

**EXHIBIT A**

**TERMINATION AND RELEASE AGREEMENT**

# Termination and Release Agreement

By and Among

Enron Corp.  
Enron do Brazil Holdings Ltd.  
Enron Brazil Power Holdings I Ltd.  
Enron South America LLC  
Enron International Bolivia Holdings Ltd.

and

Shell Overseas Trading Limited  
Shell Gas (Latin America) B.V.  
Shell Austria Gesellschaft m.b.H.  
Shell International Investments Limited  
Shell Cuiaba Holdings Limited  
Shell Treasury Dollar Company Limited

and

EPE – Empresa Produtora de Energia Ltda.  
EPE Holdings Ltd.  
EPE Investments Ltd.  
Gasoriente Boliviano Ltda.  
Gasocidente do Mato Grosso Ltda.  
GasMat Holdings Ltd.  
GasMat Investments Ltd.  
Transborder Gas Services Ltd.  
EPE Generation Holdings Ltd.

and

Interjuris S/C Ltda.

and

KfW (formerly Kreditanstalt Für Wiederaufbau)

and

Overseas Private Investment Corporation

and

Transredes–Transporte de Hidrocarburos S.A.

and

Banco Citibank S.A.  
Citibank, N.A., Bolivia  
Citibank, N.A.

\_\_\_\_\_, 2004

This Termination and Release Agreement (this "Agreement"), dated as of \_\_\_\_\_, 2004, is entered into by and among:

(a) Enron Corp., a company organized under the laws of Oregon ("Enron"); Enron do Brazil Holdings Ltd., a company organized under the laws of the Cayman Islands; Enron Brazil Power Holdings I Ltd., a company organized under the laws of the Cayman Islands; Enron South America LLC, a limited liability company organized under the laws of Delaware; and Enron International Bolivia Holdings Ltd., a company organized under the laws of the Cayman Islands; (collectively, the "Enron Companies" and individually, an "Enron Company");

(b) Shell Overseas Trading Limited, a company organized under the laws of Bermuda ("SOTL"); Shell Gas (Latin America) B.V., a company organized under the laws of the Netherlands; Shell Austria Gesellschaft m.b.H., a company organized under the laws of Austria; Shell International Investments Limited, a company organized under the laws of England and Wales; Shell Cuiaba Holdings Limited, a company organized under the laws of Bermuda and Shell Treasury Dollar Company Limited, a company organized under the laws of England (collectively, the "Shell Companies" and individually, a "Shell Company");

(c) EPE – Empresa Produtora de Energia Ltda., a company organized under the laws of Brazil ("EPE"); EPE Holdings Ltd., a company organized under the laws of the Cayman Islands; EPE Investments Ltd., a company organized under the laws of the Cayman Islands; Gasorienta Boliviano Ltda., a company organized under the laws of Bolivia ("GasBol"); Gasocidente do Mato Grosso Ltda., a company organized under the laws of Brazil ("GasMat"); GasMat Holdings Ltd., a company organized under the laws of the Cayman Islands; GasMat Investments Ltd., a company organized under the laws of the Cayman Islands; Transborder Gas Services Ltd., a company organized under the laws of the Cayman Islands ("TBS"); EPE Generation Holdings Ltd, a company organized under the laws of the Cayman Islands (collectively with each other entity set forth in this paragraph (c) the "CIB Companies" and individually, a "CIB Company").

The Enron Companies, the Shell Companies and the CIB Companies are hereinafter referred to collectively as the "Borrowers" and individually as a "Borrower".

(d) Interjuris S/C Ltda., a company organized under the laws of the Federative Republic of Brazil (the "Escrow Agent");

(e) KfW (formerly Kreditanstalt Für Wiederaufbau) ("KfW"), a public corporation organized and existing under the laws of the Federal Republic of Germany;

(f) Overseas Private Investment Corporation ("OPIC"), an agency of the United States of America;

(g) Transredes–Transporte de Hidrocarburos S.A., a company organized under the laws of the Republic of Bolivia ("Transredes");

(h) Banco Citibank S.A., a banking institution organized under the laws of Brazil; Citibank, N.A., Bolivia, a banking institution organized under the laws of Bolivia; and Citibank, N.A., a national banking association incorporated under the laws of the United States of America (collectively, the "Agents" and individually, each an "Agent").

The Escrow Agent, OPIC, KfW, Transredes and the Agents are hereinafter referred to collectively as the "Lenders" and individually as a "Lender".

## **RECITALS**

**WHEREAS**, (a) OPIC, EPE, GasMat and GasBol, have entered to that certain Finance Agreement dated as of September 30, 1999, as amended from time to time (the "OPIC Finance Agreement"); (b) EPE, GasMat, GasBol and KfW have entered into that certain Loan Agreement (KfW ECA Facility) dated as of September 30, 1999, as amended from time to time (the "KfW Covered Loan Agreement"); (c) EPE, GasBol, GasMat and KfW have entered into a certain Loan Agreement (KfW Commercial Facility) dated as of September 30, 1999, as amended from time to time (the "KfW Uncovered Loan Agreement"); (d) EPE, GasMat, GasBol, OPIC, KfW, the Agents and certain other parties thereto have entered into the Common Terms Agreement, dated September 30, 1999, as amended from time to time (the "Common Terms Agreement"); (e) EPE, Enron, SOTL and Transredes have entered into that certain Liquidity Facility Agreement dated as of September 30, 1999, as amended from time to time (the "Liquidity Facility Agreement"); (f) OPIC, KfW, Transredes, Enron and Shell and certain other parties thereto, have entered into an Intercreditor Agreement dated as of September 30, 1999, as amended from time to time (the "Intercreditor Agreement"); and (g) GasBol, EPE, and GasMat and the Agents have entered into a letter agreement dated as of June 10, 1999, as amended on June 14, 1999, as amended from time to time (the "Agency Fee Letter"). Collectively, the OPIC Finance Agreement, the KfW Covered Loan Agreement, the KfW Uncovered Loan Agreement, the Common Terms Agreement, the Liquidity Facility Agreement, the Intercreditor Agreement and the Agency Fee Letter are hereinafter referred to as the "Financing Agreements";

**WHEREAS**, as contemplated under the Financing Agreements, each of OPIC and KfW were granted a security interest in certain of the assets of EPE, GasMat, GasBol and certain other CIB Companies; and

**WHEREAS**, certain conditions precedent were never satisfied under the Financing Agreements, and as a result thereof, the Parties desire to terminate each of the Financing Agreements and related documents thereunder, release all security interests granted thereunder and release any potential claim arising thereunder;

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

## ARTICLE I

### DEFINITIONS

Section 1.1 Certain Defined Terms. The following terms when used in this Agreement have the meanings set forth below:

"Affiliates" means, with respect to any Person, any direct or indirect subsidiary of such Person, and any other Person that directly, or through one or more intermediaries, controls or is controlled by or is under common control with such first Person, control means possession, directly or indirectly, of power to direct or cause the direction of management or policies whether through ownership of securities or partnership or other ownership interests, by Contract or otherwise.

"Agency Fee Letter" has the meaning set forth in the recitals.

"Agent" has the meaning set forth in the preamble.

"Agreement" has the meaning set forth in the preamble.

"Applicable Law" means, with respect to any Person, any Law applicable to such Person or its business, properties or assets.

"Asset" means any real property, personal property (whether tangible or intangible), intellectual property, contractual right or any similar right or asset, and any of the proceeds of any of the foregoing.

"Award" has the meaning set forth in Section 8.5.

"Bankruptcy Cases" means the chapter 11 cases of Enron and certain of its direct and indirect subsidiaries commenced on or after December 2, 2001, jointly administered under Case No. 01-16034 (AJG) (including any case commenced after the date of this Agreement).

"Bankruptcy Court" means the United States Bankruptcy Court for the Southern District of New York or any other court having jurisdiction over the Bankruptcy Cases from time to time.

"Borrower" has the meaning set forth in the preamble.

"Borrower Released Parties" has the meaning set forth in Section 6.1(a).

"Borrower Releasing Party" has the meaning set forth in Section 6.1(b).

"CIB Company" has the meaning set forth in the preamble.

