

EFT 12 E bis

ADDENDUM No.3
to the CONTRACT No.12Ebis

1. This Addendum is applicable to the Contract no.12 E bis for energy supply concluded between HIDROELECTRICA SA and ENERGY FINANCING TEAM Limited, signed on February, 28, 2003.
2. The price for the energy which will be delivered from March, 1, 2006 up to December, 31, 2006 will be 27.5 €/MWh.
3. All other conditions of the Contract no.12 E bis remain unchanged.

Sign on 28 FEBRUARY 2006

For and on behalf of

HIDROELECTRICA S.A.

Traian Oprea
General Manager



For and on behalf of

EFT(Switzerland)AG

STIJOVIC MLADEN
DIRECTOR-OPERATIONS



ADDENDUM No.2
to the CONTRACT No. 12 E bis

1. This Addendum is applicable to the Contract no. 12 E bis for energy supply concluded between **HIDROELECTRICA SA** and **ENERGY FINANCING TEAM Limited**, signed on February, 28, 2003.
2. The parties agreed in addition to article 1 from the contract, to be mentioned that the delivered quantity of energy for 2006 year to be minimum 1.000 GWh.
3. The price for the energy which will be delivered in 2006 will be established until December, 31, 2005.
4. All other conditions of the Contract no. 12 E bis remain unchanged.

Signed on 01.11.2005

For and on behalf of
HIDROELECTRICA SA

Traian Oprea
General Manager



For and on behalf of
EFT (Switzerland) AG

Urs Jakob
Managing Director



**ADDENDUM No.1
To CONTRACT NO. 12Ebis**

1. This Addendum applies to Contract no. 12Ebis for energy supply concluded between HIDROELECTRICA SA and ENERGY FINANCING TEAM LIMITED ("EFT"), signed on February, 28, 2003.
2. Article 1.1 shall be amended such that the delivery period shall cease on 31 December 2010.
3. Art.5.2 shall be amended to read:
" The unit price for the supply of Energy for the Delivery Period under this Contract shall be 27EUR per MWh, with effect from June, 1, 2005."
4. With respect to Article 3, the Supply Characteristics shall alter such that with effect from June, 1, 2005 no further deliveries shall be made by HIDROELECTRICA S.A. on Sundays during the Delivery Period.
5. The quantities will be agreed annually according to the art. 3 of the contract.
6. With effect from June 1, 2005 HIDROELECTRICA S.A. commits to providing a minimum of 50 MW of cross-border capacity on the Romanian/Hungarian border.
7. In consideration for the variations to the Contract agreed above, EFT and HIDROELECTRICA S.A. agree that the rights and obligations of EFT under the Contract shall pass to ENERGY FINANCING TEAM (SWITZERLAND) GMBH ("EFT GMBH") and EFT GMBH hereby accepts such transference of rights and commits to perform such obligations. The parties further agree that a new definitive written agreement between HIDROELECTRICA S.A. and EFT GMBH shall be executed as soon as possible, embodying all the terms of the Contract (as amended).
8. All other terms and conditions of the Contract remain in full force and effect.

Signed on 13 May, 2005

For and on behalf of

HIDROELECTRICA S.A.

By:

Name: TRAIAN CAREA

Title: DIRECTOR GENERAL

For and on behalf of

ENERGY FINANCING TEAM (SWITZERLAND) GmbH

By:

Name:

Title:

For and on behalf of

ENERGY FINANCING TEAM
LIMITED

By:

Name: Vijay Kumar

Title:

CONTRACT No. 12 E bis
For selling/purchasing of electric energy

Concluded between

HIDRO ELECTRICA S.A.
Str. Constantin Nacu, n.3. Sector 2
70219 Bucharest, ROMANIA
Represented by Mr. Eugen PENA, General Manager
(Hereinafter referred to as the Seller)



and

ENERGY FINANCING TEAM LIMITED ("EFT")
Cavendish Court, 11-15 Wigmore Street,
London W1U 1PF, United Kingdom
Represented by Mr. Vojin Lazarevic
(Hereinafter referred to as the Buyer)

(Hereinafter referred to individually or jointly as "Party" or "Parties ")

Preamble

Finding out the intention of Hidroelectrica S.A. for the rehabilitation, modernization, development and construction works involved in the Slatina - Dunare Cascade on the Olt River (CHE Ipotesti, CHE Draganesti, CHE Frunzaru, CHE Izbiceni and CHE Izlaz), and further to the existing Memorandum of Understanding concluded between Hidroelectrica S.A. and VA Tech Hydro Group for this project. Energy Financing Team Limited and Hidroelectrica S.A. have agreed to prolong the existing Contract (no. 12 E) with a long-term energy sales contract as a means of raising the financing for this project.

