

STOCK SALE AGREEMENT

This Stock Sale Agreement is made and entered into as of January ^a 8, 1996, by and between Enron International, Inc., a Delaware corporation ("Seller") and Centrans Energy Services Inc, a Cayman Islands company ("Buyer"). 7/13/96

WHEREAS, Seller is the Owner and the holder of five hundred (500) shares representing fifty percent (50%) of the outstanding stock of Puerto Quetzal Power Corp. (the "Shares"). Puerto Quetzal Power Corp. is a Delaware corporation, hereinafter referred to as "PQPC", which owns a 110 megawatt barge-mounted electric power generating plant berthed in Puerto Quetzal, Department of Escuintla, Guatemala (the "Project").

WHEREAS, Seller wishes to sell, and Buyer wishes to purchase, all of Sellers' shares of PQPC, upon the terms and conditions contained herein.

NOW, THEREFORE, in consideration of their respective promises and undertakings hereunder, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

ARTICLE 1. Sale and Purchase of PQPC Shares; Closing.

1.01. Agreement to Sell Stock. Subject to the terms and conditions set forth in this Agreement, on the Closing Date (as hereinafter defined), Seller shall sell and convey to Buyer the Shares.

1.02. Agreement to Purchase; Consideration. Subject to the terms and conditions set forth in this Agreement, on the Closing Date (as hereinafter defined), Buyer shall purchase the Shares and in consideration thereof shall deliver to Seller the purchase price for the Shares of an amount equal to Twenty Two Million Four Hundred Ninety-Three Thousand Three Hundred Three U.S. Dollars (U.S. \$22,493,303.00) (the "Purchase Price"), as adjusted by the Adjustment Amount (as defined in Section 1.04 hereof) after the Closing Date in accordance with the provisions of Section 1.04 hereof. The Purchase Price shall be paid to Seller by:

(i) the confirmed wire transfer of Sixteen Million U.S. Dollars (U.S. \$16,000,000) (the "Cash Portion") in immediately available funds to an account designated by Seller; and

(ii) delivery of a promissory note (the "Promissory Note") payable to Seller in an original principal amount equal to the difference between the Cash Portion and the Purchase Price, in substantially the form attached hereto as Exhibit I; provided, the principal amount of the principal amount of the Promissory Note shall be adjusted in accordance with the provisions of Section 1.04 hereof.

Senate Finance Committee

EXHIBIT 39

1.03. The Closing. The consummation of the transactions contemplated by Sections 1.01 and 1.02 shall constitute the Closing. The Closing shall take place at the offices of Seller and/or PQPC at 2:00 o'clock p.m. on January 8, 1996, or at such other time or place or on such other date as shall be mutually agreed upon by Seller and Buyer which date shall constitute the Closing Date. At the Closing, the following events shall occur:

(a) Buyer shall pay to Seller the Cash Portion of the Purchase Price in U.S. dollars by federal funds wire transfer of immediately available funds to the account designated as provided in Section 1.02;

(b) Buyer shall execute and deliver the Promissory Note as provided in Section 1.02;

(c) Seller shall deliver to Buyer one or more stock certificates representing the Shares, duly endorsed or accompanied by stock powers duly executed, in proper form for transfer to Buyer;

(d) Buyer shall execute and deliver a Stockholders Agreement with respect to PQPC, substantially in the form of Exhibit II, and a letter agreement addressed to Buyer and dated as of the date of Closing captioned "Agreement to Make Loans" (the "VAT Loan Letter"); and

(e) Buyer shall execute and deliver to Seller a Security Agreement substantially in the form of Exhibit III, whereby Buyer pledges the Shares to Seller as security for all of Buyer's obligations under the Promissory Note.

(f) Seller shall cause (i) Enron Global Power & Pipelines L.L.C. ("EGPP") to execute and deliver to Buyer: (1) a Stockholders Agreement in the form of Exhibit II, and (2) the letter agreement addressed to Buyer and dated as of the date of Closing captioned "Sharing of Development Activities," and (ii) Enron Operations Corp. ("EOP") to execute and deliver to PQPC that certain Guaranty, dated effective January 8, 1996, between EOP and PQPC. (The VAT Loan Letter and the agreements referred to in the immediately preceding sentence, ~~other than the Stockholders Agreement~~ are herein referred to as the "Related Agreements.")

(g) Buyer shall execute and deliver to PQPC a letter directing PQPC to pay dividends attributable to the Shares to Seller until full payment of Buyer's obligations under the Promissory Note and this Agreement.

