

**CONFIDENTIAL**

[Name]  
[Address]

[Date]

Tel: 6823 8380

Fax: 6304 8222

[Attn]

Dear Sir

**SUPPLEMENTAL LETTER – MODIFICATIONS TO THE VESTING CONTRACT BETWEEN [NAME OF ENTITY] (“THE HOLDER”) AND SP SERVICES LIMITED (“THE ISSUER”) DATED 23<sup>RD</sup> SEPTEMBER 2003 (“VESTING CONTRACT”)**

The Holder and the Issuer entered into the Vesting Contract on 23<sup>rd</sup> September 2003 as directed by the Authority.

2. This Supplemental Letter is supplemental to the Vesting Contract. Unless otherwise defined herein or of the context otherwise requires, the capitalized terms used in this Supplemental Letter shall have the meanings given to them in the Vesting Contract.
3. The Issuer hereby encloses the Modifications set out in Appendix 1, which have been mutually agreed by the Issuer and the Authority arising from the changes to the procedures for calculating the components of the Vesting Contract.
4. Save as otherwise stated herein, all the provisions contained in or subsisting in relation to the Vesting Contract shall continue to be applicable and binding and the Vesting Contract shall remain in full force and effect and shall be read and be construed and enforceable as if the terms of this Supplemental Letter were inserted by way of addition or substitution thereto, as the case may be.
5. Please acknowledge your acceptance of this Supplemental Letter by signing in the section marked below, as well as initialing all the pages in Appendix 1 and returning the attached duplicate of this Supplemental Letter (and the Appendix 1) to the Issuer not later than seven (7) days from the date of this Supplemental Letter.

Yours faithfully

Wong Chit Sieng  
Managing Director  
SP Services Ltd

**CONFIDENTIAL**

To:

SP Services Ltd  
111 Somerset Road #06-05  
TripleOne Somerset  
Singapore 238164

**Acceptance**

We acknowledge and accept the provisions of your Supplemental Letter dated [Date].

Signature: \_\_\_\_\_

Company Stamp: \_\_\_\_\_

Date of Signature: \_\_\_\_\_

Signed by: \_\_\_\_\_

Designation: \_\_\_\_\_

For and on behalf of [Name of Entity]

Clause	Existing Clause	Amended Clause
<p><b>Section 1.2</b> - <b>Other Meanings</b> <b>(Pg 8)</b></p>	<p><i>"Revised Price" means, in respect of a Half Hour, the price of energy used for settlement purposes in the Energy Market for that Half Hour as determined by the Market Company in accordance with sections 10.2.4, 10.2.5, 10.2.7, 10.2.8 and 10.2.9 of Chapter 6 of the Market Rules on the bases of revised values rather than on the bases of the otherwise applicable real-time pricing schedule, as that term is defined in the Market Rules.</i></p>	<p>"Revised Price" means, in respect of a Half Hour, the price of energy used for settlement purposes in the Energy Market for that Half Hour as determined by the Market Company in accordance with Chapter 6 (as currently in force) of the Market Rules on the bases of revised values rather than on the bases of the otherwise applicable real-time pricing schedule, as that term is defined in the Market Rules.</p>
<p><b>Section 3.3.2</b> - <b>Quarterly Hedge Schedule</b></p>	<p><i>3.3.2 Quarterly Hedge Schedule</i> <i>Subject to clause 3.6.2, not later than thirty (30) days before the beginning of the second Quarter following the Vesting Regime Commencement Date and of each Quarter thereafter, the Issuer shall:</i></p>	<p>3.3.2 Quarterly Hedge Schedule Subject to clause 3.6.2, the Issuer shall:</p> <p>For the third quarter of 2009 (1 July 2009 to 30 September 2009):</p> <ul style="list-style-type: none"> <li>(i) issue the hedge quantities for the quarter in review as indicated in Schedule A, not later than ten (10) days before the beginning of the third month of current quarter (June 2009) to the Holder;</li> <li>(ii) issue the hedge quantities with associated hedge prices for the quarter in review as indicated in Schedule A, not later than ten (10) days before the beginning of the third quarter of 2009 to the Holder.</li> </ul> <p>For fourth quarter of 2009 (1 October 2009 to 31 December 2009) and subsequent quarters thereafter:</p> <ul style="list-style-type: none"> <li>(iii) issue the hedge quantities for the quarter in review as indicated in Schedule A, not later than ten (10) days before the beginning of the second month of current quarter to the Holder;</li> <li>(iv) issue the hedge quantities with associated hedge prices for the quarter in review as indicated in Schedule A, not later than ten (10) days before the beginning of the quarter in review to the Holder.</li> </ul>

