

TO: Australian Energy Market Operator Limited
ABN 94 072 010 327
Level 22, 6 O'Connell Street
SYDNEY NSW 2000

Attention: Executive General Manager Market Performance

Dear Sir

Guarantee

Defined Terms

Unless otherwise defined, the meaning of all capitalised terms is specified in table below:

Participant:	Name:	
	ABN:	
	Address:	
	Fax No:	
Market and Rules:	National Electricity Market (National Electricity Rules) Victorian Wholesale Gas Market (Part 19 of the National Gas Rules) Short Term Trading Market (Part 20 of the National Gas Rules)	
Maximum Period:	1 hour 2 days (NEM Only) 7 days (NEM Only)	
Financial Institution:	Name:	
	ABN:	
	Address:	
	Fax No:	
	Contact Person:	
	Contact Person Telephone No:	
Maximum Amount:	AUD	
Guarantee No:		
Effective Date:		
Expiry Date:		

Introduction

The Participant is a participant in the Market, which is governed by the Rules and is administered by the Australian Energy Market Operator Limited (“AEMO”).

The Participant is required to make payments to AEMO under the Rules from time to time. The Participant is also required under the Rules to comply with certain prudential requirements. The purpose of the prudential requirements is to provide security for AEMO and the other participants in the Market in respect of the Participant’s participation in the Market (including, without limitation, for any payments the Participant is required to make under the Rules that AEMO is required to subsequently disgorge under laws relating to insolvency or the protection of creditors or similar matters).

At the request of the Participant and in consideration of AEMO’s:

- (a) acceptance of this Guarantee for the purposes of the prudential requirements under the Rules at our request; or
- (b) payment or agreement to pay us the sum of \$1; or
- (c) extending other valuable consideration to the Participant at our request,

The Financial Institution unconditionally and irrevocably undertakes to pay to AEMO on demand from time to time any and all amounts (in Australian currency) to an aggregate amount not exceeding the Maximum Amount.

Demand

A demand from AEMO under this Guarantee must:

- 1 be in writing and sent, presented or faxed to the Financial Institution at the address and fax number specified in the Details;
- 2 state it is sent under the Guarantee No specified in the Details;
- 3 specify the amount demanded by AEMO;
- 4 specify the time at which payment is to be made (such time to be not less than the Maximum Period after the demand is received by the Financial Institution); and
- 5 be signed by, or purportedly signed by, the Chief Executive Officer or the Executive General Manager Market Performance of AEMO or any person acting in the place of or performing the duties of either of those officers.

Any telephone communications to the Financial Institution should be directed to the Contact Person using the Contact Person Telephone No.

The Financial Institution must pay the amount specified in a demand in cleared funds to the account specified in the demand at or before the time specified for payment, however, if:

- (A) in the case where the demand is sent, it is received by the Financial Institution; or
- (B) in the case where the demand is presented or faxed, it is received by the Financial Institution,

(as the case may be) on a day that is not a Business Day or after 3.00 pm in the place where the relevant office of the Financial Institution is situated on a Business Day, the Financial Institution will be taken to have received the demand at 9.00 am in the place where the relevant office of the Financial Institution is situated on the next Business Day. For this purpose, a “Business Day” is a day on which the Financial Institution is open for business in the city in which the Financial Institution’s address set out in the Details is located.

If a demand under this Guarantee is faxed to the Financial Institution, AEMO must provide to the Financial

Institution the original of the fax as soon as practicable after the fax is sent. Notwithstanding this requirement, the Financial Institution must pay the amount specified in the faxed demand on the basis of the faxed demand.

Other matters

The Financial Institution must make the payment demanded without reference to the Participant and notwithstanding any contrary notice or direction from the Participant.

This Guarantee is a primary obligation and is not reduced, impaired, discharged or otherwise affected by anything that might otherwise affect it, or would discharge a surety, at law or in equity including, but not limited to, any extension or variation to the Rules or the Participant's participation in the Market or time or other indulgence or forbearance on the part of AEMO on the one hand or the Participant on the other hand to each other made or agreed without the Financial Institution's knowledge or consent.

The Financial Institution irrevocably waives to the fullest extent it is permitted to do so by law any right to claim sovereign immunity for itself and its assets (including from jurisdiction, enforcement or execution) to which it might otherwise be entitled in any action based on this Guarantee that may be instituted in a competent court.

This Guarantee:

- (a) may not be assigned without the Financial Institution's written consent; and
- (b) is governed by and construed in accordance with the laws of Victoria.

Effective Date

This Guarantee will take effect on and from the Effective Date.

Termination

A demand may be made under this Guarantee at any time until the first to occur of:

- (i) the Financial Institution receiving notice in writing signed by, or purportedly signed by, the Chief Executive Officer, Executive General Manager Market Performance or Senior Manager Metering and Settlements of AEMO or any person acting in the place of or performing the duties of any of those officers that the Guarantee is no longer required;
- (ii) payment to AEMO by the Financial Institution of the whole of the Maximum Amount;
- (iii) replacement of this Guarantee by another guarantee in a form satisfactory to AEMO for an amount agreed to by the Participant and AEMO; and
- (iv) 5.00 pm, in the place where the relevant office of the Financial Institution is located, on the Expiry Date (unless prior to that date AEMO notifies the Financial Institution in writing that an application has been made for the winding up of the Participant, in which case this Guarantee will continue until the first to occur of the events listed in paragraphs (i), (ii) and (iii)).

The Financial Institution may at any time, without being required to do so, pay to AEMO the Maximum Amount less any amounts the Financial Institution may have already paid under this Guarantee (or such lesser sum as the Chief Executive Officer or Executive General Manager Market Performance of AEMO may in writing agree) and thereupon its liability under this Guarantee immediately ceases and determines.

Once demands may no longer be made under this Guarantee for any of the reasons specified above, AEMO must return it to the Financial Institution.