"Claims" means all claims, counterclaims, rights or causes of action or liabilities whatsoever, if any, whether based on foreign, federal, state, local, statutory or common law or

any other law, rule or regulation, including both known claims and Unknown Claims, arising out of or relating in any way to any commitment or undertaking, existing or made or alleged to have existed or been made, or to any action or omission or alleged action or omission occurring, on or prior to the date hereof by any Borrower or Lender or any of their respective Related Parties in each case with respect to the Financing or any Financing Agreement or Security Agreement; *provided, however*, that any claims, counterclaims, rights or causes of action or liabilities arising out of or related in any way to (a) this Agreement or (b) any provision of any agreement that survives its termination pursuant to Sections 4.1 and 4.2 shall be excluded from this definition.

"Common Terms Agreement" has the meaning set forth in the recitals.

"Course of Conduct Claims" has the meaning set forth in Section 6.2.

"Dispute" has the meaning set forth in Section 8.1.

"Disputing Party" has the meaning set forth in Section 8.1.

"Encumbrance" means any and all liens, charges, security interests, options, claims, mortgages, deeds of trust, lease, servitude, easement, pledges, proxies, voting trusts or agreements, obligations, understandings or arrangements or other restrictions of any nature whatsoever.

"Enron Company" has the meaning set forth in the preamble.

"EPE" has the meaning set forth in the preamble.

"Escrow Agent" has the meaning set forth in the recitals.

"Financing Agreement" has the meaning set forth in the recitals.

"Financing" means the proposed limited recourse financing by OPIC, KfW and certain other parties of the Cuiaba project as set forth in more detail in the Financing Agreements.

"Freshfields Escrow Agreement" means the escrow agreement dated October 10, 2000, entered into by Freshfields Bruckhaus Deringer LLP, EPE, GasBol, GasMat, OPIC, KfW and certain other parties thereto, as amended from time to time, pursuant to which certain of the agreements related to the Financing were escrowed.

"GasBol" has the meaning set forth in the preamble.

"GasMat" has the meaning set forth in the preamble.

"Governmental Authority" means any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any

governmental authority, agency, department, board, commission or instrumentality of Bolivia, Brazil, the Cayman Islands or the United States, and any tribunal, court or arbitrator of competent jurisdiction.

"ICC" has the meaning set forth in Section 8.2.

"Intercreditor Agreement" has the meaning set forth in the recitals.

"KfW Covered Loan Agreement" has the meaning set forth in the recitals.

"KfW Uncovered Loan Agreement" has the meaning set forth in the recitals.

"Law" means any foreign, state or local law (including common law), statute, code, ordinance, rule, regulation or other requirement enacted, promulgated, issued or entered by a Governmental Authority.

"Lender" has the meaning set forth in the preamble.

"Lender Released Parties" has the meaning set forth in Section 6.1(b).

"Lender Releasing Party" has the meaning set forth in Section 6.1(a).

"Liquidity Facility Agreement" has the meaning set forth in the recitals.

"OPIC Finance Agreement" has the meaning set forth in the recitals.

"Order" means any order, injunction, judgment, decree, ruling, writ, assessment or arbitration award.

"Organizational Documents" means, as to a Party, its articles of incorporation, memorandum of association, articles of association, bylaws, partnership agreement, shareholders' agreement, voting agreement, operating agreement or similar organizational documents.

"Quota Escrow Agreement" has the meaning set forth in the recitals.

"Party" means each or any Lender or Borrower in its individual capacity.

"Permit" means any approval, authorization, consent, license, permit or certificate.

"Person" means and includes natural persons, corporations, limited partnerships, limited liability companies, general partnerships, joint stock companies, joint ventures, associations, companies, trusts, banks, trust companies, land trusts, business trusts or other organizations, whether or not legal entities, and all Governmental Authorities.

"POA" has the meaning set forth in Section 4.4.

"Quota Escrow Agreement" has the meaning set forth in the recitals.

"Related Parties" means, as to a Party, (i) each of such Party's respective subsidiaries, parents, successors, predecessors, past or present officers, directors, shareholders, agents, principals, employees, insurers, attorneys, advisors, investment advisors, underwriters, partners, members, affiliates, and accountants and (ii) any firm, trust, partnership, corporation, officer, director or other Person in which such Party has a controlling interest or which is related to or affiliated with such Party, and the respective legal representatives, heirs, successors in interest or assigns of such Party.

"Released Parties" means each or any of the Lender Released Parties and the Borrower Released Parties.

"Releasing Parties" means each or any of the Lender Releasing Parties and the Borrower Releasing Parties.

"Rules" has the meaning set forth in Section 8.2.

"Security Agreement" has the meaning set forth in Section 4.2.

"Shell Company" has the meaning set forth in the preamble.

"Transredes" has the meaning set forth in the preamble.

"Unknown Claims" means any and all claims which any of the Releasing Parties and their Related Parties does not know or suspect exists in its favor as of the date hereof, which if known by such Party might have affected such Party's decision(s) with respect to this Agreement.

## **ARTICLE II**

### **REPRESENTATIONS AND WARRANTIES OF BORROWERS**

Each Borrower hereby represents and warrants, severally as to itself, but not jointly, to each Lender as follows:

Section 2.1 Organization and Good Standing. It is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction in which it was formed and has the requisite power and authority to own, lease and operate its properties and to carry on its business as now conducted.

Section 2.2 Authorization of Agreement. It has the requisite power and authority to execute this Agreement and to perform its obligations hereunder. The execution and delivery of this Agreement by it and the performance by it of its obligations hereunder have been duly authorized by all necessary corporate action on its part. This Agreement has been duly executed



and delivered by it and, assuming due execution and delivery by each other party hereto, constitutes a valid and binding obligation of it, enforceable against it in accordance with its terms.

**Section 2.3 No Violation; Consents.**

(a) The execution and delivery by it of this Agreement and the consummation of the transactions contemplated hereby do not and will not (i) violate any provision of its Organizational Documents, (ii) conflict with, require the consent of a third party under, violate, result in the breach of, constitute a default under, or give rise to any rights of acceleration, cancellation or termination of any of its material rights or obligations under any material agreement or other instrument to which it is a party or by which it or any of its properties or assets is bound, (iii) violate any Order of any Governmental Authority to which it is bound or subject, (iv) violate any Applicable Law or (v) result in the imposition or creation of any Encumbrance.

(b) No Order or Permit issued by, or declaration or filing with, or notification to, or waiver from, any Governmental Authority is required on its part in connection with the execution and delivery of this Agreement, or its compliance or performance with any provision contained in this Agreement.

**Section 2.4 Limitation of Representations and Warranties.**

(a) EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES SET FORTH IN THIS ARTICLE II, NO BORROWER IS MAKING ANY OTHER REPRESENTATIONS OR WARRANTIES, WRITTEN OR ORAL, STATUTORY, EXPRESS OR IMPLIED, IN CONNECTION WITH THIS AGREEMENT.

(b) EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, EACH BORROWER HAS NOT MADE, AND EACH BORROWER EXPRESSLY DISCLAIMS AND NEGATES, ANY REPRESENTATION OR WARRANTY, EXPRESS, IMPLIED, AT COMMON LAW, BY STATUTE OR OTHERWISE RELATING TO, AND EACH LENDER HEREBY EXPRESSLY WAIVES AND RELINQUISHES ANY AND ALL RIGHTS, CLAIMS AND CAUSES OF ACTION AGAINST EACH BORROWER AND ITS REPRESENTATIVES, IN CONNECTION WITH THE ACCURACY, COMPLETENESS OR MATERIALITY OF ANY INFORMATION, DATA OR OTHER MATERIALS (WRITTEN OR ORAL) HERETOFORE FURNISHED TO SUCH LENDERS AND THEIR REPRESENTATIVES BY OR ON BEHALF OF EACH BORROWER, IN CONNECTION WITH THIS AGREEMENT.