Clause	Existing Clause	Amended Clause
<p><b>New Section 3.5A – Disclaimer</b></p>	<p>–</p>	<p>The computation and issue of Hedge Quantities and Hedge Prices to the Holder by the Issuer is subject to the Issuer being afforded at least one Business Day from the date of issuance of the information by the Authority to the Issuer, to compute the initial Hedge Quantities and Hedge Prices.</p> <p>3.5A.1 The Issuer shall not be liable to the Holder for any losses, whether direct, indirect or consequential, suffered by the Holder from the use of or reliance upon such Hedge Quantities or Hedge Prices issued by the Issuer in accordance with this Contract, except in the case of gross negligence or willful default on the part of the Issuer.</p> <p>3.5A.2 The Issuer shall not be liable to the Holder for any losses, whether direct, indirect or consequential suffered by the Holder for any delay in the issuance of such information by the Issuer in accordance with this Contract, due to circumstances beyond the Issuer's control.</p>
<p><b>Section 3.12 (a) - Disputes on Accuracy of Calculations on Hedge Quantities and Hedge Price</b></p>	<p><i>(a) If the Holder disagrees with any calculation of Hedge Quantities or associated Hedge Prices allocated to the Holder pursuant to clauses 3.4 and 3.5 the Holder shall provide the Issuer with a notice of disagreement in the format annexed herein as Appendix A stating clearly the nature of disagreement with supporting material and a proposed resolution within five (5) Business Days after receipt of the relevant Schedule A.</i></p>	<p>(a) If the Holder disagrees with any calculation of Hedge Quantities or associated Hedge Prices allocated to the Holder pursuant to clauses 3.4 and 3.5 the Holder shall provide the Issuer with a notice of disagreement in the format annexed herein as Appendix A stating clearly the nature of disagreement with supporting material and a proposed resolution within:</p> <ul style="list-style-type: none"> <li>(i) five (5) Business Days after receipt of the relevant Schedule A described in clauses 3.3.2 (i) and 3.3.2 (iii);</li> <li>(ii) two (2) Business Days after receipt of the relevant Schedule A described in clauses 3.3.2(ii) and 3.3.2(iv).</li> </ul>

Clause	Existing Clause	Amended Clause
<p><b>Section 3.12 (b)</b>                      - <b>Disputes on Accuracy of Calculations on Hedge Quantities and Hedge Price</b></p>	<p><i>(b) The Issuer shall do one of the followings within five (5) Business days after receipt of the Holder's notice of disagreement:</i></p> <p><i>(i) if the Issuer concurs fully with the Holder's proposed adjustment or correction, it shall revise the Schedule A accordingly and promptly issue to the Holder a revised Schedule A;</i></p> <p><i>(ii) If the Issuer does not concur with the Holder's proposed adjustment or correction, it shall notify the Holder in writing that the proposed adjustment is now a dispute between the Parties.</i></p>	<p>(b) The Issuer shall, within:</p> <ul style="list-style-type: none"> <li>- five (5) Business Days after receipt of the Holder's notice of disagreement described in clause 3.12(a)(i);</li> <li>- two (2) Business Days after receipt of the Holder's notice of disagreement described in clause 3.12(a)(ii).</li> </ul> <p>do one of the following:</p> <p>(i) if the Issuer concurs fully with the Holder's proposed adjustment or correction, it shall revise the Schedule A accordingly and promptly issue to the Holder a revised Schedule A;</p> <p>(ii) If the Issuer does not concur with the Holder's proposed adjustment or correction, it shall notify the Holder in writing that the proposed adjustment is now a dispute between the Parties.</p>
<p><b>Section 3.12 (c)</b>                      - <b>Disputes on Accuracy of Calculations on Hedge Quantities and Hedge Price</b></p>	<p><i>(c) If, following the issue of the Schedule A described in clause 3.3.1 or the revised Schedule A described in clause 3.3.2, the Issuer determines that an administrative or other inadvertent error was made in preparing the schedule, the Issuer shall notify the Holder of the error and issue a revised Schedule A within 10 Business Days of the original issue date.</i></p>	<p>(c) If, following the issue of the Schedule A described in clause 3.3.1 or the revised Schedule A described in clause 3.3.2, the Issuer determines that an administrative or other inadvertent error was made in preparing the schedule, the Issuer shall notify the Holder of the error and issue a revised Schedule A within:</p> <ul style="list-style-type: none"> <li>(i) ten (10) Business Days of the original issue date for the relevant Schedule A described in clauses 3.3.2 (i) and 3.3.2 (iii);</li> <li>(ii) four (4) Business Days of the original issue date for the relevant Schedule A described in clauses 3.3.2 (ii) and 3.3.2 (iv).</li> </ul>
<p><b>Section 3.12 (d)</b>                      - <b>Disputes on</b></p>	<p><i>(d) The Holder shall do one of the following within five (5) Business Days after receipt of the Issuer's error</i></p>	<p>(d) The Holder shall, within:</p> <ul style="list-style-type: none"> <li>- five (5) Business Days after receipt of the</li> </ul>

