LIMITED LIABILITY COMPANY AGREEMENT

OF

MC ASSET RECOVERY, LLC

Dated January 3, 2006

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MC ASSET RECOVERY, LLC

This Limited Liability Company Agreement (herein called the "Agreement"), of MC Asset Recovery, LLC (the "Company"), dated as of January 3, 2006, is executed and agreed to, for good and valuable consideration, by Mirant Corporation (the "Member").

RECITALS

WHEREAS, the Company was formed on December 30, 2005 pursuant to the Act;

WHEREAS, pursuant to the Plan and the Confirmation Order, the Company has been designated as a representative of the Debtors and their Estates under Sections 1123(a)(5), (a)(7) and (b)(3)(B) of the Bankruptcy Code, and has the rights and powers of the Debtors under Section 1107 of the Bankruptcy Code with respect to the Designated Avoidance Actions in their possession;

WHEREAS, the Company was formed to prosecute, settle and/or liquidate the Designated Avoidance Actions in such a manner so as to maximize the proceeds therefrom and to have sole power and control over the manner in which the Designated Avoidance Actions are prosecuted, settled or otherwise liquidated, including, without limitation, the selection of professionals and the terms on which such professionals may be retained;

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties hereto do hereby mutually covenant and agree as follows:

ARTICLE I

DEFINITIONS

1.1 Definitions. As used in this Agreement, the following terms have the following meanings:

"Act" means the Delaware Limited Liability Company Act and any successor statute, as amended and recodified from time to time.

"Additional Contributions" has the meaning given that term in Section 4.2(a).

"Affiliate" means with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, such Person; provided, that for the purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by" and "under common control with"), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise. An Affiliate of any Person shall also include (i) any Person that directly or indirectly

owns more than five percent (5%) of any class of capital stock or other equity interest of such Person, (ii) any officer, director, trustee or beneficiary of such Person, (iii) any spouse, parent, sibling or descendant of any Person described in clauses (i) and (ii) above, and (iv) any trust for the benefit of any Person described in clauses (i) through (iii) above or for any spouse, issue or lineal descendant of any Person described in clauses (i) through (iii) above.

"Agreement" means this Limited Liability Company Agreement of the Company.

"Board of Managers" means the board of managers of the Company consisting of three Managers having the authority set forth in Article VI.

"Business Day" means any day other than a Saturday, a Sunday, or a holiday on which national banking associations in the State of Delaware or the State of New York are closed.

"Capital Contributions" means the Initial Contribution Amount and all Additional Contributions.

"Certificate" has the meaning given that term in Section 2.1.

"Company" means MC Asset Recovery, LLC, a Delaware limited liability company.

"Confirmation Order" means the Order Confirming the Amended and Restated Second Amended Joint Chapter 11 Plan of Reorganization for Mirant Corporation and its Affiliated Debtors, entered December 9, 2005.

"Contingency Fee Arrangements" mean reasonable contingency fee arrangements entered into by the Company with attorneys, consultants and other independent contractors in connection with the prosecution of the Designated Avoidance Actions the terms of which have been disclosed in writing to the Member.

"Covered Expenses" shall mean the following reasonable documented expenses (by presentation of an invoice therefore) that are owing to a third party: (i) Professional Fees and (ii) reasonable costs and professional expenses incurred in connection with Designated Avoidance Actions, including, without limitation, expert fees, (iii) fees and expenses of Managers under Section 6.11, and (iv) subject to the limitations set forth in Section 6.9(b), the Company's reasonable overhead costs, including without limitation, costs of directors' and officers' liability insurance for the Managers; provided, that Covered Expenses shall not include any amounts owing to a Manager or any officer, director, employee, attorney or agent of the Company in accordance with Article VII.

"DGCL" means the General Corporation Law of the State of Delaware and any successor statute, as amended from time to time.

"Holders" means, as the context requires, either or both of the holders of the Allowed Mirant Debtor Class 3—Unsecured Claims or holders of the Allowed Mirant Debtor Class 5—Equity Interests under the Plan.

"Initial Contribution Amount" has the meaning given that term in Section 4.1(a).

"Manager" means each of the managers of the Company having the authority set forth in Article VI. The names and addresses of the initial Managers are set fort on Exhibit B attached hereto; the Company will promptly notify the Member of the names and addresses of any new Manager appointed to the Board of Managers.

"Member" shall have the meaning set forth in the first paragraph of this Agreement.

"Member Federal Return" means a federal income tax return of the Member (or a consolidated federal income tax return that includes the Member).

"Membership Interest" means the interest of a Member in the Company, including, without limitation, rights to distributions (liquidating or otherwise), allocations, information, and to consent or approve actions by the Company.

"Net Recovered Amount" means the total amount recovered in respect of Designated Avoidance Actions, after payment of any amounts due under the Contingency Fee Arrangements from the proceeds, and as reduced by (i) any Covered Expenses that have been incurred but have not previously been funded by Additional Contributions and (ii) any amounts owing to a Manager or any officer, director, employee, attorney or agent of the Company in accordance with Article VII.

"Person" has the meaning given that term in Section 18-101(12) of the Act.

"Permitted Transfer" means any transfer (i) pursuant to any testamentary disposition or by laws of descent and distribution, (ii) pursuant to a qualified domestic relations order in connection with a divorce proceeding, (iii) to a personal representative appointed by court order in respect of an incompetent or incapacitated individual or (iv) pursuant to a final liquidating distribution of an organization or entity, or by operation of law through a merger in which the Holder is a constituent entity and not the surviving entity in the merger, provided that the merger is not entered into for the purpose of Transferring such beneficial interest.

"Plan" means the Amended and Restated Second Amended Joint Chapter 11 Plan of Reorganization for Mirant Corporation and its Affiliated Debtors dated December 9, 2005.

"Professional Fees" shall mean reasonable professional fees of attorneys, consultants and other independent contractors (but not expenses, costs or expert fees) incurred in connection with the prosecution of the Designated Avoidance Actions.

"Transfer" means sell, transfer, assign or otherwise dispose of, including any pledge or hypothecation.

Other terms defined herein have the meanings so given them. Capitalized terms used in this Agreement and not otherwise defined herein shall have the respective meanings set forth in the Plan.

1.2 Construction. Whenever the context requires, the gender of all words used in this Agreement includes the masculine, feminine, and neuter and the terms shall include both the singular and plural forms of the terms. Unless otherwise noted, all references to articles and

sections refer to articles and sections of this Agreement, and all references to Exhibits are to exhibits attached hereto, each of which is made a part hereof for all purposes.

ARTICLE II

ORGANIZATION

2.1 Formation. The Company has been organized as a Delaware limited liability company by the filing of Certificate of Formation (the "Certificate") under and pursuant to the Act and the issuance of a certificate of organization for the Company by the Secretary of State of Delaware.

2.2 Name. The name of the Company is MC Asset Recovery, LLC, and all Company business must be conducted in that name or such other names that comply with applicable law as the Board of Managers may select from time to time, with the prior approval of the Member.

2.3 Registered Office; Registered Agent; Principal Office in the United States; Other Offices. The registered office of the Company required by the Act to be maintained in the State of Delaware shall be the office of the initial registered agent named in the Certificate or such other office (which need not be a place of business of the Company) as the Board of Managers may designate from time to time in the manner provided by law. The principal office of the Company in the United States shall be at such place as the Board of Managers may designate from time to time, which need not be in the State of Delaware, and the Company shall maintain records there as required by the Act and shall keep the street address of such principal office at the registered office of the Company in the State of Delaware. The Company may have such other offices as the Board of Managers may designate from time to time.