**ARTICLE III**

**REPRESENTATIONS AND WARRANTIES OF LENDERS**

Each Lender hereby represents and warrants, severally as to itself, but not jointly, to the Borrowers as follows:

Section 3.1 Organization and Good Standing. OPIC is an agency of the United States of America created and existing under the Foreign Assistance Act, and has the power and authority to execute and deliver this Agreement, and to perform its obligations hereunder. KfW is a public corporation organized and existing under the laws of the Federal Republic of Germany, and has the power and authority to execute and deliver this Agreement and to perform its obligations hereunder. Each Lender other than OPIC or KfW is an entity duly organized and validly existing under the laws of the jurisdiction in which it was formed and has the requisite power and authority to execute and deliver this Agreement and to perform its obligations hereunder.

Section 3.2 Authorization of Agreement. The execution and delivery of this Agreement by it and the performance by it of its obligations hereunder have been duly authorized by all necessary corporate agency or other action on its part. This Agreement has been duly executed and delivered by it (in the case of OPIC, in compliance with the Foreign Assistance Act) and, assuming due execution and delivery by each other party hereto, constitutes a valid and binding obligation of it, enforceable against it in accordance with its terms.

Section 3.3 No Violation; Consents.

The execution and delivery by it of this Agreement and the consummation of the transactions contemplated hereby do not and will not violate any provision of its Organizational Documents.

Section 3.4 Limitation of Representations and Warranties.

(a) EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES SET FORTH IN THIS ARTICLE III, NO LENDER IS MAKING ANY OTHER REPRESENTATIONS OR WARRANTIES, WRITTEN OR ORAL, STATUTORY, EXPRESS OR IMPLIED, IN CONNECTION WITH THIS AGREEMENT, INCLUDING WITHOUT LIMITATION, ANY REPRESENTATION REGARDING THE VALUE OF THE COLLATERAL UNDER THE SECURITY AGREEMENTS OR THE EFFECTIVENESS OF THIS AGREEMENT OR ANY OF THE AGREEMENTS EXECUTED IN CONNECTION HERewith TO RELEASE THE LIENS CREATED THEREBY.

(b) EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, EACH LENDER HAS NOT MADE, AND EACH LENDER EXPRESSLY DISCLAIMS AND NEGATES, ANY REPRESENTATION OR WARRANTY, EXPRESS, IMPLIED, AT COMMON LAW, BY STATUTE OR OTHERWISE RELATING TO, AND EACH BORROWER HEREBY EXPRESSLY WAIVES AND RELINQUISHES ANY AND ALL RIGHTS, CLAIMS AND CAUSES OF ACTION AGAINST EACH LENDER AND ITS REPRESENTATIVES, IN CONNECTION WITH THE ACCURACY, COMPLETENESS OR MATERIALITY OF ANY INFORMATION, DATA OR OTHER MATERIALS (WRITTEN

OR ORAL) HERETOFORE FURNISHED TO SUCH BORROWERS AND THEIR REPRESENTATIVES BY OR ON BEHALF OF EACH LENDER, IN CONNECTION WITH THIS AGREEMENT

**ARTICLE IV**

**TERMINATION OF THE FINANCING DOCUMENTS**

Section 4.1 Termination of Financing Agreements.

(a) Subject to the terms and conditions hereof, each of the Borrowers and Lenders hereby terminates each of the following agreements to which it is a party such that from and after the date hereof, each such agreement shall be null, void and of no further binding effect:

- (i) OPIC Finance Agreement;
- (ii) KfW Covered Loan Agreement;
- (iii) KfW Uncovered Loan Agreement;
- (iv) Common Terms Agreement;
- (v) Intercreditor Agreement;
- (vi) Liquidity Facility Agreement; and
- (vii) Agency Fee Letter.

(b) Notwithstanding item (a) above, with respect to any provision in any agreement that is terminated pursuant to this Section 4.1 that would otherwise survive in accordance with the terms and conditions of such agreement, each Party hereby agrees that such provision shall survive the termination of such agreement in accordance with its terms.

(c) The termination of the Agency Fee Letter pursuant to this Section 4.1 shall extend to any and all obligations of the Agents thereunder to perform any action in Bolivia and Brazil.

Section 4.2 Termination of Security Agreements. Subject to the terms and conditions hereof, each of the Borrowers and Lenders hereby agrees to terminate each of the agreements to which it is a party set forth on Exhibit "A" (each, a "Security Agreement"), such that from and after the date hereof, each such Security Agreement shall be null, void and of no further binding effect; **provided, however**, that with respect to any provision in any agreement that is terminated pursuant to this Section 4.2 that would otherwise survive in accordance with the terms and

conditions of such agreement, each Party hereby agrees that such provision shall survive the termination of such agreement in accordance with its terms.

Section 4.3 Termination of Performance Security. In connection with the termination of each Financing Agreement and Security Agreement, any performance or retention bond, parent guaranty, letter of credit or other security provided by any Party to any other Party is hereby terminated and cancelled, and shall hereafter be null, void and of no further binding effect.

Section 4.4 Termination of Escrow Agreement. In connection with the termination of each Financing Agreement and Security Agreement, the Freshfields Escrow Agreement is hereby terminated and cancelled, and shall hereafter be null, void and of no further binding effect. This Agreement shall serve as the notice required pursuant to Section 4(b) of the Freshfields Escrow Agreement with respect to the expiration of the Commitment (as defined in the Freshfields Escrow Agreement). Effective as of the day hereof, each of OPIC and KfW shall provide written instructions directing the Escrow Agent (as defined in the Freshfields Escrow Agreement) to destroy the Escrowed Documents (as defined in the Freshfields Escrow Agreement) and to notify the parties thereto that such documents have been destroyed.

Section 4.5 Revocation of POA. Subject to the terms and conditions hereof, each of the Borrowers and Lenders hereby agrees to revoke each of the powers of attorney set forth on Exhibit "B" (each, a "POA"), such that from and after the date hereof, each such POA shall be null, void and of no further binding effect. The Parties hereby agree that no Party shall be entitled to receive any payments or indemnities as a result of the revocation of such POA.

## ARTICLE V

### RELEASE OF SECURITY INTERESTS

#### Section 5.1 Release.

(a) In connection with the termination of each Security Agreement pursuant to Section 4.2, each Party hereby agrees to release any Encumbrance granted to such Party under such Security Agreement, including, but not limited to, any quota escrow agreements, pledge of quota agreement, mortgage, asset pledge, deposit agreement, Organizational Documents or other agreement related to the Financing, whether set forth on Exhibit "A" or otherwise; *provided, however*, that in the case of any Encumbrance not evidenced by an agreement contemplated on Exhibit "A", any Borrower must request such release in writing of the Lenders.

(b) Each Party acknowledges and agrees that, in order to formalize in Brazil the termination and the release of the Securities created in Brazil, the Brazilian Governmental Authorities may require the presentation of a separate release term for each Security Agreement executed in Brazil. The Parties hereby agree reasonably promptly after the

written request of the Borrowers to execute such release terms, as they become reasonably necessary.

(c) Each Party further acknowledges and agrees that the Brazilian Governmental Authorities and the Brazilian Applicable Legislation require the registration of this Agreement, together with its sworn translation into Portuguese, as well as the registration of the release terms mentioned in item (b) above with the relevant Registry of Deeds and Documents and/or Real Estate Registry in Brazil. The Parties hereby agree to take all measures that may be necessary or desirable for the registration of the documents mentioned above in Brazil reasonably promptly after the written request of the Borrowers therefor.

(d) Reasonably promptly after the written request of the Lenders by the Borrowers each Party further agrees to take such further action, as may be necessary or reasonably desirable, in order to terminate or release any Encumbrance on any Asset of any CIB Company.

Section 5.2 No interference.

Until the second anniversary of the date of this Agreement, each Party shall, from time to time upon the reasonable request of any other Party, execute and deliver such further instruments and documents, and take such further action as Parties may reasonably request, in order to effect the purposes of this Agreement.

## ARTICLE VI

### MUTUAL RELEASE AND WAIVER OF CLAIMS

Section 6.1 Release of Claims.

(a) Each Lender, on behalf of itself and, to the fullest extent permitted by Applicable Law, on behalf of its Affiliates (a "Lender Releasing Party"), hereby fully and forever releases and discharges each Borrower and its Related Parties (each, a "Borrower Released Party") of and from any and all Claims that have been, could have been or hereafter may be asserted by any Lender (or any of their respective Related Parties by or through any Lender) against any Borrower or any of their respective Related Parties.