Clause	Existing Clause	Amended Clause
<p><b>Accuracy of Calculations on Hedge Quantities and Hedge Price</b></p>	<p><i>notice and revised Schedule A:</i></p> <p>(i) <i>If the Holder concurs with the Issuer that an error was made, it shall notify the Issuer of its acceptance of the revised Schedule A;</i></p> <p>(ii) <i>If the Holder does not concur with the Issuer that an error was made, it shall notify the Issuer in writing that the matter is now a dispute between the Parties.</i></p>	<p>Issuer's error notice and revised Schedule A described in clause 3.12(c)(i);</p> <ul style="list-style-type: none"> <li>- two (2) Business Days after receipt of the Issuer's error notice and revised Schedule A described in clause 3.12(c)(ii);</li> </ul> <p>do one of the following:</p> <p>(i) If the Holder concurs with the Issuer that an error was made, it shall notify the Issuer of its acceptance of the revised Schedule A;</p> <p>(ii) If the Holder does not concur with the Issuer that an error was made, it shall notify the Issuer in writing that the matter is now a dispute between the Parties.</p>
<p><b>Schedule B Section 2.2 - Load Data</b></p>	<p><i>The set LOAD_SET is basic historic load data for 3 months for use in the next Quarter (being last two months of the previous Quarter and the first month of the current Quarter). These data will come from MSSL. For facilities that include an embedded generator above 1MW, this load set shall be the net load a facility consumes (that is total site load less that load supplied by the facilities embedded generation).</i></p>	<p>The set LOAD_SET is basic historic load data for 3 months (of the last Quarter) for use in the next Quarter. These data will come from MSSL. For Generation Registered Facility (GRF) or Generation Settlement Facility (GSF) that provides energy directly to the consumer's installation, this load set shall be the net load a facility consumes (that is total site load less that load supplied by the facilities embedded generation).</p>
<p><b>Schedule C - Section 1.3</b></p>	<p><i>1.3 The Base Quarter, being the Quarter in which the values of LRMC and BASECOST are deemed to be current and relative to which all indices shall be applied;</i></p>	<p>1.3 The Base Quarter, being the Quarter in which the values of LRMC and BASECOST are deemed to be current and relative to which all indices shall be applied. TOTAL FUEL COST is derived from HSFO 180 CST Oil Price which is the average price of the quarterly forward fuel oil swaps, published in the Intercontinental Exchange (ICE), and Platts for every Business Day in the preceding quarter, up to the 15<sup>th</sup> calendar day of the 3<sup>rd</sup> month in the preceding quarter for the quarter for which LRMC is to be calculated;</p>