Article I Subject of the Contract

The Parties to this Contract ("the Contract") have agreed that, during the period between 1st March 2003 and 28th February 2008 (the "Delivery Period"), HIDROELECTRICA shall supply quantities of electrical energy ("Energy") under a new agreement, that's why the Contract no. 12 E cease and EFT shall accept, purchase and pay under such Contract. Deliveries of Energy and payment for such Energy shall be made in accordance with this Contract.

Article 2 Obligations of the Parties



2.1. HIDROELECTRICA Obligations

HIDROELECTRICA undertakes to ensure the supply of Energy to EFT at the times, in the quantities, at the Delivery Point (as defined below) and for the duration specified in this Contract, subject to there being no occurrence of an Interruption Event (as defined below).

2.2. EFT obligations

EFT undertakes to ensure acceptance of Energy from HIDROELECTRICA at the times, in the quantities, at the Delivery Point (as defined below) and for the duration specified in this Contract, subject to there being no occurrence of an Interruption Event (as defined below).

2.3. Interruption Events

"Interruption Events" are defined as:

- A interruption of the relevant load capacity arising for technical reasons as determined by the System Operators (as defined herein), of the interconnected transmission lines connecting the power networks of The Republic of Romania ("Romania") and neighboring countries as defined in Article 4 herein;

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- The occurrence of material disturbance or disruption in the normal operation of the relevant interconnected transmission grids that as a result prevents the ability of either Party to fulfill one or more of its obligations under this Contract.
- The occurrence of an event of force majeure as defined in Article 8 herein.

If a Party becomes aware of any Interruption Event that will affect some or all of its obligations under this Contract, it will promptly advise the other Party and will provide a full and complete report with relevant material evidences of the event and the reasons why the event prevents its compliance with the terms of this Contract. An Interruption Event shall not excuse any obligation to make payments for deliveries occurring prior to the occurrence of the event.

No party assumes any responsibility for any costs or damages arising from interruption in or reduction of the supply and/or acceptance of Energy resulting from Interruption Events. Any reduction occurring as a result of an Interruption Event shall effect an equivalent reduction in the quantity of Energy required to be supplied by HIDROELECTRICA, and the quantity of Energy required to be purchased by EFT, under this Contract. Any amount of Energy not therefore delivered by HIDROELECTRICA shall be delivered to EFT as soon as technically possible after ceasing of an Interruption Event.

Article 3 Supply Characteristics



The method of supply and the method for determining the amount of Energy so supplied will be in accordance with the standard terms and conditions that commonly apply for European Interconnection.

HIDROELECTRICA shall deliver Energy with a profile of a minimum of 150 MW in 2003 and 200 MW starting with 2004 and a maximum of 400 MW from 06:00 to 22:00 every day throughout the Delivery Period.

All references to times of day in this Contract refer to Central European Time.

No later than 15 days prior to the beginning of each month of deliveries, EFT shall specify the average level of power (between minimum and maximum) that HIDROELECTRICA must deliver during the following month. A weekly program of such deliveries will be agreed every Thursday by 10:00 for the next week in relation to each month. For the avoidance of doubt, EFT may specify a different program for each week during a month, but the average level of power across all weeks in each month shall equate to the level of power specified in advance for the relevant month.

At its option EFT may request HIDROELECTRICA to deliver Energy with a profile of less than minimum established in any month though without reducing its obligation to make payments in accordance with pro-forma invoices to be issued by HIDROELECTRICA. Any amount of Energy not therefore delivered by HIDROELECTRICA but paid for by EFT shall represent a deposit of Energy by EFT to HIDROELECTRICA, to be delivered to EFT in accordance with EFT's subsequent instructions.