(b) Each Borrower, on behalf of itself and, to the fullest extent permitted by Applicable Law, on behalf of its Affiliates (a "Borrower Releasing Party"), hereby fully and forever releases and discharges each Lender and its Related Parties (each, a "Lender Released Party") of and from any and all Claims that have been, could have been or hereafter may be asserted by any Borrower (or any of their respective Related Parties by or through any Borrower) against any Lender or any of their respective Related Parties.

(c) Each of the Lenders hereby agrees that it will not seek to bring any action of any kind against any Borrower Released Party for any Claim, and each of the

Borrowers hereby agrees that it will not seek to bring any action of any kind against any of the Lender Released Parties for any Claim.

(d) With respect to any and all Claims, the Parties stipulate and agree that the Releasing Parties shall be deemed to have expressly waived any and all provisions, rights and benefits conferred by any Applicable Law, or principle of common law, which are similar, comparable, or equivalent to Cal. Civ. Code §1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

The Parties acknowledge that the inclusion of "Unknown Claims" in the definition of Claims was separately bargained for and was a key element of this Agreement. The Releasing Parties acknowledge that they may hereafter discover facts that are different from or in addition to those that they may now know or believe to be true with respect to any and all claims, counterclaims, rights, liabilities and causes of action herein released and agree that all Unknown Claims are nonetheless released to the extent provided in this Agreement and that this Agreement shall be and remain effective in all respects even if such different or additional facts are subsequently discovered.

Section 6.2 No Admissions. Notwithstanding anything contained herein to the contrary, the Parties acknowledge and agree that this Agreement and the release, waiver and settlement embodied herein relate solely to Claims and are not intended to, nor shall they have the effect of (a) limiting the rights of Enron or any other party-in-interest to dispute or otherwise contest any other claim asserted by Citibank or any Lender, (b) except with respect to Claims waived herein, limiting the rights of Enron or any other party-in-interest to assert any cause of action against Citibank or any Lenders, including, without limitation, avoidance actions in accordance with sections 543, 544, 545, 547, 548, 549, 550, and 551 of the Bankruptcy Code, (c) except with respect to any Claim, limiting the rights of Enron or any other party-in-interest in accordance with section 502(d) of the Bankruptcy Code, (d) precluding any Party from offering into evidence the fact and/or terms of this settlement or (e) limiting the rights of Enron or any other party-in-interest to seek to equitably subordinate any claim of Citibank or any Lender not compromised and settled under this Agreement. Without in any way limiting the foregoing, (x) each of Citibank and the Lenders acknowledges that such entities (i) may be, or may have been, parties to other transactions relating to Enron that are not the subject of the compromise and settlement embodied in this Agreement and (ii) have been advised that Enron is investigating potential claims against a number of counterparties (including Citibank or any Lender) and that such claims might be premised, in part, upon the knowledge of, duty of, or course of conduct by such counterparties in connection with transactions with or among Enron or Enron Companies (the 'Course of Conduct Claims'), (y) the Parties hereto hereby agree that any such Course of

Conduct Claims that may be asserted by Enron or any other party-in-interest against Citibank or any Lender are expressly excluded from the compromise and settlement embodied herein, and (z) nothing contained herein shall be deemed, or entered into evidence as, an admission against interest by Citibank or any Lender in connection with any such Course of Conduct Claims, and each of Citibank and the Lenders reserves its rights to challenge any such claims that may be asserted by Enron or any other party-in-interest.

Section 6.3 No Admissions. Neither this Agreement, nor any of its terms or provisions, nor any of the negotiations or proceedings connected with it, shall be construed as or deemed in any judicial, non-judicial, arbitration or other proceeding to be evidence of, or a presumption, concession, or admission by any Party of, the truth of any fact alleged or the validity of any claim that has been, could have been or in the future might be asserted against any of them, or of any liability, fault, wrongdoing or otherwise by any of them.

## ARTICLE VII

### NOTICES

All notices and other communications under this Agreement shall be written in English and shall be deemed duly given (a) when delivered personally or by prepaid overnight courier, with a record of receipt, (b) when received, if mailed by certified mail, return receipt requested, or (c) the day of transmission, if sent by facsimile to the following facsimile numbers during regular business hours, or the day after transmission, if sent after regular business hours (with a copy promptly sent by prepaid overnight courier with record of receipt or by certified mail, return receipt requested), to the Parties at the following addresses or facsimile numbers (or to such other address or facsimile number as a Party may have specified by notice given to the other Parties pursuant to this provision):

(a) If to:

**ENRON CORP.**

1221 Lamar, Suite 1600  
Houston, TX 77010

Facsimile: 713-345-5352  
Attention: Mr. Robert Bingham

with a copy to: Mr. Wade Cline

(b) If to:

**ENRON DO BRAZIL HOLDINGS LTD.**

Appleby Spurling Hunter  
P.O. Box 1350, Huntlaw Building  
Fort Street, George Town

Grand Cayman, Cayman Islands

Attention: Assistant Secretary  
Facsimile: 345-949-5175

with a copy to: Rose Engeldorf  
1221 Lamar, Suite 1600  
Houston, TX 77010

(c) If to:

**ENRON BRAZIL POWER HOLDINGS I LTD.**

Appleby Spurling Hunter  
P.O. Box 1350, Huntlaw Building  
Fort Street, George Town  
Grand Cayman, Cayman Islands

Attention: Assistant Secretary  
Facsimile: 345-949-5175

with a copy to: Rose Engeldorf  
1221 Lamar, Suite 1600  
Houston, TX 77010

(d) If to:

**ENRON SOUTH AMERICA LLC.**

221 Lamar, Suite 1600  
Houston, TX 77010

Facsimile: 713-345-5352  
Attention: Mr. Robert Bingham

with a copy to: Mr. Wade Cline

(e) If to:

**ENRON INTERNATIONAL BOLIVIA HOLDINGS LTD.**

Appleby Spurling Hunter  
P.O. Box 1350, Huntlaw Building  
Fort Street, George Town  
Grand Cayman, Cayman Islands

Facsimile: 345-949-5175



Attention: Assistant Secretary

with a copy to: Rose Engeldorf  
1221 Lamar, Suite 1600  
Houston, TX 77010

(f) If to:

**SHELL OVERSEAS TRADING LIMITED**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Facsimile:  
Attention:

with a copy to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Facsimile:  
Attention:

(g) If to:

**SHELL GAS (LATIN AMERICA) B.V.**  
General Attorney  
Carel van Bylandtlaan 30  
2596 HR The Hague  
The Netherlands

(h) If to:

**SHELL AUSTRIA GESELLSCHAFT M.B.H.**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Facsimile:  
Attention:

with a copy to: \_\_\_\_\_

(i) If to:

**SHELL INTERNATIONAL INVESTMENTS LIMITED**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Facsimile:

Attention:

with a copy to: \_\_\_\_\_

(j) If to:

**SHELL CUIABA HOLDINGS LIMITED**

Corporate Secretary

Shell Bermuda

Shell House

Ferry Reach Road

St. George's GE

BX, Bermuda

with a copy to:

President of Shell Southern Cone Gas & Power

Av. Das Americas

4200 bloco, 6 - 5º andar

Barra da Tijuca

Rio de Janeiro

RJ Brazil – CEP

(k) If to:

**SHELL TREASURY DOLLAR COMPANY LIMITED**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Facsimile:

Attention:

with a copy to: \_\_\_\_\_

(l) If to:

**EPE-EMPRESA PRODUTORA DE ENERGIA LTDA**

Gasocidente do Mato Grosso Ltda.

