

UTILITIES SUPPLY AGREEMENT

THIS UTILITIES SUPPLY AGREEMENT (this "Agreement") is executed this 18th day of April 2003 by and between PHU KHIEO BIO-ENERGY COMPANY LIMITED ("Seller"), a company established and registered under the laws of Thailand having its registered office at 2, 22nd Floor, Ploenchit Center, Sukhumvit Road, Klongtoey, Bangkok 10110, Thailand and UNITED FARMER & INDUSTRY COMPANY LIMITED ("Buyer"), a company established and registered under the laws of Thailand having its registered office at 2, 22nd Floor, Ploenchit Center, Sukhumvit Road, Klongtoey, Bangkok 10110, Thailand.

RECITALS:

- (A) Seller owns and operates a power plant located at Phukhiew, Chaiyapoom (the "Seller Facility").
- (B) Buyer owns and operates a sugar plant located at Phukhiew, Chaiyapoom (the "Buyer Facility").
- (C) Seller and Buyer desire to enter into this Agreement for the sale and purchase of the electricity and steam.

NOW, THEREFORE, for and in consideration of the covenants and mutual agreements set forth herein, Seller and Buyer hereby agree as follows:

ARTICLE 1 TERM; SURVIVAL

1.1 Term.

The term of this Agreement shall begin on the date hereof and shall continue for a period of 21 (twenty one) years after the date on which Seller commences selling electricity to Buyer which shall be no later than May 31, 2004 (the "Commencement Date"), unless otherwise terminated in accordance with the provisions set forth herein. The "Term" shall mean such period.

1.2 Survival of Rights on Termination.

The expiration or termination of this Agreement shall not affect any rights or obligations, which may have accrued prior to or in connection with such expiration or termination, and shall not affect continuing obligations of each of the parties under this Agreement.

ARTICLE 2 ELECTRICITY CONTRACTED CAPACITY; SALE AND PURCHASE OF ELECTRICITY

2.1 Electricity Contracted Capacity.

Subject to the terms and conditions of this Agreement, from the Commencement Date through the Term, Seller shall make electricity available to Buyer (the "Electricity Contracted Capacity") as follows:

- (a) during the crushing period, up to 20.5 MW (-10%, +5% allowed) at 11 KV;
- (b) during the remelting period, up to 5.3 MW (-10%, +5% allowed) at 11 KV;

- (c) during the cessation of production period, up to 0.8 MW (-10%,+5% allowed) at 11 KV.

Provided that Buyer shall have the right to receive electricity hereunder up to the Electricity Contracted Capacity on a priority basis - prior to any other person including but not limited to the Electricity Generating Authority of Thailand and other customers of Seller.

2.2 Electricity Payment

Each billing period (the "Billing Period"), Buyer shall pay Seller the electricity payment (the "Electricity Payment") which shall be determined in accordance with Appendix A. The Billing Period shall be each calendar month in a contract year.

2.3 Electricity Nomination Plan.

- (a) No later than thirty (30) days prior to the projected Commencement Date, and no later than October 1 of each contract year thereafter, Buyer shall provide to Seller a preliminary electricity nomination plan, in which Buyer shall forecast the normal and maximum amounts of electricity it intends to purchase for each month of the following contract year. Such electricity nomination plan shall comprise Buyer's best estimates, based on its production plan and planned outages scheduled in the following contract year. Prior to the Commencement Date, and by October 31 of each contract year thereafter, Buyer and Seller shall consult and agree on the final electricity nomination plan for the following contract year.
- (b) Any significant changes to the electricity nomination plan, by either party, shall be notified to the other party and discussed promptly with a view to agreement on a modified electricity nomination plan.
- (c) Once the electricity nomination plan is agreed by both parties, it shall be assumed that the amount of electricity specified in the electricity nomination plan will be taken by Buyer and delivered by Seller over each month during the relevant contract year.

2.4 Monthly Confirmation.

Prior to the 1st day of each month from the Commencement Date through the Term, Buyer shall confirm, by telephone, to Seller its anticipated electricity load profile for the forthcoming month. In addition, Buyer shall advise Seller of any significant electricity load changes for the forthcoming month.