1.04. Post Closing Determination of Change in Retained Earnings. The increase (or decrease), if any, in retained earnings of PQPC between August 31, 1995 and the Closing Date (the "Adjusted Amount") shall be calculated from the unaudited balance sheets of PQPC as of such dates. Such balance sheets shall be prepared by Seller in accordance with United States generally accepted accounting principles and delivered by Seller to Buyer within 45 days after the Closing Date. Promptly after calculation of the Adjusted Amount, the Purchase Price and the principal amount of the Promissory Note shall be increased or decreased by the Adjustment Amount. At the request of Seller and in conjunction with the delivery by Seller to Buyer of the Promissory Note marked "canceled", Buyer will execute and deliver a replacement promissory note which reflects

the adjusted principal amount. After delivery to Seller of the replacement promissory note and cancellation of the original Promissory Note, the replacement promissory note shall become the "Promissory Note" under this Agreement.

1.05. No Claims for Prior Activities. Notwithstanding anything in this Agreement to the contrary, in no event shall Buyer be entitled to raise, and Buyer accepts the agreements listed on Schedule 1.05(a), and hereby waives any claim or cause of action regarding the acceptability, validity or enforceability of any of the terms of any of the agreements listed on Schedule 1.05(a) or the performance prior to the date of the Closing of any such agreement by any such affiliate. This acceptance and waiver also extends to (i) the contracts currently being restructured in contemplation of closing hereunder [the principal terms of which are substantially described in Schedule 1.05(b)], and (ii) PQPC receipts and payments of receivables and payables, respectively, from various Enron Corp. subsidiaries and affiliates as listed in Schedule 1.05(c).

ARTICLE II. Representations and Warranties of Seller.

Seller represents and warrants to Buyer that the representations and warranties set forth in Sections 2.01 and 2.02 are true and correct on and as of the date of this Agreement and all of the representations and warranties set forth in this Article II will be true and correct on the Closing Date as if made on and as of the Closing Date:

2.01. Corporate Organization and Qualification. Each of Seller and PQPC is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. Copies of the Certificate of Incorporation (certified by the Secretary of State of Delaware) and the Bylaws of PQPC, minutes of the meetings of the Board of Directors and stockholders and stockholders of record of PQPC (each certified by the Secretary of PQPC), heretofore delivered to Buyer, are true, correct and complete and reflect all amendments thereto as of the date hereof. PQPC is duly qualified and, to the actual knowledge of the executive officers of Seller, holds all permits and licenses necessary under Guatemalan law to conduct business in Guatemala and has all necessary governmental licenses, permits, qualifications and authorizations to own, maintain, operate the Project and to perform the Project Documents (as hereinafter defined) to which it is a party.

2.02. Corporate Authority. Seller has full power and authority and has taken all necessary corporate action to execute, deliver and consummate this Agreement, and to perform all the obligations to be performed by Seller. This Agreement and the Related Agreements (when duly executed and delivered by the parties hereto) will be valid, legal and binding obligations of Seller or its affiliates (as the case may be), enforceable against Seller or its affiliates (as the case may be) in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditor's rights generally and by general principles of equity.

2.03. Capitalization. The authorized capital stock of PQPC consists of ten thousand (10,000) shares of common stock, of which one thousand (1,000) shares are issued and outstanding on the date hereof. As of the date hereof, Seller is the owner of five hundred (500) shares of common stock of PQPC, which represent fifty percent (50%) of the issued and outstanding shares of common stock of PQPC. The Shares have been duly authorized, validly issued, and are fully paid and non-assessable. Seller is now and at Closing will be the lawful owner of the Shares, free and clear of all liens, charges, restrictions, pledges, claims, rights of third parties and other encumbrances of every kind. There are no outstanding or authorized subscriptions, options, warrants, calls, rights, commitments or any other agreements of any character obligating PQPC to issue any additional capital stock or any other securities convertible into or evidencing the right to subscribe for any such stock.

2.04. Title to Shares. Seller now has and at Closing will have full legal power and authority to sell, assign and transfer the Shares and the delivery of the Shares will transfer to Buyer valid legal title thereto, free and clear of all liens, charges, restrictions, pledges, claims, rights of third parties and other encumbrances of every kind and nature except for the restrictions on transfer and other obligations set forth in that certain Stockholders Agreement of even date herewith, between Buyer and EGPP.