2.4 Purposes. The Company is organized to (i) prosecute, settle and/or liquidate the Designated Avoidance Actions as a representative of the Debtors and their Estates under Sections 1123(a)(5), (a)(7) and (b)(3)(B) of the Bankruptcy Code, in such a manner so as to maximize the proceeds therefrom, (ii) exercise all rights and powers of a debtor-in-possession under Section 1107 of the Bankruptcy Code with respect to the Designated Avoidance Actions and (iii) to exercise the powers and privileges consistent with the foregoing purposes. Subject to the limitations contained in this Agreement, the Company has sole power and control over the manner in which the Designated Avoidance Actions are prosecuted, settled or otherwise liquidated, including, without limitation, the selection of professionals and the terms on which such professionals may be retained (which may include Contingency Fee Arrangements). In addition, the Company may, and at the request of the Member shall, act as agent for the Member to distribute any Designated Net Litigation Distributions in accordance with the Plan. Neither the Member nor the Board of Managers shall have the right to change the character of the business of the Company from that set forth in this Section 2.4 or have the Company engage in any activity inconsistent with those described herein.

2.5 Foreign Qualification. If the activities of the Company constitute the conduct of business in any jurisdiction other than Delaware, the Board of Managers shall have the authority to cause the Company to comply, to the extent procedures are available and those matters are

reasonably within the control of the Board of Managers, with all requirements necessary to qualify the Company as a foreign limited liability company in that jurisdiction.

2.6 Term. The Company commenced on the date the Secretary of State of Delaware issued a certificate of organization for the Company and shall continue in existence through and until the termination of the Company in accordance with the provisions herein stated.

2.7 No State-Law Partnership. The Member intends that the Company not be a partnership (including, without limitation, a limited partnership) or joint venture, and that no Member be a partner or joint venturer of any other Member, for any purposes other than federal and state tax purposes, and this Agreement may not be construed to suggest otherwise.

ARTICLE III

MEMBERSHIP

3.1 Sole Member. The Member is hereby admitted to the Company as the sole Member of the Company effective contemporaneously with the execution by such Person of this Agreement. Subject to the ability of the Member to transfer its membership interests as set forth in Section 3.2 below, the Member shall not withdraw from the Company.

3.2 Transferability. The Membership Interest of the Member shall not be transferable (including by way of pledge or hypothecation) without the consent of the Board of Managers (which may be withheld in the sole and absolute discretion of the Board of Managers); provided, however, a Membership Interest shall be transferable to the extent a transfer would not reduce the amount of Designated Net Litigation Distributions (including, without limitation, by increasing Adverse Tax Consequences).

3.3 Limitation on Liability. (a) The Member and its Affiliates (other than the Company) and their respective officers, directors, employees, agents and other representatives shall have no duty, obligation or liability to the Managers or any officer, employee or other representative of the Company. The Member and its Affiliates (other than the Company) and their respective officers, directors, employees, agents and other representatives shall have no duty, obligation or liability to the Company, other than as expressly set forth in this Agreement. None of the Member and its Affiliates (other than the Company) and their respective directors, officers, employees, agents and representatives shall be liable for the debts, obligations, or liabilities of the Company or its Managers, officers, employees, agents or other representatives, including under a judgment decree or order of a court, and the Member shall not be required to contribute any cash or property to the Company to eliminate a deficit balance in such Member's capital account; provided, that the foregoing provision shall not limit the Member's obligation to make Capital Contributions as provided in Sections 4.1 and 4.2 herein. The Company and its Managers confirm that the Member has no fiduciary duties to them, and, to the fullest extent permitted by applicable law, expressly waive any fiduciary duty that the Member may owe to them under applicable law or otherwise.

None of the Member and its Affiliates (other than the Company), and their respective directors, officers, employees, agents and representatives shall have any duty or

liability to any Person for the acts or omissions of the Company, its Managers, directors, officers, employees, agents and representative (including Professionals and experts) or the outcome of any Designated Avoidance Action. Notwithstanding anything in this Agreement to the contrary, the Company shall indemnify the Member and hold the Member harmless from and against any and all losses, claims, damages, judgments, liabilities, obligations, penalties, settlements and reasonable expenses (including legal fees and expenses) arising from or related to any debt, obligation or liability of the Company or its Managers, directors, officers, employees, agents and representatives (including Professionals and experts). Notwithstanding anything in this Agreement to the contrary, the Company's indemnity obligation hereunder shall not be funded by means of any Capital Contributions, but instead shall be funded by application of the proceeds of any Designated Avoidance Actions.

(b) The Member and its Affiliates (other than the Company) and their respective directors, officers, employees, agents and representatives, shall have no obligation to indemnify or hold harmless any Manager, director, officer, employee, agent or other representative of the Company (including Professionals and experts) with respect to any liabilities, obligations, damages, costs or expenses arising out of or related to such Person's service as a Manager, director, officer, employee, agent or other representative of the Company or, at the request of the Company, any other Person. Each Manager, director, officer or employee of the Company shall execute an acknowledgement and waiver in the form attached hereto as Exhibit C in connection with such Person's appointment as a Manager, director, officer or employee of the Company. The initial Managers shall execute such acknowledgement and waiver no later than thirty (30) days after the date of this Agreement. All other Managers, directors, officers or employees shall execute such waiver and acknowledgement prior to their appointment or election to such position.

(c) Except as otherwise provided in this Agreement or as may be specifically agreed in writing between the Member and the Company, the Member has no authority or power to incur any expenditures on behalf of the Company or to act for or on behalf of, or bind the Company in any way. The Member confirms that the Managers have no fiduciary duties to it, and, to the fullest extent permitted by applicable law, expressly waives any fiduciary duty that any Manager may owe to the Member under applicable law or otherwise.

3.4 Rights to Information. The Member shall have the right to receive from the Company upon request a copy of the Certificate and of this Agreement, as in effect from time to time, and such other information regarding the Company as it may reasonably request.

ARTICLE IV

CAPITAL CONTRIBUTIONS AND RELATED COVENANTS

4.1 Initial Contributions.

(a) The Member has made the cash Capital Contributions described in Exhibit A (the "Initial Contribution Amount"), which shall be used solely to pay the Covered Expenses and shall not be used for any other purpose.

(b) In accordance with Section 10.13 of the Plan, the Member hereby irrevocably assigns and transfers to the Company all of its right, title and interest in and to the Designated Avoidance Actions, free and clear of all liens, claims, interests, pledges or other encumbrances and the Member shall not be entitled to retain any amounts received on account of any of the Designated Avoidance Actions, except as provided in this Agreement. Notwithstanding the foregoing, it is acknowledged that the Member is a Holder and has not contributed its interest as a Holder to the Company as a Capital Contribution and nothing in this Section shall limit the Member's right to participate in recoveries from the Designated Avoidance Actions as a Holder. Upon written request by the Company, the Member will direct its outside counsel promptly to provide the Company with complete copies of litigation files relating to a Designated Avoidance Action. Notwithstanding the foregoing, the Member has no obligation to provide (or direct any counsel to provide) access or availability to information that is privileged or subject to confidentiality restrictions except pursuant to either (x) an agreement that is mutually acceptable to the Company and the Member that provides reasonable protection with respect to any such privileged or confidential information, taking into account the relationship created between the Member and the Company under the Plan and Confirmation Order, or (y) an order of the Bankruptcy Court.

