed alternative if Automatic Early Termination has been specified to apply in respect of one or both parties and the automatic occurrence of an Early Termination Date should trigger the operation of these bridging provisions. Include the second bracketed alternative if Automatic Early Termination has been specified to apply in respect of one or both parties and the automatic occurrence of an Early Termination Date should not trigger the operation of these bridging provisions. Note that, if this second alternative is selected, the Non-defaulting Party will not be able to rely on the bridging provisions where one of the Bankruptcy events to which Automatic Early Termination applies has occurred unless a Bridging Event under paragraph (c)(ii) is also triggered.

⁶ Note that an Early Termination Date under the ISDA Master Agreement only occurs in respect of outstanding transactions. If there are not any outstanding transactions, therefore, a Bridging Event under paragraph (c)(i), at least, cannot be triggered.

⁷ Include bracketed language if either of the alternatives identified in footnote 9 is to be used.

⁸ Include bracketed language if either of the alternatives identified in footnote 9 is to be used.

of a Relevant Event, the automatic termination of those transactions will not constitute a Bridging Event].⁹

(d) **Excluded Events.** For purposes of paragraph (c)(ii) above, the events specified below in respect of the following Bridged Agreements constitute Excluded Events:

[specify "Not Applicable"/specify section reference for and, if applicable, title of each Excluded Event, and identify the relevant Bridged Agreement]

(e) **Effect of Bridging Event.**

(i) If a Bridging Event described in paragraph (c)(i) above occurs:

(A) an event of default (however described) under each Bridged Agreement will be deemed to have occurred with respect to the party that is the Defaulting Party under this Agreement and in respect of all outstanding Bridged Transactions;

(B) the parties' delivery and payment obligations (and any other obligations they have under each relevant Bridged Agreement) in respect of any Bridged Transactions will be accelerated, terminated or cancelled, as the case may be, in accordance with the provisions of each relevant Bridged Agreement, so that (notwithstanding the provisions of each relevant Bridged Agreement) the acceleration, termination or cancellation will occur upon the occurrence or, if applicable pursuant to paragraph (c)(i) above, deemed occurrence of the Early Termination Date, and any relevant notices required to be given under the terms of each Bridged Agreement will be deemed to have been given with effect from a date such that the acceleration, termination or cancellation will occur on the Early Termination Date;

(C) each Bridged Agreement will be deemed to constitute a Terminated Transaction for purposes of this Agreement; and

(D) for purposes of Section 6 of this Agreement, all amounts due or which otherwise would become due under Bridged Transactions or Bridged Agreements will be deemed to have been amounts due under Section 2(a)(i) on the Early Termination Date.

(ii) If a Bridging Event described in paragraph (c)(ii) above occurs:

(A) an event of default (however described) in respect of all outstanding Bridged Transactions under each other Bridged Agreement and an Event of Default under this Agreement will be deemed to have occurred with respect to the party that is the party in default under the relevant Bridged Agreement;

(B) the parties' delivery and payment obligations (and any other obligations they have under each relevant Bridged Agreement) in respect of any Bridged Transactions will be accelerated, terminated or cancelled, as the case may be, in accordance with the provisions of each relevant Bridged Agreement, so that (notwithstanding the provisions of each relevant Bridged Agreement) the acceleration, termination or cancellation will occur upon the deemed occurrence of an Early Termination Date pursuant to subparagraph (C) below, and any relevant notices required to be given under the terms of each Bridged Agreement will be deemed to have been given with effect from a date such that the acceleration, termination or cancellation will occur on the Early Termination Date;

⁹ Include the first bracketed alternative if transactions under any Bridged Agreement may terminate automatically and these bridging provisions should apply automatically if transactions under a Bridged Agreement do terminate automatically upon the occurrence of a relevant event of default. Include the second bracketed alternative if transactions under any Bridged Agreement may terminate automatically and these bridging provisions should not apply if transactions under a Bridged Agreement do terminate automatically upon the occurrence of a relevant event of default. Note that, if this second alternative is selected, the party that is not in default under the Bridged Agreement will not be able to rely on the bridging provisions unless a Bridging Event under paragraph (c)(i) is also triggered.

(C) a notice designating an Early Termination Date will be deemed to have been given with effect from a date such that an Early Termination Date will occur on the day designated or, if applicable pursuant to paragraph (c)(ii) above, deemed to occur on which transactions outstanding under the Bridged Agreement in respect of which a Bridging Event occurred will be accelerated, terminated or cancelled, as the case may be;

(D) each Bridged Agreement will be deemed to constitute a Terminated Transaction for purposes of this Agreement; and

(E) for purposes of Section 6 of this Agreement, all amounts due or which otherwise would become due under Bridged Transactions or Bridged Agreements will be deemed to have been amounts due under Section 2(a)(i) on the Early Termination Date.

(f) **Payment Measure.** If Market Quotation is the applicable payment measure for purposes of Section 6(e), then the Market Quotation determined under Section 6(e) in relation to the Terminated Transaction constituted by a Bridged Agreement will be deemed to be zero, and, if Loss is the applicable payment measure for purposes of Section 6(e), then the Loss determined under Section 6(e) in relation to that Terminated Transaction will be limited to the sum of the Unpaid Amounts determined in respect of that Terminated Transaction.¹⁰

(g) **Inconsistency.** Where the provisions of this [clause] [(1)] are inconsistent with the terms of any Bridged Agreement, the provisions of this [clause] [(1)] will prevail, and, to the extent that the terms of a Bridged Agreement are inconsistent with the provisions of this [clause] [(1)], the Bridged Agreement is amended accordingly. In all other respects, the provisions of each Bridged Agreement, including the existence (before the occurrence of a Bridging Event under paragraph (c)(ii)) of any right to accelerate, terminate or cancel the parties' obligations under any Bridged Agreement, will not be affected by this provision.

(h) **Bridging Event under Paragraph (c)(i) to Prevail.** If an event or circumstance which would otherwise constitute or give rise to a Bridging Event under paragraph (c)(ii) above also constitutes a Bridging Event under paragraph (c)(i) above, it will be treated as a Bridging Event under paragraph (c)(i) and will not constitute a Bridging Event under paragraph (c)(ii).

(2) Amendment to Definition of Unpaid Amounts

The definition of "Unpaid Amounts" in Section [14][12]¹¹ of this Agreement is amended:

(a) by the deletion of the word "and" where it appears for the second time in the fourth line and its replacement with ","; and

(b) the insertion of the following words after the words "for delivery" where they appear in the ninth line: "and (c) in respect of each Terminated Transaction consisting of a Bridged Agreement, any amounts due (or which would have become due but for Section 6(c)(ii)) to such party as a result of any acceleration, termination or cancellation, as the case may be, of the parties' obligations under that Bridged Agreement, either pursuant to the terms of the relevant Bridged Agreement or otherwise".

¹⁰ If the parties have agreed that "Replacement Value" (as defined in the October 2001 Form of Amendment to the ISDA Master Agreement) is the applicable payment measure, the following should be included in place of this sentence: "The Replacement Value determined under Section 6(e) in relation to the Terminated Transaction constituted by a Bridged Agreement will be deemed to be zero."

¹¹ Specify "14" if these bridging provisions are being included in a 1992 ISDA Master Agreement (Multicurrency - Cross Border), and "12" if these bridging provisions are being included in a 1992 ISDA Master Agreement (Local Currency - Single Jurisdiction). If the definition of "Unpaid Amounts" has been amended in the ISDA Master Agreement between the parties, the terms of this provision might also need to be amended.