2.05. Project Documents. To the actual knowledge of Seller, (i) the Project Documents (as hereinafter defined) were duly authorized, executed and delivered by the parties thereto, (ii) Seller or its representatives have delivered to Buyer true, accurate and complete copies of the Project Documents, (iii) the Project Documents continue in full force and effect in accordance with their terms, and (iv) except as listed on Schedule 2.05 hereto, there exists no breach of any of the Project Documents which would have a material adverse effect on PQPC. As used in this Section 2.05, the "Project Documents" shall mean those documents identified on Exhibit V. Except as to the Project Documents, PQPC is not a party to any (i) contract that is material to PQPC which is terminable by the other party thereto upon a change of control of PQPC, or (ii) other contract, agreement or arrangement, entered into other than in the ordinary course of business, involving an estimated total future payment or payments on behalf of or to PQPC in excess of \$100,000, except those in progress of being restructured in contemplation of closing, as referenced in Section 1.05 hereof.

2.06. Balance Sheet. As of the date thereof, the unaudited financial statements of PQPC for the period ending September 30, 1995 attached hereto as Schedule 2.06 (the "September 30 Financials") presents fairly the financial position of PQPC in accordance with U.S. generally accepted accounting principles. To the actual knowledge of Seller, (i) as of September 30, 1995, PQPC had no liabilities (including intercompany loans) that should have been disclosed on the financial statements of PQPC in accordance with U.S. generally accepted accounting principles other than those liabilities disclosed on the September 30 Financials, (ii) except for the liens granted in connection with any of the liabilities reflected in the September 30 Financials, the assets of PQPC are free and clear of all liens, charges, restrictions, pledges, claims, rights of third parties and other

encumbrances except for the restrictions set forth in the Stockholders Agreement, and (iii) there has not been any material adverse change from the September 30 Financials which would be reflected on financial statements of PQPC if such financial statements were prepared in accordance with U.S. generally accepted accounting principles for the period ending on the date hereof.

2.07. Compliance With Laws. To the actual knowledge of Seller, (i) PQPC has received no notices of the Project's violation of any applicable law, including, without limitation, environmental laws, and (ii) there exists no actual or any threatened litigation, administrative or arbitration or other proceeding or governmental investigation or labor dispute relating to the Project.

ARTICLE III. Representations and Warranties of Buyer.

Buyer represents and warrants to Seller that the following are true and correct on and as of the date of this Agreement and will be true and correct on the Closing Date as if made on and as of the Closing Date:

3.01. Corporate Organization and Qualification. Buyer is a corporation duly organized, validly existing and in good standing under the laws of the Cayman Islands.

3.02. Corporate Authority. Buyer has full power and authority and has taken all necessary corporate action to execute, deliver and consummate this Agreement, and to perform all the obligations to be performed by Buyer. This Agreement and all other agreements executed and delivered by Buyer in connection with the Closing (when duly executed and delivered by the parties hereto) will be valid, legal and binding obligations of Buyer, enforceable against Buyer in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditor's rights generally, and by general principles of equity.

3.03. Investment Intent. Buyer acknowledges that the Shares have not been registered under the Securities Act of 1933, and Buyer represents that it is acquiring the shares for its own account for investment and without any present intention to sell or otherwise dispose of the Shares.

3.04. Financial Capacity. Buyer has the financial resources and capacity to comply with all of its obligations under this Agreement, including but not limited to (a) the payment of the Cash Portion and (b) the execution and delivery of the Security Agreement. There are no bankruptcy, reorganization, or similar proceedings pending with respect to, being contemplated by, or threatened against Buyer.

ARTICLE IV. Indemnities

4.01. Seller's Indemnity. Seller shall, and hereby does indemnify and hold harmless Buyer and the directors, officers, employees, agents and representatives of Buyer from and against any and all costs, losses, claims, damages, actions, judgments, penalties, and liabilities, including reasonable attorney's fees ("Losses") incurred by Buyer arising out of Seller's breach of a representation, warranty or covenant of this Agreement unless Buyer was aware of any such breach as of the Closing Date.

4.02. Buyer's Indemnity. Buyer shall, and hereby does indemnify and hold harmless Seller and the directors, officers, employees, agents, and representatives of Seller and its affiliates from and against any Losses incurred by Seller arising out of Buyer's breach of a representation, warranty, or covenant of this Agreement unless Seller was aware of any such breach as of the Closing Date.