4.2 Additional Contributions. (a) At the request of the Board of Managers, the Member shall make additional Capital Contributions to the Company to fund Covered Expenses (the "Additional Contributions"); provided, that the aggregate amount contributed by the Member for Professional Fees shall not exceed twenty million ($20,000,000) dollars. In no event shall the Member be required to make a contribution to the Company for any purpose other than to fund Covered Expenses. Payments due professionals acting under Contingency Fee Arrangements from proceeds of the Designated Avoidance Actions shall not be a basis for Additional Contributions, and shall not count against the twenty million ($20,000,000) dollar limit on the Member's obligation to make Additional Contributions for Professional Fees. Each time the Board of Managers requests an Additional Contribution, a written notice shall be delivered (and the Managers are authorized to deliver) to the general counsel of the Member executed by any Manager certifying that the Board of Managers has duly authorized such request and that such request is in conformity with this Agreement and the Plan and specifying (i) the aggregate amount of such Additional Contribution, (ii) the date by which such Additional Contributions is required to be funded, which date shall not be less than ten (10) Business Days after the date of such written notice and (iii) providing reasonable documentation evidencing the Covered Expenses incurred by the Company that are the basis for the Capital Contributions. At any time that the Company maintains a reserve for Covered Expenses in accordance with Section 5.2, the Company shall not request, and the Member shall have no obligation to make, any Capital Contribution except with respect to Covered Expenses that exceed any such reserve. The Member and the Company agree that any Additional Contribution shall be used to pay the Covered Expenses set forth in the written notice and not for any other purpose.

(b) Notwithstanding anything to the contrary contained in this Agreement, the Member shall have no obligation to provide Additional Contributions to fund any indemnity obligation of the Company to (i) the Member or its Affiliates or their respective directors, officers, employees, agents and representatives or (ii) any Manager, director, officer , employee, agent or representative of the Company and its Affiliates. The Company shall not use any Capital Contribution for the purposes described in the preceding sentence. The indemnification

obligations referred to in this Agreement shall only be funded by any directors' and officers' insurance policy maintained by the Company and from the proceeds of the Designated Avoidance Actions.

4.3 Litigation Support. The Member shall reasonably cooperate with the Company and its counsel in the pursuit, prosecution or settlement of the Designated Avoidance Actions including, without limitation, providing the Company and its counsel and their representatives reasonable access during normal business hours to (i) the master document depositary maintained by the Member, (ii) the Member's employees and (iii) the Member's books, documents and records, in each case to the extent reasonably related to the Designated Avoidance Actions. Notwithstanding the foregoing, the Member has no obligation to provide access or availability to information that is privileged or subject to confidentiality restrictions except pursuant to either (x) an agreement that is mutually acceptable to the Company and the Member that provides reasonable protection with respect to any such privileged or confidential information, taking into account the relationship created between the Member and the Company under the Plan and Confirmation Order, or (y) an order of the Bankruptcy Court.

4.4 No Company Control in Member Litigation. The Company and the Member acknowledge and agree that the Company shall not control or seek to control any lawsuit or cause of action prosecuted by the Member or its other Affiliates (other than the Company).

4.5 No Member Control of Designated Avoidance Actions. The Company and the Member acknowledge and agree that except as to the Member's rights and obligations set forth in this Agreement, the Member shall not control or seek to control any Designated Avoidance Action contributed to the Company pursuant to Section 4.1. Notwithstanding the foregoing, the Member and the Company agree that they have a common interest in the prosecution of the Designated Avoidance Actions and as they will be engaged in a common endeavor thereto, may enter into such agreements as are appropriate to preserve as to third parties any applicable privilege. The Company shall use its reasonable efforts to minimize the tax impact on the Member of any settlement of a Designated Avoidance Action, but is not required to limit any recovery from any Designated Avoidance Action to do so.

ARTICLE V

ALLOCATIONS AND DISTRIBUTIONS

5.1 Allocations. All items of income, gain, loss, deduction, and credit of the Company shall be allocated to the Member.

5.2 Distributions.

(a) Upon any recovery (whether full or partial) in respect of Designated Avoidance Actions, the Company shall distribute within ten (10) business days of receipt of such proceeds the Net Recovered Amount with any income earned thereon. The Member shall apply such distributions as follows within twenty (20) business days of receipt of such proceeds:

(i) the Member may apply such distribution to the extent necessary as reimbursement of any Capital Contributions that have not previously been reimbursed;

(ii) the Member may apply such distribution to (A) any unpaid indemnity obligations to Member and its Affiliates (other than the Company) and their respective officers, directors, employees, agents and other representatives or (B) the payment of any other reasonable documented (by presentation of an invoice therefor) fees and expenses owing to third parties and incurred in connection with the Designated Avoidance Actions;

(iii) the Member may apply such distribution to the extent necessary to cover Adverse Tax Consequences (as defined in Section 10.13 of the Plan), if any, triggered by Aggregate Designated Net Litigation Distributions over one hundred seventy-five million ($175,000,000) dollars, subject to satisfying the following requirements:

(1) the Member shall deposit any such amounts into a separate interest-bearing escrow account pursuant to an escrow agreement mutually acceptable to the Company and the Member (such amounts in the escrow account being the "Tax Escrow"), but providing that funds may be released by the escrow agent (A) in accordance with a written direction executed by both the Company and the Member, (B) pursuant to an order of the Bankruptcy Court or any determination that is final and binding on the Internal Revenue Service, in each case making a determination that resolves the amount of taxes owed with respect to the recovery related to the Designated Avoidance Actions (C) upon presentation of a certificate executed by an officer of the Member certifying that the amount noticed in such certificate is an amount payable in cash by the Member in connection with any Adverse Tax Consequences (as defined in Section 10.13 of the Plan) triggered by Aggregate Designated Net Litigation Distributions over one hundred seventy-five million ($175,000,000) dollars or (D) upon presentation of a certificate executed by an officer of the Member certifying that a Notice of Objection has not been delivered within the sixty (60) day period referred to in Section 5.2(c); and

(2) the Member shall deliver to the Company a statement setting forth in reasonable detail (including the calculation of the amount), the fees and expenses described in Section 5.2 (a)(ii) above and the basis for application of the distribution in satisfaction of Adverse Tax Consequences triggered by Aggregate Designated Net Litigation Distributions over one hundred seventy-five million ($175,000,000) dollars (the "Treatment of Distributions").