2.5 Sale and Purchase of Electricity.

Subject to the terms and conditions of this Agreement, beginning on the Commencement Date and continuing during the Term, Buyer shall purchase and accept exclusively from Seller quantities of electricity up to the Electricity Contracted Capacity at the electricity delivery points located at the 11KV Metering (the "Electricity Delivery Point").

2.6 Change in Electricity Contracted Capacity.

Buyer may request an increase in the Electricity Contracted Capacity by written notice to Seller. Upon receipt of such request, Seller shall arrange to meet with Buyer within fifteen (15) business days to discuss Buyer's request. To the extent that Seller determines that it has surplus electricity generating capacity available, it shall comply with the request for an increase on terms consistent with those set forth herein. To the extent that Seller does not

have sufficient surplus electricity generating capacity available, it shall give Buyer a written explanation of the situation and cooperate with Buyer in its efforts to secure the additional capacity elsewhere. Provided that in the event that Buyer requires an increase in the Electricity Contracted Capacity of more than 5%, Buyer shall double the Electricity Payment made to Seller hereunder and in the event that Buyer decreases the Electricity Contracted Capacity by more than 10%, Buyer shall make the Electricity Payment for the minimum allowable Electricity Contracted Capacity specified in Clause 2.1 (i.e., -10% of the specified capacity in each period).

2.7 Alternative Disposition of Electricity.

Seller shall have the right, but not the obligation, in its sole discretion, to utilize or to sell and tender to purchasers other than Buyer, or to otherwise dispose of, any electricity that Buyer fails to purchase and accept or that is in excess of the Electricity Contracted Capacity. Such alternative disposition of Electricity shall not affect or offset, in any way, Buyer's obligations under this Agreement.

2.8 Interruption of Raw Water Supply

Any interruption in the supply of raw water from Seller to Buyer pursuant to and/or the occurrence of any Events of Defaults by Seller under the Raw Water Supply Agreement between Seller and Buyer dated April 18, 2003 shall relieve Seller of its electricity supply obligations to Buyer hereunder for the duration of such interruption.

**ARTICLE 3
STEAM CONTRACTED CAPACITY;
SALE AND PURCHASE OF STEAM**

3.1 Steam Contracted Capacity.

Subject to the terms and conditions of this Agreement, from the Commencement Date through the Term, Seller shall make steam available to Buyer (the "Steam Contracted Capacity") as follows:

- (a) at the pressure of 1.7 Bar (g), 131 C, an amount up to 308 tonnes per hour (+/- 15% allowed); and
- (b) at the pressure of 30 Bar (g), 380 C, an amount up to 102 tonnes per hour (+/- 15% allowed).

3.2 Steam Payment

Each Billing Period, Buyer shall pay Seller the steam payment (the "Steam Payment") which shall be determined in accordance with Appendix B.

3.3 Steam Nomination Plan.

- (a) No later than thirty (30) days prior to the projected Commencement Date, and no later than October 1 of each contract year thereafter, Buyer shall provide to Seller a preliminary steam nomination plan, in which Buyer shall forecast the normal and maximum amounts of steam it intends to purchase for each month of the following contract year. Such steam nomination plan shall comprise Buyer's best estimates, based on its production plan and planned outages scheduled in the following contract year. Prior to the Commencement Date, and by October 31 of each contract year

thereafter, Buyer and Seller shall consult and agree on the final steam nomination plan for the following contract year.

- (b) Any significant changes to the steam nomination plan, by either party, shall be notified to the other party and discussed promptly with a view to agreement on a modified steam nomination plan.
- (c) Once the steam nomination plan is agreed by both parties, it shall be assumed that the amount of steam specified in the steam nomination plan will be taken by Buyer and delivered by Seller over each month during the relevant contract year.

3.4 Monthly Confirmation.

Prior to the 1st day of each month from the Commencement Date through the Term, Buyer shall confirm, by telephone, to Seller its anticipated steam load profile for the forthcoming month. In addition, Buyer shall advise Seller of any significant steam load changes for the forthcoming month.

3.5 Sale and Purchase of Steam.

Subject to the terms and conditions of this Agreement, beginning on the Commencement Date and continuing during the Term, Buyer shall purchase and accept exclusively from Seller quantities of steam up to the Steam Contracted Capacity at the steam delivery point located at Metering (the "Steam Delivery Point").