Clause	Existing Clause	Amended Clause
<p><b>Schedule C</b> - <b>Section 1.4</b></p>	<p>1.4 The FUEL COST INDEX for the Quarter which shall be an index determined by Authority in accordance with paragraph 6 reflecting the cost of fuel relative to the Base Quarter.</p>	<p>1.4 The FUEL COST INDEX for the Quarter which shall be an index determined by Authority in accordance with paragraph 6 reflecting the cost of fuel relative to the Base Quarter.</p>
<p><b>Schedule C</b> - <b>Section 2.2</b></p>	<p>2.2 BASECOST represents the total Quarterly cost of operating the Generating Unit referred to in 1.1 for a specified Base Quarter.</p>	<p>2.2 BASECOST represents the total Quarterly cost of operating the Generating Unit referred to in 1.1 for a specified Base Quarter. TOTAL FUEL COST is derived from HSFO 180 CST Oil Price which is the average price of the quarterly forward fuel oil swaps, published in the Intercontinental Exchange (ICE), and Platts for every Business Day in the preceding quarter, up to the 15<sup>th</sup> calendar day of the 3<sup>rd</sup> month in the preceding quarter for the quarter for which LRMC is to be calculated.</p>
<p><b>Schedule C</b> - <b>Section 3.1 (Table)</b> - <b>Determination Date</b></p>	<p>Date on which the calculations of the LRMC which is to apply at the Application Date are deemed to be made. The Determination date will fall within the second month of the preceding calendar quarter. For example, the Determination date for LRMC to apply in 3<sup>rd</sup> quarter of a calendar year will fall within May of that calendar year.</p>	<p>Date on which the calculations of the LRMC which is to apply at the Application Date are deemed to be made.</p>
<p><b>Schedule C</b> - <b>Section 3.1 (Table)</b> - <b>Base Date</b></p>	<p>Date at which the LRMC base parameters are determined. The Base date will fall within the second month of the preceding quarter. For example, the Base date for the LRMC parameters to apply in 3<sup>rd</sup> quarter of the calendar year will fall within May of that calendar year.</p>	<p>Date at which the LRMC base parameters are determined.</p>
<p><b>Schedule C</b> - <b>Section 3.1 (Table)</b> - <b>Application Date</b></p>	<p>Date from which the LRMC is to apply. The application date will be the start of each calendar quarter. If the Base date is 3 or more months before the application date, the index adjustment should be used to update the Hedge Price for the application date.</p>	<p>Date from which the LRMC is to apply.</p>

Clause	Existing Clause	Amended Clause
<p>Schedule C - Section 3.1 (Table) - E25: Current Year</p>	<p><i>Year in which the Base Date falls.</i></p>	<p>Year in which the Application Date falls.</p>
<p>Schedule C - Section 3.1 (Table) - E26: Exchange Rate (\$US per \$Sing)</p>	<p><i>The exchange rate for a given Base date is the average monthly forward exchange rates at the Base date.</i></p>	<p>The exchange rate for a given Base date is the average of the daily values for the base date.</p>
<p>Schedule C - Section 3.1 (Table) - E32: HSFO 180 CST Oil Price (\$US/MT)</p>	<p><i>The HSFO 180 CST Oil Price for a given Base date is the average monthly forward oil price at the Base date.</i></p>	<p>The HSFO 180 CST Oil Price for the quarter for which LRMC is to be calculated.</p>
<p>Schedule C - Section 3 E49 Additional Risk (%)</p>	<p><i>Additional risk premium over the cost of capital to reflect risk associated with full exposure to a merchant power market and full construction risk</i></p>	<p><del>Additional risk premium over the cost of capital to reflect risk associated with full exposure to a merchant power market and full construction risk</del></p>
<p>Schedule C - Section 4.1</p>	<p><i>TOTAL FUEL COSTS represents the total fuel related cost, in units of \$/MWh, incurred in electricity generation by the Generating Unit referred to in 1.1 during the Base Quarter.</i></p>	<p>TOTAL FUEL COSTS represents the total fuel related cost, in units of \$/MWh, incurred in electricity generation by the Generating Unit referred to in 1.1 for the quarter for which LRMC is to be calculated.</p>
<p>Schedule C - Section 5</p>	<p>5. <i>The value of CURRENTCOST shall be determined by the Issuer each Quarter and shall be defined as:</i>  CURRENTCOST</p>	<p>5. The value of CURRENTCOST shall be determined by the Issuer each Quarter and shall be defined as:  CURRENTCOST</p>