(b) Notwithstanding Section 5.2(a), if the conditions set forth below in this Section 5.2(b) have been satisfied, the Board of Managers may in its sole discretion elect to (but is not required to) retain and not distribute a reasonable portion of the Net Recovered Amount related directly to the payment of (i) Professional Fees and (ii) reasonable costs and professional expenses incurred in connection with Designated Avoidance Actions, including, without limitation, expert fees, (iii) fees and expenses of Managers under Section 6.11, and (iv) subject to the limitations set forth in Section 6.9(b), the Company's reasonable overhead costs, including without limitation, costs of directors' and officers' liability insurance for the Managers and the indemnification of any Manager and the officers, directors, employees, attorneys and agents of the Company pursuant to this Agreement. While any such reserve exists, it shall be used to pay Covered Expenses and the indemnification obligations of the Company pursuant to Article VII. The conditions that must be satisfied before the Company may retain any Net Recovered Amount shall be the following: (x) the Company has made distributions to the Member in an aggregate amount at least equal to the total Capital Contributions made by the Member to date; and (y) the Company shall not have received any written notice from the Member that amounts, in addition to any Tax Escrow, are necessary to offset any Adverse Tax Consequences.

(c) The Company shall, within ten (10) business days of receipt of any recovery (whether full or partial) in respect of Designated Avoidance Actions, prepare and deliver to the Member a statement detailing the amount of such recovery and setting forth in reasonable detail the amount of any such proceeds not being distributed to the Member as amounts due under the Contingency Fee Arrangements from the proceeds, Covered Expenses that have been incurred but have not previously been funded by Additional Contributions and any amount to be reserved by the Company, if any, including amounts related to any indemnification obligation of the Company (the "Expense Statement"). The Company shall hold in reserve and not make any payment to any third party in respect of expenses included in the Expense Statement (other than payments pursuant to any Contingency Fee Arrangements) until at least sixty (60) days following delivery of the Expense Statement to the Member. If the Member objects in writing within such sixty (60) day period to any item on the Expense Statement, setting forth the basis of such objection, the Company shall deposit any such disputed amounts into a separate interest-bearing escrow account pursuant to an escrow agreement mutually acceptable to the Company and the Member (such amounts in the escrow account being the "Expense Escrow"), but providing that funds may be released by the escrow agent (A) in accordance with a written direction executed by both the Company and the Member or (B) pursuant to a court order. The Company and the Member shall promptly endeavor in good faith for at least sixty (60) days to agree on the treatment of the disputed items on the Expense Statement. Upon the expiration of such sixty (60) day period, either party may seek an order from the Bankruptcy Court resolving such dispute.

(d) With respect to amounts distributed to the Member pursuant to Section 5.2(a), and not applied by the Member in accordance with clauses (i) through (iii) of Section 5.2(a), the Member shall within twenty (20) business days distribute such Designated Net Litigation Distributions in accordance with Section 10.13 of the Plan.

(e) If the Company does not object to the Treatment of Distributions by written notice of objection delivered to the Member within sixty (60) days after the Company's receipt of the Treatment of Distributions, describing in reasonable detail the basis of the

Company's objections to the Treatment of Distributions (a "Notice of Objection"), the Treatment of Distributions shall be final and binding on the Company. If the Company delivers a Notice of Objection to the Member, then the parties shall promptly endeavor in good faith for at least sixty (60) days to agree on the treatment of distributions. Upon the expiration of such sixty (60) day period, either party may seek an order from the Bankruptcy Court, resolving such dispute.

(f) Prior to delivering any certificate to the escrow agent in accordance with Section 5.2(a)(iii)(1)(C), the Member shall deliver to the Company a statement setting forth in reasonable detail (including the calculation of the amount), the basis for the cash payments with respect to Adverse Tax Consequences referred to in such Section (the "Cash Withdrawal Statement"). If the Company does not deliver to the Member a Notice of Objection to the Cash Withdrawal Statement within sixty (60) days after the Company's receipt of the Cash Withdrawal Statement, describing in reasonable detail the basis of the Company's objections to the Cash Withdrawal Statement, the Cash Withdrawal Statement shall be final and binding on the Company. If the Company delivers a Notice of Objection to the Member, then the parties shall promptly endeavor in good faith for at least sixty (60) days to agree on the treatment of distributions. Upon the expiration of such sixty (60) day period, either party may seek an order from the Bankruptcy Court, resolving the Notice of Objection to the Cash Withdrawal Statement unless the basis of the Notice of Objection is that a request has been made or proceedings are pending seeking an order or determination described in Section 5.2(a)(iii)(1)(B), in which case, the Notice of Objection shall be held in abeyance pending such order or determination described in Section 5.2(a)(iii)(1)(B).

(g) Upon final resolution of the Treatment of Distributions or the Cash Withdrawal Statement by failure to object within the sixty (60) day period, agreement between the parties, resolution by the Bankruptcy Court, or order or determination described in Section 5.2(a)(iii)(1)(B), then the amounts subject to such Treatment of Distributions or the Cash Withdrawal Statement shall be applied and treated by the Member in accordance with such resolution and, in the case of a resolution of the Cash Withdrawal Statement, the Member shall restore to the Tax Escrow such amounts, if any, as are determined or indicated by such resolution, whether or not the Member has requested or obtained a refund of such amounts from the Internal Revenue Service or other taxing authority. For the avoidance of doubt, in the event of an order or resolution described in Section 5.2(a)(iii)(1)(B) that has the effect of resolving a Notice of Objection to a Cash Withdrawal Statement, the Member shall restore to the Tax Escrow such amounts, if any, as are determined or indicated by such order or resolution, whether or not the Member has requested or obtained a refund of such amounts from the Internal Revenue Service or other taxing authority. With respect to the Member's obligation to restore funds to the Tax Escrow, if the Member has requested a refund from the Internal Revenue Service or other taxing authority, such restoration shall be deemed timely made if made within a reasonable time after resolution of such request for refund. The Member and the Company shall give such instructions to the escrow agent as are necessary or appropriate to give effect to the provisions of this Section 5.2(g).

(h) Any interest earned on amounts distributed from the Expense Escrow or the Tax Escrow shall be distributed pro rata in accordance with the distribution of funds in such escrow accounts as finally determined in accordance with this Section 5.2.

5.3 Tax Savings Provisions. In the event of a final "determination," within the meaning of Section 1313(a) of the Internal Revenue Code of 1986, as amended, that the Company is not a disregarded entity for federal income tax purposes and some or all income from the Company is not includable on a Member Federal Return, any amounts (i) distributed to or retained by the Member in respect of Adverse Tax Consequences shall be promptly paid to the Company and (ii) amounts that would have been paid to the Member absent the application of this Section 5.3 shall not be distributed to or retained by the Member in respect of Adverse Tax Consequences, but in each case ((i) and (ii)), solely to the extent that such amounts relate to income that is not includable on a Member Federal Return as a result of such final determination, and the amounts so paid to the Company by the Member shall be distributed (to the extent the Company is not required to pay such amounts to a taxing authority) first to Holders of Allowed Mirant Debtor Class 3 — Unsecured Claims until the total amount distributed to Holders of Allowed Mirant Debtor Class 3 — Unsecured Claims pursuant to Section 10.13 of the Plan and this Section 5.3 is equal to the total amount distributed to Holders of Allowed Mirant Debtor Class 5 — Equity Interests pursuant to Section 10.13 of the Plan and then shall be paid one-half to the Holders of Allowed Mirant Debtor Class 3 — Unsecured Claims and one-half to Holders of Allowed Mirant Debtor Class 5 — Equity Interests.

5.4 Transfer of Beneficial Interests. The Company shall not recognize and shall not permit Holders to Transfer their right to receive payments from the Company or the Member hereunder, except for Permitted Transfers.