3.6 Change in Steam Contracted Capacity.

Buyer may request an increase in the Steam Contracted Capacity by written notice to Seller. Upon receipt of such request, Seller shall arrange to meet with Buyer within fifteen (15) business days to discuss Buyer's request. To the extent that Seller determines that it has surplus steam producing capacity available, it shall comply with the request for an increase on terms consistent with those set forth herein. To the extent that Seller does not have sufficient surplus steam producing capacity available, it shall give Buyer a written explanation of the situation and cooperate with Buyer in its efforts to secure the additional capacity elsewhere. Provided that in the event that Buyer requires an increase in the Steam Contracted Capacity of more than fifteen percent (15%), Buyer shall double the Steam Payment made to Seller hereunder.

3.7 Alternative Disposition of Steam.

Seller shall have the right, but not the obligation, in its sole discretion, to utilize or to sell and tender to purchasers other than Buyer, or to otherwise dispose of, any steam that Buyer fails to purchase and accept or that is in excess of the Steam Contracted Capacity. Such alternative disposition of steam shall not affect or offset, in any way, Buyer's obligations under this Agreement.

3.8 Interruption of Raw Water Supply

Any interruption in the supply of raw water from Seller to Buyer pursuant to and/or the occurrence of any Events of Defaults by Seller under the Raw Water Supply Agreement between Seller and Buyer dated April 18, 2003 shall relieve Seller of its steam supply obligations to Buyer hereunder for the duration of such interruption.

ARTICLE 4 FACILITIES

4.1 Cooperation.

Upon Seller's request and provided that the rights requested do not interfere with Buyer's operation of the Buyer Facility or use of its other property (except to the extent the nature of the interference is inherent in the activities to be performed under this Agreement), Buyer shall, at no cost to Seller, execute such documents and enter into such agreements with Seller as may be necessary to grant such servitudes, easements, rights-of-way, rights of ingress and egress and rights of use with respect to Buyer's property necessary for Seller to (i) operate and maintain the transmission and distribution systems and metering equipment, and (ii) install, operate and maintain protective and monitoring devices on Buyer's side of the Electricity and Steam Delivery Points or metering points to ensure the safety, quantity and quality of the electricity and steam delivered to Buyer.

4.2 Disconnection from the Facility.

Seller reserves the right (after notice to Buyer to the extent practicable under the circumstances) to disconnect or otherwise interrupt the delivery of any of the electricity or steam to Buyer's Facility if Seller reasonably determines that a condition or situation exists with respect to Buyer's Facility that will cause (a) an imminent physical threat of danger to life, health or the property of Seller or Buyer, or (b) adversely affect Seller's ability to meet its obligations to provide safe, reliable and quality electricity and steam to any or all of its customers. Seller shall re-connect or otherwise re-start the delivery of the electricity or steam, as the case may be, to the Buyer Facility as soon as reasonably practicable.

4.3 Transmission and Distribution Systems.

Seller shall be responsible for the transmission and distribution systems from the Seller Facility up to and inclusive of the Electricity and Steam Delivery Points.

ARTICLE 5 METERING

5.1 Ownership of Meters and Metering Devices.

Seller shall own and maintain all of the metering equipment (including the metering stations) (the "Metering Equipment") used to measure the quantity and quality of the electricity and steam delivered to Buyer by Seller.

5.2 Metering Security and Related Equipment.

All metering equipment shall be sealed and may be opened only in the presence of both Seller's personnel and Buyer's personnel when such Metering Equipment is inspected, tested, adjusted or maintained. Seller shall give Buyer seven (7) days' prior written notice thereof.

5.3 Records.

Any records from the Metering Equipment and other metering devices used to determine the electricity and steam delivered to Buyer shall remain the property of Seller, but upon request of Buyer, Seller shall give Buyer access to its metering records and charts together with calculations therefrom, for inspection and verification. If, at any time, either Seller or Buyer observes a material variation between the Metering Equipment and Buyer's instruments, if any, such party shall promptly notify the other party thereof and both parties shall cooperate

to secure a prompt verification of the accuracy of such instruments. For purposes of this Section 5.3, a "material variation" shall mean a variation between Seller's instruments and Buyer's instruments in excess of point five percent (0.5%) in the case of the electricity Metering Equipment, and two percent (2%) in the case of the steam Metering Equipment.