Rodovia dos Imigrantes, nº 3770

Novo Distrito Industrial

CEP: 79098-840

Cuiabá, MT, Brasil

Facsimile: 55-65-668-4141

Attention: President

with a copy to: Rose Engeldorf  
1221 Lamar, Suite 1600  
Houston, TX 77010

(m) If to:

**EPE HOLDINGS LTD.**

Appleby Spurling Hunter  
P.O. Box 1350, Huntlaw Building  
Fort Street, George Town  
Grand Cayman, Cayman Islands

Facsimile: 345-949-5175

Attention: Assistant Secretary

with a copy to: Rose Engeldorf  
1221 Lamar, Suite 1600  
Houston, TX 77010

(n) If to:

**EPE INVESTMENTS LTD.**

Appleby Spurling Hunter  
P.O. Box 1350, Huntlaw Building  
Fort Street, George Town  
Grand Cayman, Cayman Islands

Facsimile: 345-949-5175

Attention: Assistant Secretary

with a copy to: Rose Engeldorf  
1221 Lamar, Suite 1600  
Houston, TX 77010

(o) If to:

**GASORIENTE BOLIVIANO LTDA.**

Avenida Ibérica Calle 9 Este No. 87  
Barrio Las Palmas

Santa Cruz, Bolivia

Facsimile: 591-3357-9700  
Attention: General Manager

with a copy to: Rose Engeldorf  
1221 Lamar, Suite 1600  
Houston, TX 77010

(p) If to:

**GASOCIDENTE DO MATO GROSSO LTDA.**

Gasocidente do Mato Grosso Ltda.  
Rodovia dos Imigrantes, nº 3770  
Novo Distrito Industrial  
CEP: 79098-840  
Cuiabá, MT, Brasil

Facsimile: 55-65-668-4141  
Attention: President

with a copy to: Rose Engeldorf  
1221 Lamar, Suite 1600  
Houston, TX 77010

(q) If to:

**GASMAT HOLDINGS LTD.**

Appleby Spurling Hunter  
P.O. Box 1350, Huntlaw Building  
Fort Street, George Town  
Grand Cayman, Cayman Islands

Facsimile: 345-949-5175  
Attention: Assistant Secretary

with a copy to: Rose Engeldorf  
1221 Lamar, Suite 1600  
Houston, TX 77010

(r) If to:

**GASMAT INVESTMENTS LTD.**

Appleby Spurling Hunter

P.O. Box 1350, Huntlaw Building  
Fort Street, George Town  
Grand Cayman, Cayman Islands

Facsimile: 345-949-5175  
Attention: Assistant Secretary

with a copy to: Rose Engeldorf  
1221 Lamar, Suite 1600  
Houston, TX 77010

(s) If to:

**TRANSBORDER GAS SERVICES LTD.**

Appleby Spurling Hunter  
P.O. Box 1350, Huntlaw Building  
Fort Street, George Town  
Grand Cayman, Cayman Islands

Facsimile: 345-949-5175  
Attention: Assistant Secretary

with a copy to: Rose Engeldorf  
1221 Lamar, Suite 1600  
Houston, TX 77010

(t) If to:

**EPE GENERATION HOLDINGS LTD.**

Appleby Spurling Hunter  
P.O. Box 1350, Huntlaw Building  
Fort Street, George Town  
Grand Cayman, Cayman Islands

Facsimile: 345-949-5175  
Attention: Assistant Secretary

with a copy to: Rose Engeldorf  
1221 Lamar, Suite 1600  
Houston, TX 77010

(u) If to:

**INTERJURIS S/C LTDA.**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Facsimile:  
Attention:

with a copy to: \_\_\_\_\_

(v) If to:

**KFW (FORMERLY  
KREDITANSTALT FÜR WIEDERAUFBAU)**

Palmengartenstrasse 5-9  
60325 Frankfurt am Main  
Germany

Facsimile: 49-69-7431 3344  
Telephone No.: 49-69-74310  
Attn: Department KII b1

with a copy to: \_\_\_\_\_

(w) If to:

**OVERSEAS PRIVATE INVESTMENT CORPORATION**

1100 New York Avenue, N.W.  
Washington, D.C. 20527

Facsimile: 202-408-9866  
Attn.: Vice President, Finance  
Re: Cuiaba 480 Megawatt Power Project

with a copy to: \_\_\_\_\_

(x) If to:

**TRANSREDES-TRANSPORTE DE HIDROCARBUROS S.A.**

Km. 7-1/2 Carretera Antigua a Cochabamba  
Santa Cruz de la Sierra, Bolivia

Facsimile: 5913-354-8111  
Attention: President

with a copy to: General Counsel

(y) If to:

**BANCO CITIBANK S.A.**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Facsimile:

Attention:

with a copy to: \_\_\_\_\_

(z) If to:

**CITIBANK, N.A., BOLIVIA**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Facsimile:

Attention:

with a copy to: \_\_\_\_\_

(aa) If to:

**CITIBANK, N.A.**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Facsimile:

Attention:

with a copy to: \_\_\_\_\_

## **ARTICLE VIII**

### **RESOLUTION OF DISPUTES**

Section 8.1 Agreement to Arbitrate. Subject to Sections 8.12 and 8.13, any and all disputes, controversies or claims arising out of or relating to this Agreement, or the termination, validity or alleged breach thereof, or in any way relating to the subject matter of this Agreement or the relationship among the Parties created by this Agreement (each, a "Dispute") between two

or more Parties (each a "Disputing Party") shall be resolved by binding arbitration, regardless of whether such Disputes (a) allegedly are extra-contractual in nature, (b) sound in contract, tort, or otherwise, (c) are provided for by statute or otherwise, or (d) seek damages or any other relief, whether at law, in equity or otherwise; *provided*, that no Dispute shall be submitted to arbitration until fifteen (15) days have passed (without mutual agreement having been reached) following the first written notice from a Disputing Party to the other Disputing Parties that sets forth the subject matter of the Dispute and that states that it is being given pursuant to this Section 8.1. Each Disputing Party shall, if requested by another Disputing Party, select and appoint a senior executive (not concerned with the day-to-day performance of the appointer's obligations under this Agreement) to serve on a panel seeking to reach mutual agreement with respect to the applicable Dispute. Each such appointment shall be made by the giving of a notice by the appointer to the other Disputing Parties within ten (10) business days of the request for the appointment. The appointees shall meet and shall endeavor to reach such mutual agreement as soon as practicable.

Section 8.2 Appointment of Arbitrators. If, for any reason, no such mutual agreement has been reached within such fifteen (15) day period, then any Disputing Party may refer the Dispute to arbitration under the Rules of Arbitration of the International Chamber of Commerce ("ICC") then in effect (the "Rules") in accordance with the following procedures:

(a) To refer a Dispute to arbitration, a Disputing Party must provide notice to the ICC and the other Disputing Parties with a request for arbitration in accordance with the Rules stating that the Dispute is being referred to arbitration under this Article VIII.

(b) The Disputing Parties shall endeavor to agree promptly on and nominate a panel of three (3) arbitrators. If on or before the 30<sup>th</sup> day following the receipt by all Disputing Parties of a copy of the request for arbitration, the Disputing Parties have not so agreed, then any Disputing Party may request that the ICC Court of Arbitration appoint the three (3) arbitrators.

Section 8.3 Authority of Arbitrators. The validity, construction, and interpretation of this agreement to arbitrate, and all procedural aspects of the arbitration conducted pursuant to this agreement to arbitrate, including the determination of the issues that are subject to arbitration (*i.e.*, arbitrability), the scope of the arbitrable issues, allegations of "fraud in the inducement" to enter into this agreement to arbitrate, allegations of waiver, laches, delay or other defenses to arbitrability, and any interpretation of the Rules (including the time for filing an answer, the time for the filing of counterclaims, the times for amending the pleadings, the specificity of the pleadings, the extent and scope of discovery, the issuance of subpoenas, the times for the designation of experts, whether the arbitration is to be stayed pending resolution of related litigation involving third parties not bound by this agreement to arbitrate, the receipt of evidence, and the like) shall be decided by the arbitrators. The arbitrators shall have the authority to assess the costs and expenses of the arbitration proceeding (including the arbitrators' fees and expenses) against one or more of the Disputing Parties in whatever manner or allocation the arbitrators



deem appropriate; *provided*, that each Disputing Party shall bear its own attorneys' fees, and the arbitrators shall have no authority to award attorneys' fees.

Section 8.4 Place of Arbitration. The arbitration proceeding shall be conducted in London, England.