ARTICLE VI

MANAGEMENT

6.1 Management. Subject to the provisions of the Act and any limitations in this Agreement as to action required to be authorized or approved by the Member or the Bankruptcy Court, the business and affairs of the Company shall be managed and all its powers shall be exercised by or under the direction of a Board of Managers (collectively, the "Managers").

6.2 Number and Tenure of Manager. The Company shall initially have a Board of Managers consisting of the three Managers. The initial three Managers shall execute and deliver to the Member the acknowledgement and waiver in the form attached as Exhibit C within thirty (30) days of their appointment. Subsequent Managers may only be appointed as such after first executing and delivering to the Member the acknowledgement and waiver in the form attached hereto as Exhibit C. A Manager may be removed upon an order from the Bankruptcy Court and only as a result of such Manager's willful misconduct or gross negligence with respect to the business of the Company.

6.3 Resignation or Vacancies of Board of Managers.

(a) Subject to Section 6.3(b), if any Manager resigns from or is otherwise unable to serve on the Board of Managers, the vacancy in the position of a Manager shall be promptly filled by the designation of a new Manager selected by a majority of the remaining Managers, even if there is only one.

(b) Notwithstanding anything contained in this Section 6.3 to the contrary, at any time there is an outstanding vacancy on the Board of Managers for any reason, a Manager may not be removed nor will a Manager's resignation become effective until a successor Manager has been appointed to fill such vacancy pursuant to this Section 6.3. Upon application of the Member, a Manager or a party in interest, the Bankruptcy Court may, subject to compliance with Section 6.2, fill an outstanding vacancy on the Board of Managers.

6.4 Majority Consent. Unless otherwise provided herein or by law, a majority vote of the Board of Managers shall be required to authorize or approve any actions of the Board of Managers; provided, that any action shall require the approval of at least two Managers, other than the filling of a vacancy which shall require the approval set forth in Section 6.3(a). Any action required or permitted to be taken at any meeting of the Board of Managers may be taken without a meeting if all the Managers consent thereto in writing.

6.5 Meetings of Managers. Meetings of the Board of Managers for any purpose or purposes may be called at any time by any Manager or by the Member. Notice of the time and place of meetings shall be delivered personally or by telephone to each Manager, or delivered by e-mail, or sent by first-class mail, courier service, or by facsimile transmission, charges prepaid, addressed to such Manager at his or her address as it appears in Exhibit B or, if it is not so shown, as it otherwise appears in the records of the Company, or if not shown in the records of the Company and is not readily ascertainable, at the place at which the meetings of the Board of Managers are regularly held. In case such notice is mailed, notice shall be deemed to be given when deposited in the United States mail first class in a sealed envelope, with postage thereon prepaid. In case such notice is delivered personally or by telephone as above provided, it shall be so delivered at least seventy-two (72) hours prior to the time of the holding of the meeting. Any notice given personally or by telephone may be communicated to either the Managers or to a person at the office of the Managers whom the person giving the notice has reason to believe will promptly communicate it to the Managers. Such deposit in the mail, delivery to a courier service, or delivery or personally, as above provided, shall be due, legal and personal notice to such Managers. The notice need not specify the purpose of the meeting.

6.6 Quorum; Participation in Meetings By Conference Telephone Permitted; Vote Required for Action.

(a) Except as hereinafter provided, presence of a majority of Managers at a meeting of the Board of Managers constitutes a quorum for the transaction of business.

(b) Each Manager shall have one (1) vote.

(c) Managers may participate in a meeting through use of conference telephone or similar communications equipment, so long as all Managers participating in such meeting can communicate with and hear one another.

(d) Every act or decision done or made by a vote required hereunder shall be regarded as the act of the Board of Managers.

(e) Subject to Section 6.3(b), any Manager may resign at any time and shall promptly deliver to the Company and the Member notice of such resignation.

6.7 Waiver of Notice; Consent to Meeting. Notice of a meeting need not be given to any Manager who signs a waiver of notice or a consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Manager. All such waivers, consents and approvals shall be filed with the Company's records and made a part of the minutes of the meeting.

6.8 Certain Powers of the Manager. Without limiting the provisions of Section 6.1 above, and subject to the limitations contained in this Agreement, the Board of Managers shall have the power and authority, without requiring the approval or consent of any Member, to do the following:

(a) to conduct, manage and control the business and affairs of the Company, including paying all administrative and operating expenses, and to make such rules and regulations therefore not inconsistent with law or this Agreement, as the Board of Managers shall deem to be in the best interest of the Company;

(b) to control and manage the prosecution, settlement, liquidation or abandonment of the Designated Avoidance Actions, including, without limitation, the selection of professionals and the terms on which such professionals may be retained (which may include Contingency Fee Arrangements);

(c) to give notices for Additional Contributions in accordance with Section 4.2 and to accept the Capital Contributions set forth herein;

(d) to make or cause to be made distributions in accordance with the terms of this Agreement;

(e) to purchase insurance, subject to the limitations set forth in Section 6.9(b), covering liabilities of the Managers or employees or agents of the Company incurred in connection with their services to the Company;

(f) to invest and reinvest any cash, subject to the limitations of Section 6.12, which is or becomes a part of the Company's assets, pending distribution to the Member, to liquidate such investments, and to maintain such bank accounts as may be necessary to do the same;

(g) to take or cause to be taken any and all other actions reasonably necessary or desirable to effectuate and carry out the purposes of this Agreement; and

(h) to engage in all acts that would constitute ordinary performance of the obligations of a Manager under this Agreement.

6.9 Major Decisions.

(a) Notwithstanding anything to the contrary contained in this Agreement, the following actions shall require approval of the Board of Managers, the Member and the Bankruptcy Court:

(i) the merger or consolidation of the Company with or into any other Person;

(ii) the filing of a bankruptcy or insolvency petition or other institution of insolvency proceedings with respect to the Company; or

(iii) except as permitted by Section 10.1, the dissolution or liquidation of the Company.

(b) Notwithstanding anything to the contrary contained in Agreement, unless otherwise first approved by the Bankruptcy Court, the following actions shall require prior approval of the Board of Managers and the Member:

(i) Except as otherwise provided under Section 6.12, the acquisition of or investment in any Person (whether by consolidation, merger or similar combination of the Company with or into such Person);

(ii) the sale, conveyance, transfer or other disposition (including by pledge, hypothecation or other encumbrance or lien), in one transaction or in a series of related transactions, by the Company of any material assets or property other than its right, title or interest in all or any part of the Designated Avoidance Actions;

(iii) the entry into by the Company any line of business other than the purpose of the Company set forth in Section 2.4;

(iv) any amendment to this Agreement;

(v) lending money, extending credit or making advances to any Person (except for advances for ordinary course business and travel expenses and settlements of Designated Avoidance Actions paid over time);

(vi) borrowing money (other than ordinary course accounts payable);

(vii) any transaction with any Affiliate (other than the Member) of any Manager (other than pursuant to the Plan);

(viii) the offer, sale or issuance of any securities;

(ix) taking any action that is inconsistent with the purposes of the Company set forth in Section 2.4;

(x) any (A) leasing of any real property or (B) incurring any employee expenses (including salary or benefits) or costs, obligations or liabilities;

(xi) the purchase of directors' and officers' liability insurance with an overall coverage in excess of twenty-five million ($25,000,000) dollars;

(xii) binding the Member or its Affiliates (other than the Company) or purporting to act to bind the Member or its Affiliates (other than the Company) in dealings with any Person; or

(xiii) taking actions that could result in a piercing of the separate corporate existence of the Company from the Member and its Affiliates.