5.4 Inaccuracies.

If, after any test, the percentage of inaccuracy of the Metering Equipment is found to be less than point five percent (0.5%) in the case of the electricity Metering Equipment, and two percent (2%) in the case of the steam Metering Equipment in all cases at the design calibration point of such instrument, previous records of such instrument shall be considered accurate in computing quantities delivered hereunder, but such instrument shall be adjusted at once to record accurately. If after any test, the percentage of error is found to be in excess of the percentages set forth above at the design calibration point, the Metering Equipment shall be recalibrated at once to record accurately and the previous record shall be corrected by the difference between the percentage of error and the percentages set forth above back to the date the inaccuracy occurred up to the period of six (6) months from the date of such test. If such date is not ascertainable, the previous record shall be corrected back fifty percent (50%) of the time elapsed since the date of the last test provided that such period shall not exceed six (6) months from the date of the current test. Any billing errors that result from a correction of the record as described herein shall be resolved in accordance with Section 6.3 hereof.

5.5 Annual Calibration by Third Party

Buyer and Seller shall jointly arrange for an independent third party to perform calibration test on the Metering Equipment annually. If after such test, the percentage of error is found to be in excess of point five percent (0.5%) in the case of the electricity Metering Equipment, and two percent (2%) in the case of the steam Metering Equipment, the Metering Equipment shall be adjusted at once and the provision of Section 5.4 shall apply.

**ARTICLE 6
BILLING AND PAYMENT**

6.1 Billing.

Seller shall tender an invoice to Buyer on or before the seventh (7th) day of each Billing Period for all amounts payable by Buyer in accordance with this Agreement including but not limited to the Electricity Payment and the Steam Payment through and as of the last day of the preceding Billing Period. Each invoice shall include the calculation of each payment for the electricity and steam delivered in the preceding Billing Period.

6.2 Payments.

Payments shall be made, in full, by Buyer following to due date, provided that Buyer may set off any amount owed and outstanding to Buyer under the Bagasse Supply Agreement dated April 18, 2003 between Buyer and Seller, the Raw Water Supply Agreement dated April 18, 2003 between Buyer and Seller and the Land Lease Agreement dated April 18, 2003 between Buyer and Seller against any amount owed and outstanding to Seller under this Agreement. Any payment not so made when due shall bear interest at Siam City Bank Public Company Limited's MOR from the date such payment was due until paid.

6.3 Billing Errors and Adjustments.

In the event an error is discovered in the amount billed in any invoice rendered by Seller, such error shall be adjusted by Seller within sixty (60) days of the determination thereof, provided that claim therefor shall have been made by Buyer within sixty (60) days of the date of discovery of such error, and, in any event, within twenty-four (24) months after the date of payment. Any amount paid to Seller by Buyer as a result of a billing error shall be refunded to Buyer or credited against the following month's invoice, at the Seller's option, with interest at Siam City Bank Public Company Limited's MOR from the date such amount was paid to Seller until refunded to Buyer.

6.4 Other Payments.

All other amounts due to either party under this Agreement shall be paid or objected to within thirty (30) days following receipt by the other party of an itemized invoice from the party to whom such amounts are due setting forth, in reasonable detail, the basis for such payment. If any amount is not paid when due, there shall be due and payable to the other party in addition to such payment, interest thereon from the date such amount was due until the date such amount is paid at Siam City Bank Public Company Limited's MOR.

6.5 Disputed Payments.

Where any sum is in dispute, each of the parties agrees to use its best efforts to resolve the disagreement promptly, equitably and in a good faith manner. Any adjustment agreed by the parties in respect of such disagreement shall be made on the next invoice.

ARTICLE 7 FACILITY MAINTENANCE

7.1 Annual Schedule of Planned Outages.

- (a) At least six (6) months prior to the beginning of each contract year, excluding the first contract year, Seller shall provide Buyer with a planned outage schedule (the "Planned Outage Schedule"). Seller may schedule up to six (6) weeks of planned outages for maintenance purposes each year, and will use its reasonable endeavors to coordinate its planned outages with Buyer's own maintenance schedule. The Planned Outage Schedule shall also specify the approximate dates and times on which Seller will be unable to supply any electricity or steam to Buyer.
- (b) Buyer shall notify Seller of any proposed amendments to the Planned Outage Schedule within thirty (30) days of receipt of the Planned Outage Schedule. Seller shall incorporate such proposals and suggested amendments into the Planned Outage Schedule if Seller determines, in its sole discretion, that such proposals and suggested amendments can be implemented in a commercially reasonable manner and consistent with prudent utility practices.