Section 8.5 Conduct of the Arbitration. The arbitrators will conduct the arbitration as expeditiously as possible. The arbitration proceedings and the award or decision (the "Award") of the arbitrators shall be in English.

Section 8.6 ICC Rules. The arbitration shall be administered by the ICC and, except to the extent varied in this Agreement (if at all), conducted under the ICC Rules.

Section 8.7 Payment of Award. Each Disputing Party against which the arbitrators' Award assesses a monetary obligation shall pay that obligation on or before the 30<sup>th</sup> day following the Award or such other date as the Award may provide, which Award shall be payable in cash in United States dollars unless the Award specifies a different currency.

Section 8.8 Finality of the Arbitrators' Award. The arbitrators' Award shall, as between the Disputing Parties and those in privity with them, be final and entitled to all of the protections and benefits of a final judgment, *e.g.*, *res judicata* (claim preclusion) and collateral estoppel (issue preclusion), as to all Disputes, including compulsory counterclaims, that were or could have been presented to the arbitrators. The arbitrators' Award shall not be reviewable by or appealable to any court and the rights of each of the Parties to seek such review or appeal are hereby waived.

Section 8.9 Use of the Courts. The Parties hereby expressly agree that leave to appeal under Section 45 or Section 69 of the English Arbitration Act of 1996 may not be sought with respect to any question of law arising in the course of the arbitration or with respect to any award made. It is the intent of the Parties that the arbitration proceeding shall be conducted expeditiously, and without interlocutory appeals of the arbitrators' decisions to the courts. However, if a Disputing Party refuses to honor its obligations under this agreement to arbitrate, any other Disputing Party may obtain appropriate relief compelling arbitration in any court having jurisdiction over the Disputing Parties; the order compelling arbitration shall require that the arbitration proceedings take place in London, England as specified above. The Disputing Parties may apply to any court having jurisdiction for orders in aid of arbitration, including but not limited to orders requiring witnesses to obey subpoenas issued by the arbitrators and orders seeking temporary injunctive or other provisional relief. Moreover, any and all of the arbitrators' orders, decisions and awards may be entered and enforced by any court having jurisdiction.

Section 8.10 Confidentiality. To the fullest extent permitted by Applicable Law, the arbitration proceeding and the arbitrators' Award shall be maintained in confidence by the Disputing Parties, except as may be required by Applicable Law or regulatory authority or to enforce this agreement to arbitrate or any award or decision issued hereunder. However, a

violation of this covenant shall not affect the enforceability of this agreement to arbitrate or of the arbitrators' Award.

Section 8.11 Arbitration Provision Enforceable. A Disputing Party's breach of this Agreement shall not affect this agreement to arbitrate. Moreover, the Parties' obligations under this arbitration provision are enforceable even after they are no longer Parties and even after this Agreement has terminated. The invalidity or unenforceability of any provision of this agreement to arbitrate shall not affect the validity or enforceability of the Disputing Parties' obligation to submit their Disputes to binding arbitration or the other provisions of this agreement to arbitrate.

## **ARTICLE IX MISCELLANEOUS**

Section 9.1 Survival of Representations and Warranties. Each of the representations and warranties made herein shall survive until the second anniversary of the date hereof, and thereafter shall terminate and cease to be of further force or effect.

Section 9.2 Incorporation of Exhibits. The exhibits identified in this Agreement are incorporated herein by reference and made a part hereof.

Section 9.3 Consent to Service of Process. Each of the Parties hereby consents to process being served by any Party to this Agreement in any suit, action or proceeding by the mailing of a copy thereof in accordance with the provisions of Article VII.

Section 9.4 No Consequential or Punitive Damages. The Parties shall only be liable hereunder for direct or compensatory damages. No Party hereto (or its Affiliates) shall, under any circumstance, be liable to any other Party (or its Affiliates) for any indirect, consequential, exemplary, special, incidental, punitive or moral damages or lost revenue, lost income, lost profits, *lucro cessante*, cost of capital or loss of business reputation or opportunity claimed by such other Party under the terms of or due to any breach of this Agreement.

Section 9.5 Entire Agreement; Amendments and Waivers. This Agreement (including the schedules hereto) represents the entire understanding and agreement among the Parties with respect to the subject matter hereof and can be amended, supplemented or changed, and any provision hereof can be waived, only by a written instrument making specific reference to this Agreement signed by the Party against whom enforcement of any such amendment, supplement, modification or waiver is sought. No action taken pursuant to this Agreement, including any investigation by or on behalf of any Party, shall be deemed to constitute a waiver by the Party taking such action of compliance with any representation, warranty, covenant or agreement contained herein. The waiver by any Party of a breach of any provision of this Agreement shall not operate or be construed as a further or continuing waiver of such breach or as a waiver of any other or subsequent breach. No failure on the part of any Party to exercise, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power or remedy by such Party preclude any other or

further exercise thereof or the exercise of any other right, power or remedy. All remedies hereunder are cumulative and are not exclusive of any other remedies provided by law.

Section 9.6 Governing Law. THIS AGREEMENT, THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT, AND ANY CLAIM OR CONTROVERSY DIRECTLY OR INDIRECTLY BASED UPON OR ARISING OUT OF THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY), INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, SHALL IN ALL RESPECTS BE GOVERNED BY AND INTERPRETED, CONSTRUED AND DETERMINED IN ACCORDANCE WITH THE APPLICABLE PROVISIONS OF THE LAWS OF THE STATE OF NEW YORK (WITHOUT REGARD TO ANY CONFLICTS OF LAW PROVISION THAT WOULD REQUIRE THE APPLICATION OF THE LAW OF ANY OTHER JURISDICTION). IT IS UNDERSTOOD THAT THE CHOICE OF NEW YORK LAW TO GOVERN THIS AGREEMENT DOES NOT IN ANY WAY CONSTITUTE THE CONSENT OF ANY PARTY OR OF ANY AFFILIATE THEREOF TO THE JURISDICTION OF ANY UNITED STATES COURT.

Section 9.7 Table of Contents and Headings. The table of contents and section headings of this Agreement are for reference purposes only and are to be given no effect in the construction or interpretation of this Agreement.

Section 9.8 Severability. If any provision of this Agreement is invalid or unenforceable, the balance of this Agreement shall remain in effect.

Section 9.9 Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns including any transfer or other appointed legal representative hereof. Nothing in this Agreement shall create or be deemed to create any third party beneficiary rights in any Person (other than any Released Party) not a party to this Agreement. No assignment of this Agreement or of any rights or obligations hereunder may be made by any Party, whether by operation of law or otherwise, without the prior written consent of each other Party and any attempted assignment without the required consent shall be void. Notwithstanding the previous sentence, each Enron Company shall be allowed to assign all of its rights and obligations related to, or arising out of, this Agreement to any one or more successor entities emerging from the Bankruptcy Cases commenced by Enron Corp. and certain of its direct and indirect subsidiaries on or after December 2, 2001 in the Bankruptcy Court. Following such assignment, to the extent that such successor entity assumes the obligations of such Enron Company under this Agreement, such Enron Company shall be released from any further obligation hereunder.

Section 9.10 Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

Section 9.11 Specific Performance. The Parties acknowledge and agree that a breach of this Agreement by any Party would cause irreparable damage to the other Parties and that the Parties would not have an adequate remedy at law for such damage. Therefore, the obligations of each Party and their respective Related Parties under this Agreement shall be enforceable by a decree of specific performance issued by any court of competent jurisdiction, and appropriate injunctive relief may be applied for and granted in connection therewith. Such remedies shall, however, be cumulative and not exclusive and shall be in addition to any other remedies that the Parties may have under this Agreement or otherwise.

All expenses (including, without limitation, legal fees and expenses) and costs of registering any of the agreements contemplated hereby with Registry of Deeds and Documents in Brazil or any other registry in Bolivia, Brazil or elsewhere incurred by or on behalf of the Lenders in connection with this Agreement or the transactions contemplated hereby shall be for the account of the Borrowers.

**[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]**

IN WITNESS WHEREOF, this Agreement has been executed by the duly authorized representatives of the Parties as of the day and year first above written.