6.10 Member and Managers Have No Exclusive Duty to the Company. No Manager shall be required to manage the Company as his, her or its sole and exclusive business occupation and the Member and Manager may have other business interests and may engage in other activities in addition to those relating to the Company, whether or not such activities compete with the business of the Company. Neither the Company nor any Member shall have any right, by virtue of this Agreement, to share or participate in such other investments or activities of any Manager or any Member or to the income or proceeds derived therefrom.

6.11 Compensation of Manager. Each Manager shall receive an annual fee of twenty five thousand ($25,000) dollars per year, plus a reasonable fee per meeting as determined by the Board of Managers. Each Manager shall also be reimbursed for reasonable documented travel and other reasonable expenses paid to third parties and incurred in connection with managing the Company.

6.12 Investment Powers. Any and all cash held by the Company pending distribution shall, to the extent permitted by applicable law, be invested by the Company in: (i) direct, short-term obligations of, or obligations guaranteed by the United States of America, in commercial paper obligations of issuers organized under the laws of a state of the United States of America, rated A-1 or P-1 or better by Moody's Investors Services, Inc. or Standard & Poor's Corporation, respectively, or in certificates of deposit, bank repurchase agreements or banker's acceptances of commercial banks with capital exceeding one billion ($1,000,000,000) dollars. All interest, distributions and dividends received by the Company in respect of such investments shall be a part of the Company's funds and distributed in accordance with the provisions of the Plan and this Agreement.

6.13 Officers.

(a) The Board of Managers may, from time to time, designate one or more Persons to be officers of the Company. No Person shall become an officer of the Company without first executing and delivering to the Member the acknowledgement and waiver attached hereto as Exhibit C. No officer need be a resident of the State of Delaware or a Member or a Manager. Any officers so designated shall have such authority and perform such duties as the Board of Managers may, from time to time, delegate to them. The Board of Managers may assign titles to particular officers. Unless the Board of Managers decides otherwise, if the title is one commonly used for officers of a corporation formed under the DGCL, the assignment of such title shall constitute the delegation to such officer of the authority and duties that are normally associated with that office, subject to any specific delegation of authority and duties made to such officer by the Board of Managers pursuant to the third sentence of this section. Each officer shall hold office until his successor shall be duly designated and shall qualify or until his death or until he shall resign or shall have been removed in the manner hereinafter

provided. Any number of offices may be held by the same Person. The salaries or other compensation, if any, of the officers and agents of the Company shall be fixed from time to time by the Board of Managers.

(b) Any officer may resign as such at any time. Such resignation shall be made in writing and shall take effect at the time specified therein, or if no time be specified, at the time of its receipt by the Board of Managers. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation. Any officer may be removed as such, either with or without cause, by the Board of Managers whenever in its judgment the best interests of the Company will be served thereby; provided, however, that such removal shall be without prejudice to the contract rights, if any, of the Person so removed. Designation of an officer shall not of itself create contract rights. Any vacancy occurring in any office of the Company may be filled by the Board of Managers.

ARTICLE VII

LIABILITY, EXCULPATION AND INDEMNIFICATION

7.1 Liability. Except as otherwise provided under the Act or other applicable law, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and neither any Manager, the Member, nor any officer, agent or representative of the Company shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Manager, Member, such officer, agent or representative.

7.2 Exculpation.

Each Manager, the Company, the Member and each of their directors, members, officers, employees, agents and attorneys, as the case may be, (each such person a "Covered Person") is hereby exculpated by all Persons, receiving distributions under the Plan, from any and all Claims, Causes of Action, and other assertions of liability arising out of its discharge of the powers and duties conferred upon it by the Plan (including holders of Claims and parties in interest), this Agreement or any order of the Bankruptcy Court entered pursuant to or in furtherance of the Plan, or applicable law, except solely for actions or omissions arising out of its gross negligence or willful misconduct. No holder of a Claim or Cause of Action, or representative thereof, shall have or pursue any Claim or Cause of Action (i) against any Covered Person for distributions made in accordance with the Plan, or for implementing the provisions of the Plan, or (ii) against any holder of a Claim for receiving or retaining payments or other distributions as provided for by the Plan. Without limiting the generality of the foregoing, each Covered Person may rely without independent investigation on copies of orders of the Bankruptcy Court reasonably believed by it to be genuine, and shall have no liability for actions taken in good faith in reliance thereon. Each Covered Person is entitled to the exculpation provisions applicable to "Disbursing Agents," set forth in Section 13.3 of the Plan. Each Covered Person may rely without inquiry upon writings delivered to it hereunder which it reasonably believes in good faith to be genuine and to have been given by a proper Person.

7.3 Further Exculpation and Indemnification.

(a) To the fullest extent permitted by law, the Board of Managers, the Member and the officers, directors, employees, attorneys and agents of the Company or the Member or any Affiliate thereof (individually, an "Indemnitee") shall be indemnified and held harmless by the Company from and against any and all losses, claims, damages, judgments, liabilities, obligations, penalties, settlements and reasonable expenses (including legal fees) arising from or relating to its status as (x) a Manager, (y) a Member of the Company or (z) an officer, director, employee or agent of the Company or the Member or any Affiliate thereof, regardless of whether or not the Indemnitee continues to be a Manager, a Member or an officer, director, employee or agent of the Member or any Affiliate thereof at the time any such liability or expense is paid or incurred, unless the act or failure to act giving rise to indemnity hereunder was performed or omitted fraudulently or constituted gross negligence or willful misconduct.

(b) In addition to any other indemnification provided hereunder, the Company shall indemnify and hold harmless, to the fullest extent permitted by the laws of the State of Delaware, each Manager and each Professional or other Person employed by the Company to carry out the provisions of the Plan from and against all liabilities, damages, claims, costs, and expenses (including attorney fees) arising from or in connection with their actions or omissions in performing their duties under the Plan, so long as they acted in good faith and in a manner reasonably believed to be in or not inconsistent with the Estate's best interests.

(c) A Manager may consult with legal counsel or accountants, and any action or omission suffered or taken in good faith in reliance and accordance with the written opinion or advice of any such counsel or accountants (provided such have been selected with reasonable care) shall be full protection and justification with respect to the action or omission so suffered or taken.

(d) If the Member shall, notwithstanding the provisions of Section 18-303 of the Act to the contrary (and solely as a result of the inapplicability, or deemed inapplicability of such provision of the Act), become liable under a judgment, decree or order of a court, or in any other manner, for a debt, obligation or liability of the Company or any of its Managers, employees, officers, agents or other representatives of the Company, then the Company shall indemnify the Member and hold the Member harmless from and against any such liability of the Member (together with reasonable attorneys' fees and expenses in defending against any claimant seeking to impose any such liability).

7.4 Expenses. To the fullest extent permitted by the Act and other applicable law, reasonable and documented expenses (including legal fees) to which the indemnification provisions of Article VII apply that are incurred by a Covered Person in defending any claim, demand, action, suit or proceeding shall, from time to time upon request by the applicable Covered Person, be advanced by the Company prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt of an undertaking by or on behalf of such Covered Person to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified as authorized in this Article VII.