7.2 Additional Maintenance Outages.

In addition to the planned outages which will be scheduled pursuant to Section 7.1, Seller may schedule Maintenance Outages at its sole discretion by giving Buyer at least three (3) days' prior written notice of any required maintenance outage, including the scheduled start date, time and duration of such outage.

7.3 Unplanned Outages.

If, at any time during the Term, Seller is aware that there will be an interruption in the supply of electricity or steam to Buyer, Seller shall give Buyer as much advance notice as is practical under the circumstances of any such interruption and of the expected duration thereof. Seller shall use its reasonable efforts to minimize the duration of any such interruption. Seller and Buyer shall agree on an allocation procedure of available electricity and steam if required in such event.

ARTICLE 8 EVENTS OF DEFAULT; TERMINATION

8.1 Events of Default.

The following events or conditions shall constitute "Events of Default" under this Agreement, unless cured in accordance with the provisions hereof:

- (a) either party shall fail to make payments for amounts due under this Agreement to the other party within fifteen (15) days after receipt of written notice of the delinquency thereof; or
- (b) either party fails to comply with any material provision of this Agreement and such failure shall continue uncured for ninety (90) days after notice thereof by the other party, provided that if such failure cannot be cured within such period of ninety (90) days with the exercise of the best efforts of the defaulting party, then such cure period shall be extended for an additional reasonable period of time (not to exceed one hundred eighty (180) days) so long as the defaulting party is exercising reasonable diligence to cure such failure; for the avoidance of doubt, failure by Seller to comply with Section 2.1 and failure by Buyer to comply with Section 2.5 shall be deemed to be failure to comply with material provisions hereunder; or
- (c) either party shall: (i) admit in writing its inability to pay its debts as such debts become due; (ii) make a general assignment or an arrangement or composition with or for the benefit of its creditors; (iii) fail to controvert in a timely and appropriate manner, or acquiesce in writing to, any petition filed against such party under any bankruptcy or similar Law; (iv) take any action for the purpose of effecting any of the foregoing; or (v) file a petition under any bankruptcy or similar law; provided, however, that any admission, assignment or arrangement, failure, action or filing which occurred prior to the date hereof shall not constitute an Event of Default under this Agreement; or
- (d) a proceeding or case shall be commenced, without the application or consent of a party, in any court of competent jurisdiction, seeking: (i) its liquidation, reorganization of its debts, dissolution or winding-up, or the composition or readjustment of its debts; (ii) the appointment of a receiver, custodian, liquidator or the like of such party or of all or any substantial part of its assets; or (iii) similar relief in respect of such party under any law relating to bankruptcy, insolvency, reorganization of its debts, winding-up, composition or adjustment of debts, or an order, judgment or decree approving or ordering any of the foregoing shall be entered and in effect, for a period of sixty (60) days; provided, however, that any proceeding or case which occurred prior to the date hereof shall not constitute an Event of Default under this Agreement.

8.2 Remedies of Seller.

Upon the occurrence of any Event of Default by Buyer under Section 8.1 hereof that is not cured pursuant to the cure periods thereof, Seller may:

- (a) suspend deliveries of electricity and steam from the Seller Facility to Buyer until Buyer shall cure such Event of Default, and sell such electricity and steam to other purchasers or otherwise use such electricity and steam;
- (b) exercise all remedies available under applicable law, including bringing an action or actions from time to time for recovery of monetary damages that may include, without limitation, all amounts due and unpaid to Seller by Buyer, and all costs and expenses reasonably incurred in the exercise of its remedies hereunder (including, but not limited to, attorneys' fees); and/or
- (c) terminate this Agreement.