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Article 4 Delivery Points

HIDROELECTRICA will deliver the Energy specified under this Contract at the frontier of the power system of Romania and Serbia and Montenegro and/or the frontier of the power system of Romania and Bulgaria and/or the frontier of the power system of Romania and Hungary (when parallel operation is established and operational on these frontiers) (each such frontier being a "Delivery Point" and collectively the "Delivery Points"). Delivery will be made under the conditions standard for power networks connected across national frontiers. Title to and risk of loss of Energy delivered under this Contract shall pass at the Delivery Point. EFT will specify monthly the consignee (Country of delivery)

Article 5 Quantity Delivered, Price, Billing and Payment



5.1. Quantity Delivered

Within five days after expiry of each calendar month during the Delivery Period, the Parties will confirm in writing (in an exchange of faxed documents) the quantity of Energy delivered/received at the Delivery Points for the previous month (based on the confirmations or other evidence provided by the System Operators - National Dispatching Centers). This confirmation will be used by HIDROELECTRICA and EFT as the basic upon which any adjustment shall be made either by way of additional payment by EFT or by way of credit to be compensated against next future payments required from EFT.

5.2. Price

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The unit price for the supply of Energy for all Delivery period under this Contract shall be firm USD ~~27,00~~ per MWh. In view of the anticipated change from USD to Euros as the currency generally in use by HIDROELECTRICA, and the desire of EFT to purchase Energy in Euros, the Parties agree that this Contract shall be redenominated into Euros by mutual agreement at a suitable opportunity. Such redenomination shall be recorded in an annex to this Contract.

5.3. Billing and Payment

HIDROELECTRICA will issue pro-forma invoices at least five working days prior to the beginning of each month for the Energy to be delivered during the next month under this Contract, based on deliveries at a constant level of 150/200 MW. Such invoices will be transmitted to EFT by fax.

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The first pro-forma invoice will be issued on 25th February 2003, according to the Contract No. 12 E.

EFT undertakes that this first pro-forma invoice will be settled within a maximum of one day.

Immediately after expiry of each month, HIDROELECTRICA will issue a commercial invoice detailing the quantity of Energy delivered during the previous month in order to balance the quantity of Energy against the sum of money previously paid by EFT, to allow for adjustment as described in Article 5.1 above.

EFT will send the Advance payment for the next month's delivery under pro-forma invoice at least 2 working days before beginning of the relevant month.

EFT shall ensure that each monthly invoice issued in relation to the adjustment as described above (following the completion of each month's deliveries) is settled in full and shall ensure that HIDROELECTRICA's bank is in receipt an order from EFT's bank to transfer the funds in respect of each invoice in favour of the HIDROELECTRICA's account at the latest by the tenth business day following the receipt of each such invoice.

HIDROELECTRICA shall send the originals of all invoices for each monthly delivery to EFT.

Each party shall bear any costs, charges or fees levied by its clearing of correspondent banks in connection with the payment or receipt of any amounts contemplated in this Contract.

5.4. Payment Instructions

All payments by EFT to HIDROELECTRICA under this Contract shall be made in HIDROELECTRICA's favor at CITIBANK Bucharest, account no. 760013013, or according to payment instruction stated in the invoices.



5.5. Late Payment

In the event of a delay of more than 5 days (from the due date) in invoiced monthly payments by EFT to HIDROELECTRICA an additional charge equal to the relevant one-week LIBOR rate (or EURIBOR, as appropriate, and as determined from Reuters) plus two percent (calculated on a per annum basis) shall be paid by EFT to HIDROELECTRICA in relation to any amount overdue, from the date that such payment was due to the date payment is effected by EFT.

In the event that any payment by EFT to HIDROELECTRICA is not affected within the time limit set forth in Article 5.3, HIDROELECTRICA will be entitled, after expiry the appropriate subsequent time limit defined in written warning to EFT, to suspend and / or interrupt the deliveries of Energy under this Contract, and to demand immediate payment prior to any recommencement of deliveries.

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Article 6 Taxes and Charges

Any taxes, charges, duties or any other costs relating to the import into Serbia and Montenegro, Bulgaria and Hungary will be borne by EFT when so demanded by relevant authorities of Serbia and Montenegro, Bulgaria and Hungary and any taxes, charges, duties or any other costs relating to the export of Energy from its country of source will be borne by HIDROELECTRICA when so demanded by authorities of Romania.