ARTICLE V. Conduct Prior to Closing; Conditions of Closing.

5.01 Hart-Scott-Rodino Filings. Buyer has determined, and hereby represents, that no Hart-Scott-Rodino filing is necessary to consummate the purchase and sale under this Agreement.

5.02. Conditions of Closing. The respective obligations of each party hereto to consummate the purchase and sale under this Agreement are subject to the condition that the representations and warranties made by the other party shall be true and correct as of the Closing Date.

ARTICLE VI. Agreement Regarding the IFC Letter of Credit.

6.01 Obligation to Maintain IFC Letter of Credit. Buyer agrees that it shall pay Seller, or its designee, fifty per cent (50%) of any fees or costs payable to the issuer of the letter of credit incurred to renew or maintain that certain letter of credit (the "IFC Letter of Credit") issued by ABN-AMRO Banks, N.V. and International Trade Bank (B of A) in favor of the International Finance Corporation (the "IFC") or replacements, as required by the IFC as part of its debt service guarantees for the Project. Currently, it is estimated that fifty percent (50%) of such costs will be approximately Twenty-Two Thousand Five Hundred U.S. Dollars (\$22,500.00) per year. Seller shall deliver to Buyer those certain documents between PQPC and the issuer which describe the fees and costs payable in connection with the IFC Letter of Credit.

6.02 IFC Letter of Credit Draws. Buyer and Seller agree that in the event that the IFC Letter of Credit is drawn upon between the Closing Date and January 1, 2003, then Buyer shall reimburse Seller, or its designee, in cash, for fifty per cent (50%) of any amounts drawn under the IFC Letter of Credit. These reimbursement payments shall be made by Buyer in up to five (5) annual installments of no less than Two Hundred Fifty Thousand U.S. Dollars (U.S. \$250,000.00) each due on January 1st of each year beginning on January 1, 2000, except that (a) the final installment shall be equal to the remaining

unreimbursed amount even though it is less than Two Hundred Fifty Thousand U.S. Dollars (U.S. \$250,000), and (b) if the IFC Letter of Credit is drawn upon after January 1, 2000, reimbursement payments shall begin on the next following January 1st and each January 1 thereafter through January 1, 2004. Furthermore, in the event that the amounts drawn under the IFC Letter of Credit are less than Five Hundred Thousand U.S. Dollars (U.S. \$500,000) in the aggregate, then the reimbursement payment by Buyer shall be a lump sum equal to fifty per cent (50%) of the amount so drawn, and shall be payable on or before January 1, 2000 except that if the IFC Letter of Credit is drawn upon after January 1, 2000, then the reimbursement payment by Buyer shall be a lump sum equal to fifty per cent (50%) of the amount so drawn, and shall be payable on or before the next succeeding January 1st.

ARTICLE VII. General Provisions.

7.01. Independent Investigation. Buyer acknowledges that it has had access to the officers, employees, assets, operations, books, records and files of PQPC and those of the Seller relating to PQPC. In entering into the transaction contemplated in this Agreement, Buyer is relying solely on its own investigation of PQPC and the business of PQPC, and on its own expertise in the independent power industry. Except for the representation, warranties, and covenants contained herein, Buyer is not relying on any other statement, document, or information provided by PQPC or Seller or their affiliates, employees or agents, including without limitation any financial or operating projections. Without diminishing the scope of the express representations, warranties and covenants of Seller in this Agreement and without first affecting or impairing Buyer's right to rely thereon, Buyer acknowledges that Seller has not made, and Seller **HEREBY EXPRESSLY DISCLAIMS AND NEGATES ANY OTHER REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, RELATING TO THE SHARES, THE CONDITION OF THE ASSETS OR THE OPERATIONS OF PQPC (INCLUDING WITHOUT LIMITATION, AN IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR CONFORMITY TO MODELS OR SAMPLES OF MATERIALS).**

7.02. Entire Agreement. This Agreement, together with any other document executed or delivered between the parties hereto between the date hereof and the date of the Closing pursuant to this Agreement, sets forth the entire agreement and understanding of the parties relating to the subject matter set forth herein and supersedes any and all other understandings, contracts or agreements, oral or written, between the parties hereto with respect to the subject matter of this Agreement.

7.03. Survival. The representations, warranties and covenants of the parties in Articles II and III of this Agreement shall survive the Closing for a period of eighteen (18) months and shall thereafter terminate and be of no further force or effect. Any action for breach of any of the representations, warranties and covenants of the parties in Articles II and III of this Agreement must be brought, if at all, on or before the earlier to occur of (i) eighteen (18) months after the Closing, and (ii) one (1) year after discovery of the breach.