8.3 Remedies of Buyer.

Upon the occurrence of an Event of Default by Seller under Section 8.1 hereof that is not cured pursuant to the cure periods thereof, Buyer may:

- (a) terminate this Agreement;
- (b) in the event of an Event of Default resulting from Seller's failure to comply with Section 2.1 therefore causing Buyer to cease its production, Buyer shall be entitled to a penalty at the rate of 200,000 Baht (two hundred thousand Baht) per hour (pro rata to the fraction of hour) to be paid by Seller;
- (c) exercise all remedies available under applicable law, including bringing an action or actions from time to time for recovery of damages that may include, without limitation, all amounts due and unpaid to Buyer by Seller, and all costs and expenses reasonably incurred in the exercise of its remedies hereunder (including, but not limited to, attorneys' fees); and/or
- (d) suspend payments to Seller for electricity and/or steam to the extent that Seller is unable to deliver electricity and/or steam, as the case may be, provided that Buyer will immediately resume payments at such time as Seller is able to deliver the electricity and/or steam, as the case may be.

8.4 Cumulative Remedies.

All remedies provided hereunder are cumulative and may be exercised in whole or in part and from time to time.

ARTICLE 9 FORCE MAJEURE

9.1 Effect of Force Majeure Event.

Subject to the limitations set forth herein, if either party is rendered unable by reason of a Force Majeure Event to perform, wholly or in part, any obligation set forth in this Agreement (other than an obligation to pay money when due), then:

- (a) upon such party's giving notice and full particulars of such event as soon as practicable after the occurrence thereof, such obligations of such party shall be suspended or excused to the extent of such Force Majeure Event; and

- (b) if the obligations of either party under this Agreement have been suspended or excused pursuant to Section 10.1(a) for a continuous and uninterrupted period of twelve (12) months, then either party may terminate this Agreement by delivering to the other party written notification of its decision to terminate this Agreement.

9.2 Force Majeure Event Defined.

For the purposes of this Agreement, "Force Majeure Event" shall mean any act, event, condition or circumstance that has a material adverse effect on a party's ability to perform its obligations under this Agreement (except for the obligations to pay money when due), to the extent that such act, event or condition:

- (a) is beyond the reasonable control of the party relying thereon;
- (b) is not the result of any acts, omissions, delays, fault or negligence of such party (or any Person over whom such party has control);
- (c) is not an act, event or condition, the risks or consequences of which such party has expressly agreed to assume hereunder; and
- (d) cannot be cured, remedied, avoided, offset, mitigated, negotiated or otherwise overcome by the prompt exercise of due diligence of the party relying thereon,

and shall include but not limited to strike, lockout, concerted act of workers or other industrial disturbance, fire, explosion, flood or other natural catastrophe, civil disturbance, riot or armed conflict whether declared or undeclared, curtailment, shortage, rationing, allocation or failure of normal sources of supply of labor, materials, transportation, energy, raw water and utilities, or changes in atmospheric air composition, accident, and Act of God.

9.3 Notification and Obligation to Remedy.

In the event of the occurrence of a Force Majeure Event that prevents a party from performing its obligations hereunder, such party shall:

- (a) immediately notify the other party in writing of such Force Majeure Event;
- (b) not be entitled to suspend performance under this Agreement for any greater scope or longer duration than is required in the context of the Force Majeure Event;
- (c) use all reasonable efforts to remedy its inability to perform and to resume full performance hereunder as soon as practicable, provided that such party shall not be required by this paragraph (c) to settle any labor dispute on terms that are adverse to such party;
- (d) keep such other party apprised of such efforts on a continuous basis; and
- (e) provide written notice of the resumption of performance hereunder.

ARTICLE 10 LIABILITY

No party shall be liable to the other party for any indirect, incidental, special, consequential or punitive damages or loss of the other party including, but not limited to, loss of profits or revenues;

cost of capital or financing; cost of backup power; loss of goodwill arising out of the carrying out of, or failure to carry out, any operations or obligations contemplated by this Agreement, irrespective of the causes thereof, including fault or negligence.

ARTICLE 11 TITLE

Title to the electricity and steam delivered hereunder shall pass from Seller to Buyer at the Electricity and Steam Delivery Points respectively.

ARTICLE 12 DISPUTE RESOLUTION

12.1 Amicable Settlement.

In any dispute arising out of or related to this Agreement, including any question as to its formation, validity, interpretation or termination (a "Dispute") the parties shall, upon written notice and for thirty (30) days thereafter, attempt promptly and in good faith to settle the Dispute by mutual discussion. The thirty (30) day period for amicable settlement of a particular Dispute may be extended by written agreement of the parties.