Any taxes, charges, duties or any other costs relating to the provision or transport of Energy inside Serbia and Montenegro, Bulgaria and Hungary will be borne by EFT when properly demanded by any relevant authority or System Operators, and any such charges relating to the provision or transport of Energy in Romania and demanded by any relevant authority will be borne by HIDROELECTRICA.

Article 7 Confidentiality

The Parties agree that, to the greatest extent practicable, the arrangements evidenced hereby, together with any data and documents transmitted by one Party to the other, are and must remain confidential. Accordingly save as may be required by the operation of law (including pursuant to any regulation issued by any regulatory authority having jurisdiction over a Party), each Party shall not communicate to any third party (other than its auditors or legal or financial advisers, its correspondent bank or any governmental or supervisory body having jurisdiction over a Party) any of the provisions of this Contract or any details in relation with this evidenced hereby without the prior written consent of the other Party hereto. To the extent that information must be disclosed, a Party required to make the disclosure shall notify the other Party and use reasonable efforts to seek protection for the disclosed information from further disclosure.

Article 8 Force Majeure

8.1. Force Majeure Event

A force majeure event is an unforeseeable event, condition or circumstance beyond or outside the reasonable control of a Party that prevents that Party's ability to perform some or all of its obligations under this Contract. Force majeure events shall include (without limitation) serious natural disaster, governmental or regulatory intervention, sabotage, war, strikes or other labor disturbances, or continued interruption of national or international grid connections.

8.2. Each Party shall use reasonable commercial efforts to remove, as soon as practically possible, the cause of any delay or interruption in compliance with its contractual obligations set out this Contract, and shall take such reasonable steps as are necessary to limit any damages to the other Party.



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8.3. Cases of force majeure exonerate the Parties from their delivery, acceptance and payment obligations for the duration and the extent of the disturbance.

8.4. In all cases of interruption and limitation, the affected Party will within two working days after the occurrence of the disturbance notify the other Party. The nature of the force majeure event and, its direct relation to the delay in performing or continuing of performance of the affected Party's obligation under this Contract must be confirmed in writing by the competent authority of the affected Party within ten working days after the occurrence of the disturbance.

**Article 9
Limitation of Liability**

Unless otherwise stipulated in this Contract and/or otherwise agreed in writing by the Parties and to the fullest extent permitted by law, no Party shall be liable to the other for any exemplary, punitive, indirect, consequential, special or incidental damages, including (without limitation) loss of profit or revenues and costs of purchased or replacement power, for any claims arising out of this Contract. Unless otherwise stipulated in this Contract and/or agreed in writing by the Parties, no Party shall be liable to the other for any damage resulting from an interruption or curtailment of Energy deliveries and/or acceptance under this Contract. Nothing in this Contract shall create, or be interpreted as creating, any standard of care with reference to, or any duty or liability to, any person not a Party to this Contract.



**Article 10
Applicable Law**

10.1. This Contract shall be governed by and construed in accordance with the laws of Switzerland.

10.2. Each of the Parties hereby agrees that any legal action arising out in connection with this Contract will be settled under the Settlement Rules of the International Chamber of Commerce in Paris, as provided for under Article 12.

**Article 11
Effective Date**

The effective date of the Contract is the date when the advance payment for March 2003 is received by HIDROELECTRICA's correspondent bank.

The parties can agree in writing during the Delivery Period as defined in the Contract to increase/decrease the quantities.

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Article 12 Dispute Resolution



12.1 Negotiation

The Parties shall attempt in good faith to resolve any dispute relating to or arising out of this Contract promptly by negotiation between executives who have authority to settle the controversy. If a controversy or claim should arise, an authorized representative designated by each Party will meet at least once and will attempt to resolve the matter. Either Party's representative may request the other to meet within 10 days, at a mutually agreed time and place.