7.04. Expense. Each party shall pay its own expenses related to this Agreement and the transactions contemplated hereby.

7.05. Further Assurances. The parties agree to take all such further actions and to execute, acknowledge and deliver all such further documents as are necessary to carry out the purposes and intent of this Agreement.

7.06. Governing Law. This Agreement shall be governed by, and construed in accordance with the laws of The State of Texas without regard to principles and conflicts of law.

7.07. Confidentiality. This Agreement shall be kept confidential, except to the extent any information is reasonably required to be disclosed (a) to any person or entity for the purpose of evaluating whether to provide insurance or financing or other credit support for PQPC, or the parties or their affiliates, or to any actual or proposed assignee of all or part of the interest of Buyer or Seller in PQPC; (b) to the legal, accounting, regulatory or other advisers of Seller, Buyer, or PQPC, or their affiliates; (c) as required by any governmental authority or otherwise by law; or (d) to the extent reasonably required in connection with the exercise of any remedy hereunder, provided, however, that any party to which disclosure is made under clauses (a) or (b) of this Section 7.07 has entered into an appropriate confidentiality undertaking; and further provided that if an appropriate confidentiality undertaking is not obtainable for disclosures under clauses (c) and (d) of this Section, that a suitable protective order has been obtained (if obtainable). The provisions of this Section 7.07 shall survive any termination of this Agreement.

7.08. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, illegality or unenforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

7.09. Assignment. This Agreement shall not be assignable by any party hereto.

7.10. Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterparts, each complete set of which when so executed and delivered by all parties, shall be original, but all such counterparts shall constitute but one and the same instrument.

7.11. Notices. Any notice to be given hereunder shall be in writing and may be delivered by hand (including without limitation by express courier) against written receipt or sent by first class mail postage prepaid or by facsimile copy with telephone confirmation thereof, promptly followed by a written notice sent by first class mail postage prepaid to the persons and addresses specified below (or such other person or address as any party may previously have notified in writing for that purpose). A notice shall be deemed to have been served when delivered by hand at that address or received by facsimile copy, or if sent by first class mail as aforesaid, five days after it was posted. In proving service

by first class mail, it shall be sufficient to prove that the letter containing the notice was properly addressed and stamped and posted. The names and addresses for the service of notices referred to in this Section are:

To Seller:

Enron International Inc.
1400 Smith
Houston, Texas 77002
Attention: Vice President and Secretary
Fax No. (713) 853-3920

To Buyer:

Centrans Energy Services Inc
c/o DAG Management and Trading Ltd.
P.O. Box 2002
Grand Cayman, Cayman Islands, B.W.I.
Fax No.: (809) 949-8899

with copies to:

Henrik Preuss
c/o Centrans Internacional S.A.
6 a. Av. 20-25, Zona 10
P.O. Box 1249
Guatemala City, Guatemala Central America

and

Constantine Boden
Old City Hall
45 School Street
Boston, MA 02108

 7.12. Termination. This Agreement may be terminated by either party upon written notice to the other party at any time after the 31st day of December, 1995 if the Closing has not occurred.

7.13. Waiver of Compliance. Any failure of the Seller, on the one hand, or the Buyer, on the other hand, to comply with any obligation, covenant, agreement or condition herein may be waived by Seller or the Buyer, respectively, only by a written instrument signed by the party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

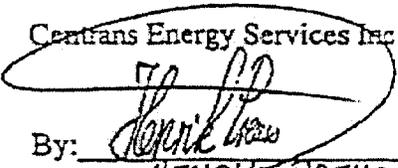
WITNESS, the undersigned have executed and delivered this Stock Sale Agreement as of the date set forth above.

BUYER:

SELLER:

Centrans Energy Services Inc

Enron International, Inc.

By: 

By: _____

Name: HENRIK PREUSS

Name: _____

Title: President

Title: _____

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WITNESS, the undersigned have executed and delivered this Stock Sale Agreement as of the date set forth above.

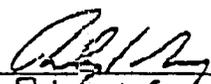
BUYER:

Centrans Energy Services Inc

By: _____
Name: _____
Title: _____

SELLER:

Enron International, Inc.

By: 
Name: Rodney L. Gray
Title: Chairman, President & CEO

KWC

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