12.2 Arbitration.

If the parties fail to settle amicably any Dispute, then such Dispute shall be settled exclusively and finally by arbitration before the Arbitration Institute of the Ministry of Justice of the Kingdom of Thailand under the Thai Commercial Arbitration Rules of the Arbitration Institute, Ministry of Justice then in effect.

ARTICLE 13 NOTICES

13.1 Notices.

Unless otherwise provided for herein, all notices and other communications given or required to be given hereunder shall be in writing and faxed or sent by courier or by registered or certified mail, return receipt requested and postage prepaid. All such notices and communications shall be effective:

- (a) if sent by facsimile, upon confirmation of transmission by an activity report identifying the correct number called and stating that the correct number of pages have been transmitted and that such transmission is "OK" or equivalent; or
- (b) if sent by courier or registered or certified mail, when received.

13.2 Addresses; Fax Numbers.

All notices and communications must be sent to the addresses or facsimile numbers for Seller and Buyer set forth below. In the alternative, the parties may use such other address or facsimile number as either party may designate from time to time by written notice given to the other party.

If to Seller:

Phu Khico Bio-energy Company Limited
Address: 25th Floor, Ploenchit Center
2 Sukhumvit Road
Klongtoey, Bangkok 10110
Thailand
Tel: 0-2656-8488 # 414
Fax: 0-2656-9929
Attn: Mr.Sirisak Tatong

If to Buyer:

United Farmer & Industry Company Limited
Address: 22nd Floor, Ploenchit Center
2 Sukhumvit Road
Klongtoey, Bangkok 10110
Thailand
Tel: 0-2656-8488 # 114
Fax: 0-2656-8487
Attn: Mr.Krisda Monthienchienchai

**ARTICLE 14
ASSIGNABILITY**

This Agreement shall not be assigned by Buyer or Seller without the express written consent of the other party hereto, such consent shall not be unreasonably withheld.

**ARTICLE 15
MISCELLANEOUS**

15.1 Entire Agreement.

This Agreement, together with the Appendices attached hereto and made a part hereof, is the entire understanding of the parties regarding the subject matter hereof, and supersedes all prior or contemporaneous oral or written discussions, negotiations and agreements the parties may have had with respect to the subject matter hereof.

15.2 Amendment.

This Agreement may be amended only by a written instrument signed by both parties.

15.3 Waivers.

Any term or condition of this Agreement may be waived at any time by the party that is entitled to the benefit thereof, but no such waiver shall be effective unless set forth in a written instrument duly executed by or on behalf of the party waiving such term or condition. The failure or delay of either party to require performance by the other party of any provision of this Agreement shall not affect its right to require performance of such provision unless and until such performance has been waived by such party in writing in accordance with the terms hereof. No waiver by either party of any term or condition of this Agreement, in any one or more instances, shall be deemed to be or construed as a waiver of the same or any other term or condition of this Agreement on any future occasion.

15.4 Relationship.

Nothing contained in this Agreement shall be deemed or construed for any purpose to establish, between Seller and Buyer, a partnership or joint venture, a principal-agent relationship or employer-employee relationship or any relationship other than seller and purchaser.

15.5 Headings.

The headings used in this Agreement are for convenience only and shall not affect the construction or interpretation of any of the provisions of this Agreement.

15.6 Governing Law.

This Agreement and the rights and obligations of the parties hereunder shall be governed by and construed in accordance with the laws of Thailand.

15.7 Severability.

If any term or provision of this Agreement is held to be illegal, invalid or unenforceable under any present or future law or by any governmental entity, (a) such term or provision shall be fully severable, (b) this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof, (c) the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom, and (d) in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Agreement a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible.

15.8 Appendices.

All Appendices referred to in this Agreement are attached hereto and incorporated herein by reference as though fully set forth wherever so referenced in this Agreement.

15.9 Third parties.

This Agreement is intended to be solely for the benefit of Seller and Buyer and their successors and permitted assigns and is not intended to and shall not confer any rights or benefits on any third party (other than successors and permitted assigns) not a signatory hereto.