**ENRON CORP.**

By \_\_\_\_\_  
Name:  
Title:

**ENRON DO BRAZIL HOLDINGS LTD.**

By \_\_\_\_\_  
Name:  
Title:

**ENRON BRAZIL POWER HOLDINGS I LTD.**

By \_\_\_\_\_  
Name:  
Title:

**ENRON SOUTH AMERICA LLC**

By \_\_\_\_\_  
Name:  
Title:

**ENRON INTERNATIONAL BOLIVIA HOLDINGS LTD.**

By \_\_\_\_\_  
Name:  
Title:

**SHELL OVERSEAS TRADING LIMITED**

By \_\_\_\_\_  
Name:  
Title:

**SHELL GAS (LATIN AMERICA) B.V.**

By \_\_\_\_\_  
Name:  
Title:

**SHELL AUSTRIA GESELLSCHAFT M.B.H.**

By \_\_\_\_\_  
Name:  
Title:

**SHELL INTERNATIONAL INVESTMENTS LIMITED**

By \_\_\_\_\_

Name:

Title:

**SHELL CUIABA HOLDINGS LIMITED**

By \_\_\_\_\_

Name:

Title:

**SHELL TREASURY DOLLAR COMPANY LIMITED**

By \_\_\_\_\_

Name:

Title:

**EPE – EMPRESA PRODUTORA DE ENERGIA LTDA.**

By: \_\_\_\_\_

Name:

Title:

**EPE HOLDINGS LTD.**

By: \_\_\_\_\_

Name:

Title:

**EPE INVESTMENTS LTD.**

By: \_\_\_\_\_

Name:

Title:

**GASORIENTE BOLIVIANO LTDA.**

By: \_\_\_\_\_

Name:

Title:

**GASOCIDENTE DO MATO GROSSO LTDA.**

By: \_\_\_\_\_

Name:

Title:

**GASMAT HOLDINGS LTD.**

By: \_\_\_\_\_

Name:  
Title:

**GASMAT INVESTMENTS LTD.**

By: \_\_\_\_\_  
Name:  
Title:

**TRANSBORDER GAS SERVICES LTD.**

By: \_\_\_\_\_  
Name:  
Title:

**EPE GENERATION HOLDINGS LTD.**

By: \_\_\_\_\_  
Name:  
Title:

**INTERJURIS S/C LTDA.**

By: \_\_\_\_\_  
Name:  
Title:

**KFW (FORMERLY KREDITANSTALT FÜR  
WIEDERAUFBAU)**

By: \_\_\_\_\_  
Name:  
Title:

**OVERSEAS PRIVATE INVESTMENT  
CORPORATION**

By: \_\_\_\_\_  
Name:  
Title:

**TRANSREDES-TRANSPORTE DE  
HIDROCARBUROS S.A.**

By: \_\_\_\_\_  
Name:  
Title:

**BANCO CITIBANK S.A.**

By: \_\_\_\_\_

Name:

Title:

**CITIBANK, N.A., BOLIVIA**

By: \_\_\_\_\_

Name:

Title:

**CITIBANK, N.A.**

By: \_\_\_\_\_

Name:

Title:



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Exhibit "A" – Security Agreements

Exhibit "B" – Powers of Attorney

## EXHIBIT "A"

To the

### TERMINATION AND RELEASE AGREEMENT

#### Security Agreements.

Set forth below are the Security Agreements to be terminated pursuant to Section 4.2 of the Agreement.

<b>I. <u>Security on Quotas</u></b>			
1.	Pledge of Quotas Agreement ( <i>Contrato de Penhor de Quotas</i> ) (EPE Investments) and 1 <sup>st</sup> Amendment	EPE Investments, OPIC, KfW, Banco Citibank S.A., Citibank, N.A., Bolivia, Citibank, N.A., Enron Corp., and Shell Overseas Trading Limited.	December 13, 1999 August 11, 2000 (amendment)
2.	Pledge of Quotas Agreement ( <i>Contrato de Penhor de Quotas</i> ) (EPE Holdings) and 1 <sup>st</sup> Amendment	EPE Holdings, OPIC, KfW, Banco Citibank S.A., Citibank, N.A., Bolivia, Citibank, N.A., Enron Corp., and Shell Overseas Trading Limited.	December 13, 1999 August 11, 2000 (amendment)
3.	Quota Escrow Agreement ( <i>Contrato Fiduciário de Quotas</i> )	EPE Holdings, EPE Investments, EPE, Interjuris Ltda., OPIC, KfW, Banco Citibank S.A., Citibank, N.A., Bolivia, Citibank, N.A., Enron Corp., and Shell Overseas Trading Limited.	December 13, 1999
4.	Amendment to the Articles of Association of EPE	EPE Holdings, EPE Investments, Interjuris, Enron do Brazil Holdings Ltd., and Shell Cuiabá Holdings Ltd.	
5.	Pledge of Quotas Agreement ( <i>Contrato de Penhor de Quotas</i> ) (GasMat Holdings) and 1 <sup>st</sup> Amendment	GasMat Holdings, OPIC, KfW, Banco Citibank S.A., Citibank, N.A., Bolivia, Citibank, N.A., Enron Corp., and Shell Overseas Trading Limited.	December 13, 1999 and August 11, 2000 (amendment)
6.	Pledge of Quotas Agreement ( <i>Contrato de Penhor de Quotas</i> ) (GasMat Investments) and 1 <sup>st</sup> Amendment	GasMat Investments, OPIC, KfW, Banco Citibank S.A., Citibank, N.A., Bolivia, Citibank, N.A., Enron Corp., and Shell Overseas Trading Limited.	December 13, 1999 and August 11, 2000 (amendment)
7.	Quota Escrow Agreement ( <i>Contrato Fiduciário de Quotas</i> )	GasMat Holdings, GasMat Investments, GasMat, Interjuris Ltda., OPIC, KfW, Banco Citibank S.A., Citibank, N.A., Bolivia, Citibank, N.A., Enron Corp., and Shell Overseas Trading Limited.	December 13, 1999
8.	Amendment to the Articles of	GasMat Holdings, GasMat Investments, Interjuris, Enron do Brazil Holdings	

	Association of GasMat	Ltd., and Shell Cuiabá Holdings Ltd.	
<b>II. <u>Promise to Grant Security Agreements</u></b>			
9.	EPE Promise to Grant Security Agreement ( <i>Contrato de Promessa de Prestação de Garantia</i> )	EPE, OPIC, KfW, Banco Citibank S.A., Citibank, N.A., Bolivia, Citibank, N.A., Enron Corp., and Shell Overseas Trading Limited.	August 11, 2000
10.	GasMat Promise to Grant Security Agreement ( <i>Contrato de Promessa de Prestação de Garantia</i> )	GasMat, OPIC, KfW, Banco Citibank S.A., Citibank, N.A., Bolivia, Citibank, N.A., Enron Corp., and Shell Overseas Trading Limited.	August 11, 2000
<b>III. <u>Security on Real Estate</u></b>			
11.	EPE Public Instrument of Mortgage ( <i>Hipoteca</i> ) and 1 <sup>st</sup> Amendment	EPE, OPIC, KfW, Banco Citibank S.A., Citibank, N.A., Bolivia, Citibank, N.A., Enron Corp., Shell and Transredes	December 13, 1999 and August 21, 2000 (amendment)
12.	GasMat Public Instrument of Mortgage ( <i>Hipoteca</i> ) and 1 <sup>st</sup> Amendment	GasMat, OPIC, KfW, Banco Citibank S.A., Citibank, N.A., Bolivia, Citibank, N.A., Enron Corp., and Shell Overseas Trading Limited.	December 13, 1999 and August 21, 2000 (amendment)
<b>IV. <u>Security on Movable Assets</u></b>			
13.	EPE Pledge of Assets Agreement ( <i>Contrato de Penhor de Ativos</i> ) and 1 <sup>st</sup> Amendment	EPE, OPIC, KfW, Banco Citibank S.A., Citibank, N.A., Bolivia, Citibank, N.A., Enron Corp., and Shell Overseas Trading Limited.	December 21, 1999 and August 11, 2000 (amendment)
14.	EPE Deposit Agreement ( <i>Contrato de Depósito</i> ) and 1 <sup>st</sup> Amendment	EPE, OPIC, KfW, Banco Citibank S.A., Citibank, N.A., Bolivia, Citibank, N.A., Enron Corp., and Shell Overseas Trading Limited.	December 21, 1999 and August 11, 2000 (amendment)
15.	GasMat Pledge of Assets Agreement ( <i>Contrato de Penhor de Ativos</i> ) and 1 <sup>st</sup> Amendment	GasMat, OPIC, KfW, Banco Citibank S.A., Citibank, N.A., Bolivia, Citibank, N.A., Enron Corp., and Shell Overseas Trading Limited.	December 21, 1999 and August 11, 2000 (amendment)
16.	GasMat Deposit Agreement ( <i>Contrato de Depósito</i> )	GasMat, OPIC, KfW, Banco Citibank S.A., Citibank, N.A., Bolivia, Citibank, N.A., Enron Corp., and Shell Overseas Trading Limited.	December 21, 1999
<b>V. <u>Security on Rights/Contracts</u></b>			
17.	EPE Conditional Assignment of Rights Agreement (Administrative Law)	EPE, OPIC, KfW, Banco Citibank S.A., Citibank, N.A., Bolivia, Citibank, N.A.	December 21, 1999 and August 11, 2000 (amendment)