7.5 Insurance. Subject to Section 6.9(b)(xi), the Company may purchase and maintain insurance, to the extent and in such amounts as the Managers shall deem reasonable, on behalf of the Covered Persons and such other Persons as the Managers shall determine, against

any liability that may be asserted against, or expenses that may be incurred by, any such Person in connection with the activities of the Company or such indemnities.

With respect to any indemnification by the Company of Managers, directors, officers, employees, agents and attorneys of the Company under this Article VII, the Company shall use its commercially reasonable efforts to seek recovery under any insurance covering such matters.

7.6 Appearance as a Witness. Notwithstanding any other provision of this Article VII, the Company may pay or reimburse expenses incurred by the Member or Manager in connection with his appearance as a witness or other participation in a Proceeding at a time when he is not a named defendant or respondent in the Proceeding.

7.7 Nonexclusivity of Rights. The right to indemnification and the advancement and payment of expenses conferred in this Article VII shall not be exclusive of any other right which a Member, Manager or other Person indemnified pursuant to Section 7.3(a) may have or hereafter acquired under any law (common or statutory), this Agreement or otherwise.

7.8 Savings Clause. If this Article VII or any portion hereof shall be invalidated on any grounds by any court of competent jurisdiction, then the Company shall nevertheless indemnify and hold harmless each Member, Manager or any other Person indemnified pursuant to this Article VII as to costs, charges, and expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement with respect to any action, suit, or Proceeding to the fullest extent permitted by any applicable portion of this Article VII that shall not have been invalidated and to the fullest extent permitted by applicable law.

ARTICLE VIII

TAXES

8.1 Tax Compliance. The Member shall cause to be prepared and filed all tax returns of the Company and shall pay all taxes reported thereon. The Company shall cooperate and cause its agents and representatives to cooperate in a timely manner with the Member and with the Member's agents and representatives, in connection with the Member's preparation and filing of all tax returns of the Company as well as any tax rulings or Bankruptcy Court review of the Member's tax treatment of the Company. In addition, the Company shall provide any and all information related to the Company necessary for the Member and/or any of its Affiliates to prepare Tax Returns of the Member and/or any of its Affiliates. Such information shall be provided no later than forty-five (45) days prior to the due date of the Tax Return for which such information is necessary.

8.2 Entity Election. Neither the Company nor the Member shall elect for the Company to be taxable as a corporation for federal or state income tax purposes. For federal and, wherever permitted, state income tax purposes, the Company shall be disregarded and shall not be treated as an entity separate from the Member and the Member shall file all tax returns, forms, reports and statements consistent with such treatment. Neither the Company nor the Member shall seek, or cause to be sought, a determination of any kind from any tax authority or

employee thereof that the Company is or is not a disregarded entity for federal income tax purposes.

ARTICLE IX

BOOKS, RECORDS, REPORTS AND BANK ACCOUNTS

9.1 Maintenance of Books. The Company shall keep books and records of accounts and shall keep minutes of the proceedings of its Member and Managers. The calendar year shall be the accounting year of the Company.

9.2 Accounts. The Board of Managers shall establish and maintain one or more separate bank and investment accounts and arrangements for Company funds in the Company name with financial institutions and firms that the Board of Managers determines. The Board of Managers may not commingle the Company's funds with the funds of any entity.

ARTICLE X

DISSOLUTION, LIQUIDATION AND TERMINATION

10.1 Dissolution. The Company shall dissolve and its affairs shall be wound up on the first to occur of the following:

(a) sixty (60) days after all Designated Avoidance Actions have been liquidated and the proceeds thereof have been distributed in accordance with the terms of the Plan and this Agreement;

(b) written direction to the Company at any time after the fourth (4^{th}) anniversary of the Effective Date of the Plan, by Order of the Bankruptcy Court, upon motion of the Board of Managers; and

(c) any other event which under the laws of the State of Delaware causes the dissolution of a limited liability company, provided, that the Member may not cause the liquidation or dissolution of the Company except in the circumstances described in paragraphs (a) and (b) above.

10.2 Liquidation and Termination. On dissolution of the Company, the Board of Managers shall act as liquidator. The liquidator shall proceed diligently to wind up the affairs of the Company and make final distributions as provided herein and in the Act. The costs of liquidation shall be borne as a Company expense. The steps to be accomplished by the liquidator are as follows:

(a) as promptly as possible after dissolution and again after final liquidation, cause a proper accounting to be made of the Company's assets, liabilities, and operations through the last day of the calendar month in which the dissolution occurs or the final liquidation is completed, as applicable;

(b) cause any notice described in the Act to be mailed to each known creditor of and claimant against the Company in the manner described in such article;

(c) pay, satisfy, or discharge from Company funds all of the debts, liabilities, and obligations of the Company or otherwise make adequate provision for payment and discharge thereof (including, without limitation, the establishment of a cash escrow fund for contingent liabilities in such amount and for such term as the liquidator may reasonably determine); and

(d) subject and subordinate to the obligations of the Member under Section 10.13 of the Plan, all remaining assets of the Company shall be distributed to the Member.

10.3 Certificate of Dissolution. On completion of the distribution of Company assets as provided herein, the Company is terminated, and the Board of Managers (or such other Person(s) as the Act may require or permit) shall file a certificate of dissolution with the Secretary of State of Delaware, cancel any other filings made pursuant to Section 2.5, and take such other actions as may be necessary to terminate the company.

ARTICLE XI

GENERAL PROVISIONS

11.1 Notices. Except as expressly set forth to the contrary in this Agreement, all notices, requests, or consents provided for or permitted to be given under this Agreement must be in writing and must be given either by depositing in the United States mail, postage paid, and registered or certified with return receipt requested, or by delivering that writing to the recipient in person, by courier, or by facsimile transmission; and a notice, request, or consent given under this Agreement is effective on receipt by the Person to receive it. All notices, requests, and consents to be sent to the Member must be sent to or made at the address given for that Person on Exhibit A, or such other address or to such other designee as the Member may specify by notice to the Company, with a copy to Gregory Pryor (at White & Case LLP, 1155 Avenue of the Americas, telephone: (212) 819-8389, facsimile: (212) 354-8113, email: gpryor@whitecase.com). All notices, requests, and consents to be sent to the Company must be sent to or made at the address for each Manager given to the Member by each Manager, with a copy to Roy Bertolatus (at Andrews Kurth LLP, 600 Travis, Suite 4200, Houston Texas 77002, telephone: (713) 220-4200, facsimile: (713) 220-4295, email: RoyBertolatus@andrewskurth.com), or such other address or to such other designee as the Company may specify by notice to the Member. Whenever any notice is required to be given by law, the Certificate, or this Agreement, a written waiver thereof, signed by the Person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

11.2 Entire Agreement. This Agreement together with the Plan and the Confirmation Order constitute the entire agreement relating to the Company and supersedes all prior contracts or agreements with respect to the Company, whether oral or written.

11.3 Effect of Waiver or Consent. A waiver of consent, express or implied, to or of any breach or default by any Person in the performance by that Person of its obligations with

respect to the Company is not a consent or waiver to or of any other breach or default in the performance by that Person of the same or any other obligations of that Person with respect to the Company. Failure on the part of a Person to complain of any act of any Person or to declare any Person in default with respect to the Company, irrespective of how long that failure continues, does not constitute a waiver by that Person of its rights with respect to that default until the applicable statute-of-limitations period has run.