15.10 Confidentiality.

Buyer and Seller and their contractors, consultants and agents shall hold in confidence all documents and other information labeled "Confidential" whether technical or commercial, supplied to it on behalf of the other party relating to the design, construction, operation, maintenance, management and financing of the Buyer Facility and the Seller Facility and shall not, save as required by applicable law or appropriate governmental entity, prospective lenders or investors and their professional advisors, publish or otherwise disclose or use the same for its own purposes otherwise than as may be required to perform its obligations under this Agreement. To the extent that such disclosures are necessary, the parties also agree that they shall endeavor in disclosing such information to seek to preserve the confidentiality of such disclosures.

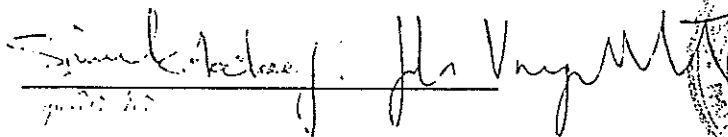
15.11 Further Assurances.

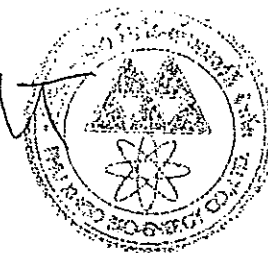
If either party determines in its reasonable discretion that any further instruments, assurances or other things are necessary or desirable to carry out the terms of this Agreement, the other party shall execute and deliver all such instruments and assurances and do all things reasonably necessary or desirable to carry out the terms of this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective duly authorized officers as of the date first above written.

SELLER:

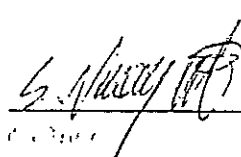
PHU KHIEO BIO-ENERGY COMPANY LIMITED

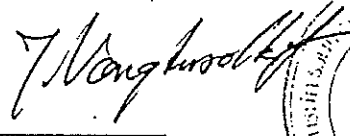


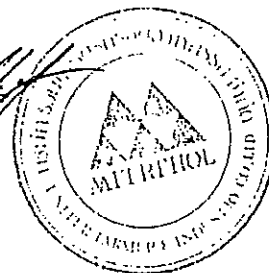


BUYER:

UNITED FARMER & INDUSTRY COMPANY LIMITED







APPENDIX A
ELECTRICITY PAYMENT

ELECTRICITY PAYMENT

- a. Electricity to be purchased shall be based on the quantities of bagasse purchased from Buyer pursuant to the Bagasse Supply Agreement dated April 18, 2003 between Buyer and Seller according to the following table:

Quantity of Bagasse Purchased (ton/year)	Electricity to be Purchased (Kwh/year)
553,500	61,517,592
567,000	63,018,021
580,500	64,518,450
594,000	66,018,879
607,500	67,519,308
621,000	69,019,737
634,500	70,520,167
648,000	72,020,596
661,500	73,521,025
675,000	75,021,454
688,500	76,521,883
702,000	78,022,312

The Electricity Payment for the electricity purchased according to the above table shall be calculated at the rate of 1.70 Baht per Kwh.

- b. If quantity of electricity required by Buyer in each year exceeds the quantity provided in the above table (the "Additional Electricity Quantity"), Buyer shall pay Seller additional Electricity Payment for the Additional Electricity Quantity at the same rate that Seller charges to the Electricity Generating Authority of Thailand (Energy Payment and Capacity Payment).

**APPENDIX B
STEAM PAYMENT**

STEAM PAYMENT

- a. Steam to be purchased shall be based on the quantities of bagasse purchased from Buyer pursuant to the Bagasse Supply Agreement dated April 18, 20 between Buyer and Seller. The Steam Payment shall be calculated at the price per unit set forth in the following table:

Quantity of Bagasse Purchased (ton/year)	Steam to be Purchased (ton/year)	Steam Unit Price (Baht/ton)
553,500	1,061,285	13.35
567,000	1,087,170	13.79
580,500	1,113,055	14.21
594,000	1,138,940	14.61
607,500	1,164,825	15.00
621,000	1,190,710	15.36
634,500	1,216,595	15.71
648,000	1,242,480	16.05
661,500	1,268,365	16.37
675,000	1,294,250	16.68
688,500	1,320,135	16.98
702,000	1,346,020	17.26

- b. If quantity of steam required by Buyer in each year exceeds the quantity provided in the table above (the "Additional Steam Quantity"), Buyer shall pay Seller additional Steam Payment for the Additional Steam Quantity at the rate of 65 Baht per ton.