Clause	Existing Clause	Amended Clause
	<p>= TOTAL FUEL COSTS x FUEL COST INDEX                      + TOTAL CAPITAL COSTS x CAPITAL COST INDEX                      + TOTAL OVERHEAD COSTS x OVERHEAD COST INDEX</p> <p>Where TOTAL FUEL COSTS, TOTAL CAPITAL COSTS, and TOTAL OVERHEAD COSTS shall have the values specified by the Authority for the Base Quarter.</p>	<p>= TOTAL FUEL COSTS                      + TOTAL CAPITAL COSTS x CAPITAL COST INDEX                      + TOTAL OVERHEAD COSTS x OVERHEAD COST INDEX</p> <p>Where TOTAL FUEL COSTS, TOTAL CAPITAL COSTS, and TOTAL OVERHEAD COSTS are referred to in 4.1, 4.2 and 4.3</p>
<p><b>Schedule C</b>                      - <b>Section 6</b></p>	<p>6. The FUEL COST INDEX shall be an index specified by the Authority reflecting the cost of fuel for the Generating Unit referred to in 1.1 for the current Quarter relative to the Base Quarter.</p> <p>6.1 In the first Quarter (Q=1) of the contract and in any Base Quarter the FUEL COST INDEX shall equal one.</p> <p>6.2 In any subsequent Quarter (Quarter Q&gt;1) of the contract, unless this Quarter is a Base Quarter, the FUEL COST INDEX shall be:  <math>A \times E \times (HOP_D / HOP_B + F)</math></p> <p>Where:</p> <p>(a) <math>HOP_B</math> is the average monthly forward fuel oil prices at the Base date and <math>HOP_D</math> is the average monthly forward fuel oil prices at the Determination date.</p> <p>(b) Function F is an adjustment factor to correct for the non-linear effects of gas formula and shall be defined as:  <math>F = (HOP_D - HOP_B) (f1 / HOP_B^2 + f2 / HOP_B^3)</math>                      Parameters f1 and f2 are determined using multiple regression.</p> <p>(c) Parameter A is an adjustment index to correct</p>	<p><del>6. The FUEL COST INDEX shall be an index specified by the Authority reflecting the cost of fuel for the Generating Unit referred to in 1.1 for the current Quarter relative to the Base Quarter.</del></p> <p><del>6.1 In the first Quarter (Q=1) of the contract and in any Base Quarter the FUEL COST INDEX shall equal one.</del></p> <p><del>6.2 In any subsequent Quarter (Quarter Q&gt;1) of the contract, unless this Quarter is a Base Quarter, the FUEL COST INDEX shall be:  <math>A \times E \times (HOP_D / HOP_B + F)</math></del></p> <p><del>Where:</del></p> <p><del>(a) <math>HOP_B</math> is the average monthly forward fuel oil prices at the Base date and <math>HOP_D</math> is the average monthly forward fuel oil prices at the Determination date.</del></p> <p><del>(b) Function F is an adjustment factor to correct for the non-linear effects of gas formula and shall be defined as:  <math>F = (HOP_D - HOP_B) (f1 / HOP_B^2 + f2 / HOP_B^3)</math>                      Parameters f1 and f2 are determined using multiple regression.</del></p> <p><del>(c) Parameter A is an adjustment index to correct</del></p>

Clause	Existing Clause	Amended Clause
	<p>for annual changes in the gas price formula and shall be defined as:</p> $A = (\text{total fuel cost in year } y+1) / (\text{total fuel cost in year } y)$ <p>(d) Function E corrects for the changes in the US\$ exchange rate and shall be defined as:</p> $E = (1 + e1 * (ER_D - ER_B) + e2 * (ER_D - ER_B)^2)$ <p>Where <math>ER_D</math> is the average monthly forward exchange rates (\$US/\$Sing) at the Determination date and <math>ER_B</math> is the average monthly forward exchange rates (\$US/\$Sing) at the Base date.</p> <p>Parameters e1 and e2 are determined using multiple regression.</p>	<p><del>for annual changes in the gas price formula and shall be defined as:</del></p> <del><math display="block">A = (\text{total fuel cost in year } y+1) / (\text{total fuel cost in year } y)</math></del> <p><del>(d) Function E corrects for the changes in the US\$ exchange rate and shall be defined as:</del></p> <del><math display="block">E = (1 + e1 * (ER_D - ER_B) + e2 * (ER_D - ER_B)^2)</math></del> <p><del>Where <math>ER_D</math> is the average monthly forward exchange rates (\$US/\$Sing) at the Determination date and <math>ER_B</math> is the average monthly forward exchange rates (\$US/\$Sing) at the Base date.</del></p> <p><del>Parameters e1 and e2 are determined using multiple regression.</del></p>