12.2. Mediation

- (a) If the dispute has not been resolved by negotiation within thirty days of the meeting of the representatives referenced hereinabove or after expiry thirty days from unsatisfied Party's representative request the other to meet, the Parties shall endeavor to settle the dispute within thirty days by non-binding mediation to be conducted as agreed by the Parties.
- (b) All deadlines specified in this article may be extended by mutual agreement but not longer than 45 (forty-five) days. The good faith cooperation by a Party in observing the foregoing amicable settlement procedures, including the observance of deadlines in each phase, shall be a condition precedent to such Party's right to arbitration, as set forth below.

12.3. Arbitration

Any dispute relating or arising out of this Contract and not resolved by non-binding mediation procedures provided herein with 45 (forty-five) days of initiation of such procedures shall be finally settled by binding arbitration of the International Chamber of Commerce according to its arbitration rules and regulations in force. The arbitration decision shall be binding and compulsory. In this regard the Parties shall appoint three arbitrators. The Parties hereby consent to the jurisdiction of the arbitration court. The venue of the arbitration shall be Berne, Switzerland. The language to be used in the arbitral proceedings shall be English. The following provisions shall apply to such arbitration:

The existence of any dispute or difference or the initiation or continuance of the arbitration proceedings shall not postpone, suspend or delay the obligation of the Parties to perform their respective obligations pursuant to this Contract.

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Article 13 Non-Performance

If EFT fails or refuses to accept all or part of the Energy to be delivered under this Contract, and there has been no occurrence of an Interruption Event, EFT shall pay to HIDROELECTRICA an amount equal to the difference between the price agreed for Energy under this Contract and the lower price at which HIDROELECTRICA is or would be able to sell such Energy in the open market, such price to be determined in a commercially reasonable manner, together with any relevant and commercially reasonable document costs and expenses.

If HIDROELECTRICA fails or refuses to deliver all or part of the Energy to be delivered under this Contract, and there has been no occurrence of an Interruption Event, HE and EFT will meet as soon as possible in order to discuss coverage of damages and to decide upon the way of continuing the Contract, reimbursing the money or incremental costs.

Article 14 Authorization

The Parties declare that they are in possession of any necessary authorizations and licenses required for the fulfillment of their obligations under this Contract.

Article 15 Technical Implementation



15.1. System Operators

The following organizations shall be responsible for operational and technical matters in relation to the deliveries of Energy contemplated in this Contract ("System Operators");

For EFT:

Dispatch center of EPS
412, Vojvode Stepe St.
Belgrade, Serbia and Montenegro
Tel. +38111472077
Fax +381 11 3970695

National Dispatching Center of Bulgaria
8, Triaditsa Str.
1040 Sofia, Bulgaria
Tel: + 359 2881 912
Fax: + 359 2981 0102

MA VIR
Hungarian Power System Operator Company
Petennann Biro u. 5-7
H -1014 Budapest, Hungary
Tel: + 36 1 224 1136
Fax: + 36 1 202 1137

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For HIDROELECTRICA

National Dispatching Center of Transelectrica
16-18 Hristo Botev Blvd.
70035 Bucharest, Romania
Tel. +40 1 303 5622
Fax +40 1 303 5630

15.2. Notices, etc

Notices, invoices or other documents sent by one Party to the other in relation to this Contract shall be sent by fax to the numbers specified below and shall be deemed to be received when the sending machine shall have confirmed the transmission. Either Party may change its number for faxes by giving notice to the other Party.

For HIDROELECTRICA

No.3, C-tin Nacu Street, Section 2, Bucharest
Tel. +4001 3032512
Fax +40 01 3032 572
Attn. Mrs. Cannen Marin,
International Affairs Division

For EFT

Cavendish Court, 11-15 Wigmore Street, London
Tel + 442075189250
Fax.. + 442075189260
Attn. Mr. James Nye/Vuk Hamovic



Article 16. Term and Termination

16.1. Term

This Contract shall come into force as specified in Article 11 of by both Parties and shall continue in effect until all of the obligations of the Parties arising hereof are fully discharged.