11.4 Amendment or Modification. This Agreement may be amended or modified from time to time only by a written instrument executed by the Member and the Company or by a written instrument approved by the Bankruptcy Court.

11.5 Binding Effect. This Agreement is binding on and shall inure to the benefit of the Member and its heirs, legal representatives, successors, and assigns.

11.6 Governing Law. This Agreement is governed by and shall be construed in accordance with the laws of the State of Delaware. If any provision of this Agreement or the application thereof to any Person or circumstance is held invalid or unenforceable to any extent, the remainder of this Agreement and the application of that provision to other Persons or circumstances is not affected thereby and that provision shall be enforced to the greatest extent permitted by law.

11.7 Authorized Persons. Each Manager, acting alone or with any other Managers (or any other Person designated by the Board of Managers), as an authorized person within the meaning of the Act, shall execute, deliver and file, or cause the execution, delivery or filing of, all certificates (and any amendments and/or restatements thereof) required or permitted by the Act to be filed with the Secretary of State of the State of Delaware.

11.8 Further Assurances. In connection with this Agreement and the transactions contemplated hereby, the Member shall execute and deliver any additional documents and instruments and perform any additional acts that may be necessary or appropriate to effectuate and perform the provisions of this Agreement and those transactions.

11.9 Waiver of Certain Rights. The Member irrevocably waives any right it may have to maintain any action for dissolution of the Company or for partition of the property of the Company.

11.10 Bankruptcy Court Jurisdiction. The Bankruptcy Court shall have and retain exclusive jurisdiction to hear and determine any claim or controversy (i) involving the Member, any Holder, any Manager, the Company, or between any of them, concerning the subject matter of this Agreement, (ii) arising under or relating to this Agreement, the terms or interpretation hereof, or the performance of either the Member or any Covered Person pursuant hereto.

11.11 Rights of Member. At the request and sole expense of the Member, the Company shall, and the Managers shall and shall cause the Company to, cooperate in furnishing regular reports, certifications and information to the Member in accordance with the Member's auditing, financial planning, internal control, budgeting and reporting systems and procedures and in accordance with the Member's obligations as a publicly traded company listed on the New York Stock Exchange and as a company subject to the requirements of the Exchange Act. At the

request and sole expense of the Member, the Company shall, and the Managers shall cause the Company to, establish and maintain such internal procedures and controls as are consistent with the foregoing. The Company shall, at all times, comply with all laws and regulations applicable to the Company, including all rules and regulations applicable as a result of the Company's status as a subsidiary of the Member.

11.12 Confidentiality. (a) The Company shall, and shall cause its agents, representatives, employees, Affiliates and Managers to: (i) treat and hold as confidential and not disclose (and not disclose or provide access to any Person) all confidential or proprietary information with respect to the Company, the Member and their respective Affiliates, (ii) if the Company or any such agent, representative, employee, Affiliate or Manager becomes legally compelled to disclose any such information, provide the Member with prompt written notice of such requirement so that the Member, the Company or any of their respective Affiliates may seek a protective order or other remedy or waive compliance with this Section 11.12, and (iii) if such protective order or other remedy is not obtained, or the Member waives compliance with this Section 11.12, furnish only that portion of such confidential information which is legally required to be provided and exercise its best efforts to obtain assurances that confidential treatment will be accorded such information; provided, that this sentence shall not apply to any information that, at the time of disclosure, is available publicly and was not disclosed in breach of this Agreement by the Company, its agents, representatives, employees, Affiliates and Managers; provided, further, that this sentence shall not prevent any disclosure that is required by law or is required or requested pursuant to any legal process. The Company acknowledges that remedies at law for any breach of its obligations under this Section 11.12(a) are inadequate and that in addition thereto the Member shall be entitled to equitable relief, including injunction and specific performance, in the event of any such breach.

(b) The Member shall, and shall cause its agents, representatives, employees or Affiliates (other than the Company) to: (i) treat and hold as confidential and not disclose (and not disclose or provide access to any Person) all confidential or proprietary information with respect to the Company; (ii) if the Member or any such agent, representative, employee, or Affiliate becomes legally compelled to disclose any such information, provide the Company with prompt written notice of such requirement so that the Company, the Member or any or their respective Affiliates may seek a protective order or other remedy or waive compliance with this Section 11.12, and (iii) if such protective order or other remedy is not obtained, or the Company waives compliance with this Section 11.12, furnish only that portion of such confidential information which is legally required to be provided and exercise its best efforts to obtain assurances that confidential treatment will be accorded such information; provided, that this sentence shall not apply to any information that, at the time of disclosure, is available publicly and was not disclosed in breach of this Agreement by the Member, its agents, representatives, employees or Affiliates; provided, further, that this sentence shall not prevent any disclosure that is required by law or is required or requested pursuant to any legal process. The Member acknowledges that remedies at law for any breach of its obligations under this Section 11.12(b) are inadequate and that in addition thereto the Company shall be entitled to equitable relief, including injunction and specific performance, in the event of any such breach.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned has executed and delivered this Agreement as of the date first set forth above.

MIRANT CORPORATION

By: _____
Name:
Title:

EXHIBIT A

MEMBER AND CONTRIBUTION

Name and Address of Member	Amount	Membership Interest
Mirant Corporation Attn: General Counsel 1155 Perimeter Center West Suite 100 Atlanta, Georgia 30338 Tel: (678) 579-5000 Fax: (678) 579-6767	$10,000 plus all right, title and interest related to the Designated Avoidance Actions	100%

EXHIBIT B

MANAGERS

Name	Address	Telephone, Fax and E-mail
Mike Willingham	9202 Meaux Dr. Houston, Texas 77031	Telephone: (713) 270-8740 Fax: (775)540-4146 wservices@earthlink.net
Mark Holliday	257 SW Marconi Avenue Portland, Oregon 97205	Telephone: (503) 243-5000 Fax: 503-296-5300 Mark@camdenassetmanagement.com
Steve Gidumal	Virtus Capital 20 River Terrace, 18-F New York, New York 10282	Telephone: (212) 385-0955 Fax: (212) 618-1705 sgidumal@virtuscapital.com

EXHIBIT C

ACKNOWLEDGEMENT AND WAIVER

The undersigned [Manager] [officer] of MC Asset Recovery, LLC hereby waives, to the fullest extent permitted by law, any right to indemnification from, or to be held harmless by, Mirant Corporation or any Affiliate of Mirant Corporation (other than MC Asset Recovery, LLC) that may exist pursuant to the charter, by-laws or other similar governing documents of Mirant Corporation or any of its Affiliates (other than the MC Asset Recovery, LLC), with respect to any liabilities, obligations, damages, costs or expenses arising out of or related to the undersigned's service as Manager, officer, employee, agent or other representative of MC Asset Recovery, LLC or, at the request of MC Asset Recovery, LLC, any other person or entity. The undersigned acknowledges that the undersigned has no right to any such indemnification or to be held harmless and shall not seek to be indemnified by Mirant Corporation or any of its Affiliates (other than MC Asset Recovery, LLC) arising out of or related to the undersigned's service as Manager, officer or employee of MC Asset Recovery, LLC or any of its subsidiaries.

By: _____
Name:
Title: [Manager] [Officer]