	<i>(Contrato de Cessão Condicional de Direitos (Direito Administrativo))</i> and 1 <sup>st</sup> Amendment		
18.	GasMat Conditional Assignment of Rights Agreement (Administrative Law) ( <i>Contrato de Cessão Condicional de Direitos (Direito Administrativo)</i> ) and 1 <sup>st</sup> Amendment	GasMat, OPIC, KfW, Banco Citibank S.A., Citibank, N.A., Bolivia, Citibank, N.A.	December 21, 1999 and August 11, 2000 (amendment)
19.	EPE Conditional Assignment of Contracts Agreement ( <i>Instrumento de Cessão Condicional de Contratos em Garantia</i> ) and 1 <sup>st</sup> Amendment	EPE, OPIC, KfW, Banco Citibank S.A., Citibank, N.A., Bolivia, Citibank, N.A.	December 21, 1999 and August 11, 2000 (amendment)
20.	GasMat Conditional Assignment of Contracts Agreement ( <i>Instrumento de Cessão Condicional de Contratos em Garantia</i> ) and 1 <sup>st</sup> Amendment	GasMat, OPIC, KfW, Banco Citibank S.A., Citibank, N.A., Bolivia, Citibank, N.A.	December 21, 1999 and August 11, 2000 (amendment)
21.	EPE Generation Conditional Assignment of Contracts Agreement ( <i>Instrumento de Cessão Condicional de Contratos em Garantia</i> )	EPE Generation, OPIC, KfW, Banco Citibank S.A., Citibank, N.A., Bolivia, Citibank, N.A., Enron Corp., and Shell.	August 11, 2000
22.	EPE Rights Pledge Agreement ( <i>Contrato de Caução de Direitos Creditórios</i> )	EPE, OPIC, KfW, Banco Citibank S.A., Citibank, N.A., Bolivia, Citibank, N.A.	August 11, 2000
23.	GasMat Rights Pledge Agreement ( <i>Contrato de Caução de Direitos Creditórios</i> )	GasMat, OPIC, KfW, Banco Citibank S.A., Citibank, N.A., Bolivia, Citibank, N.A.	August 11, 2000
24.	Enron South America L.L.C. (TBS Shareholder) Rights Pledge Agreement ( <i>Contrato de Caução de Direitos Creditórios</i> )	Enron South America L.L.C., OPIC, KfW, Banco Citibank S.A., Citibank, N.A., Bolivia, Citibank, N.A.	August 11, 2000
25.	SCHL (TBS Shareholder) Rights Pledge Agreement ( <i>Contrato de Caução de</i>	Shell Cuiabá Holdings Ltd., OPIC, KfW, Banco Citibank S.A., Citibank, N.A., Bolivia, Citibank, N.A.	August 11, 2000

	<i>Direitos Creditórios</i> )		
26.	Pledge of Quotas Agreement (GasBol) and 1 <sup>st</sup> Amendment	Enron International Bolivia Holdings Ltd., Shell Gas (Latin America) B.V., OPIC, KfW, Citibank S.A., Citibank N.A. Bolivia, Citibank N.A., Enron Corp, Shell Overseas Trading Limited.	December 8, 1999 August 23, 2000 (amendment)
27.	Pledge of Assets and other Rights Agreement (GasBol) and 1 <sup>st</sup> Amendment	GasBol, OPIC, KfW, Citibank S.A., Citibank N.A. Bolivia, Citibank N.A., Enron Corp., Shell Overseas Trading Limited.	December 8, 1999 August 23, 2000 (amendment)
28.	Conditional Assignment Contract	GasBol, OPIC, KfW, Citibank N.A. Bolivia.	December 8, 1999
29.	Promise to add assets to pledge contracts.	GasBol, OPIC, KfW, Citibank N.A., Banco Citibank S.A., Citibank N.A. Bolivia, Enron Corp. Shell Overseas Trading Limited.	December 8, 1999

## EXHIBIT "B"

### To the TERMINATION AND RELEASE AGREEMENT

#### Powers of Attorney.

Set forth below are the powers of attorney to be revoked pursuant to Section 4.4 of the Agreement.

1.	Irrevocable Power of Attorney with powers for Banco Citibank S.A. to transfer the quotas upon event of default	Granted by EPE Holdings to Banco Citibank S.A.
2.	Irrevocable Power of Attorney with powers for Banco Citibank S.A. to transfer the quotas upon event of default	Granted by EPE Investments to Banco Citibank S.A.
3.	Irrevocable Power of Attorney re transfer of quotas upon event of default	Granted by GasMat Holdings to Banco Citibank S.A.
4.	Irrevocable Power of Attorney re transfer of quotas upon event of default	Granted by GasMat Investments to Banco Citibank S.A.
5.	Irrevocable power of attorney re foreclose of assets.	Granted by EPE to Banco Citibank S.A.
6.	Irrevocable power of attorney re foreclose of assets.	Granted by GasMat to Banco Citibank S.A.
7.	Irrevocable Power of Attorney to foreclose on accounts of GasMat.	Granted by GasMat to Banco Citibank S.A.
8.	Irrevocable Power of Attorney to foreclose on accounts of EPE.	Granted by EPE to Banco Citibank S.A.
9.	Irrevocable Power of Attorney to foreclose on accounts of Enron South America L.L.C.	Granted by Enron South America L.L.C. to Banco Citibank S.A.
10.	Irrevocable Power of Attorney to foreclose on accounts of SCHL.	Granted by SCHL to Banco Citibank S.A.
11.	Irrevocable Power of Attorney for appointment of CT Corporation under Brazilian laws.	Granted by EPE
12.	Irrevocable Power of Attorney for appointment of CT Corporation under Brazilian laws. GasMat	Granted by GasMat
13.	Irrevocable Power of Attorney for appointment of CT Corporation under Brazilian laws	Granted by EPE Holdings
14.	Irrevocable Power of Attorney for appointment of CT Corporation under Brazilian laws.	Granted by EPE Investments
15.	Irrevocable Power of Attorney for appointment of CT Corporation under Brazilian laws.	Granted by GasMat Holdings

16.	Irrevocable Power of Attorney for appointment of CT Corporation under Brazilian laws.	Granted by GasMat Investments
17.	Irrevocable Power of Attorney for appointment of CT Corporation under Brazilian laws.	Granted by Enron South America L.L.C.
18.	Irrevocable Power of Attorney for appointment of CT Corporation under Brazilian laws.	Granted by SCHL
19.	Ratification of Powers related to the transfer of the Golden Quotas.	Granted by EPE Holdings
20.	Ratification of Powers related to the transfer of the Golden Quotas.	Granted by EPE Investments
21.	Ratification of Powers related to the transfer of the Golden Quotas.	Granted by GasMat Holdings
22.	Ratification of Powers related to the transfer of the Golden Quotas.	Granted by GasMat Investments