16.2. Termination

This Contract may be terminated at any time upon the occurrence of anyone of the following events unless otherwise agreed in writing by Parties:

- the serious breach in fulfillment of the clauses of the present contract, if such breach doesn't cease within fifteen days after receiving the written warning from the other Party
- the written agreement of both Parties

Article 17 Representations and Warranties

Each Party represents and warrants to the other Party that:

- (a) It is a duly organized, validly existing entity, is in good standing under laws of the jurisdiction of its formation and has the requested power and authority to execute, deliver and perform its obligations under this Contract.
- (b) It has duly authorized, executed and delivered this Contract, which constitutes a valid and binding Contract enforceable against it in accordance with its terms, except that the enforceability thereof may be subject to bankruptcy, insolvency or the similar laws now or hereafter in effect relating to creditors' rights generally and general principles of equity.
- (c) Neither the execution and delivery by the Party nor the performance by the Party of the terms hereof conflicts with, results in a breach of violation of any of the terms or provisions of, or constitutes a default under (i) the organizing documents of the Party, (ii) the terms of any indenture, contract, lease, mortgage, deed of trust, note Contract or other evidence of indebtedness or other Contract, obligation, condition, covenants or instrument to which the Party is a party or is bound, (iii) any statute, law or regulation applicable to the Party or (iv) any judgment, decree, order or ruling applicable to the Party of any court or regulatory, administrative or governmental agency, body or authority, or arbitrator having or asserting jurisdiction over the Party or its properties, except as to (ii), (iii) and iv) above, for possible breaches, violations or defaults which, individually or in the aggregate, would not have a material adverse effect on the ability of the Party to perform its obligations hereunder.

Article 18
Successors and Assignment

This Contract shall be binding upon and inure the benefit of the Parties hereto and their respective legal successors and permitted assigns and may not be assigned by a Party to a Person other than an Affiliate of such Party without the prior written consent of the other Party. Any Party may assign its interests, rights and obligations under this Contract to an Affiliate of that Party without the prior written consent of the other Party.

Article 19
Entire Contract

This Contract constitutes the entire understanding between the Parties with respect to the subject matter hereof and supersedes any prior Contract or understanding between the Parties with respect to such subject matter, to the extent such terms and conditions are in conflict with the terms and conditions of this Contract.

Article 20
Waiver, Modification, Amendment

No waiver, modification or amendment of any term, condition or provision of this Contract, not any addition hereto, shall be valid, or of any force or effect, unless made in writing, signed by the Parties hereto or their duly authorized representatives, and specifying with particularity the nature and extent of such waiver, modification or amendment. No such waiver, modification or amendment shall, in any event, be construed to be a general waiver, abandonment, modification or amendment of any of the terms,



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conditions or provisions of this Contract, but the same shall be strictly limited to the extent and occasion specified in such writing.

**Article 21
Severability**

Any provisions of the Contract, which are invalid or unenforceable, shall be ineffective to the extent of such invalidity or unenforceability, without affecting the remaining provisions hereof

**Article 22
Execution in Counterpart**

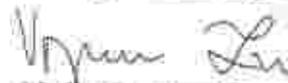
This Contract is executed two counterparts equally originals in English. Each Party shall retain at least one original signed copy of this Contract.

For and on behalf of
HIDROELECTRICA

Eugen Pena,
Director General



For and on behalf of
Energy Financing Team


Vojin Lazarevic
Managing Director



VIZA:
Legal Advisor

28.02.03.



**ANNEX No. 1
TO CONTRACT No. 12 E bis DATED 28.02.2003**

This Annex forms an integral part of Contract No. 12 E bis between Energy Financing Team Limited ("EFT") and HIDROELECTRICA S. A. ("Hidroelectrica"), dated 28 February 2002 (the "Contract").

Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Contract.

WHEREAS Article 5.2 of the gives a possibility to redominate currency from US Dollars to Euros,

NOW THE PARTIES AGREE AS FOLLOWS:

Redenomination of the currency

The unit price for supply of Energy for the Delivery period between 1 April 2003 and 28 February 2008 under the Contract shall be Euros per MWh.

Redenomination into Euros effected the price, so that the unit price is now: 25.90 Euros per MWh.

Other terms of the Contract

All other terms and conditions of the Contract shall remain in full force and effect.

For and on behalf of
Energy Financing Team Limited

Eugen Pena
Director General



Date: 14 March 2003

VIZA:
Legal Advisor

For and on behalf of
Hidroelectrica S.A.

Vojin Lazarevic
Managing Director



Date: