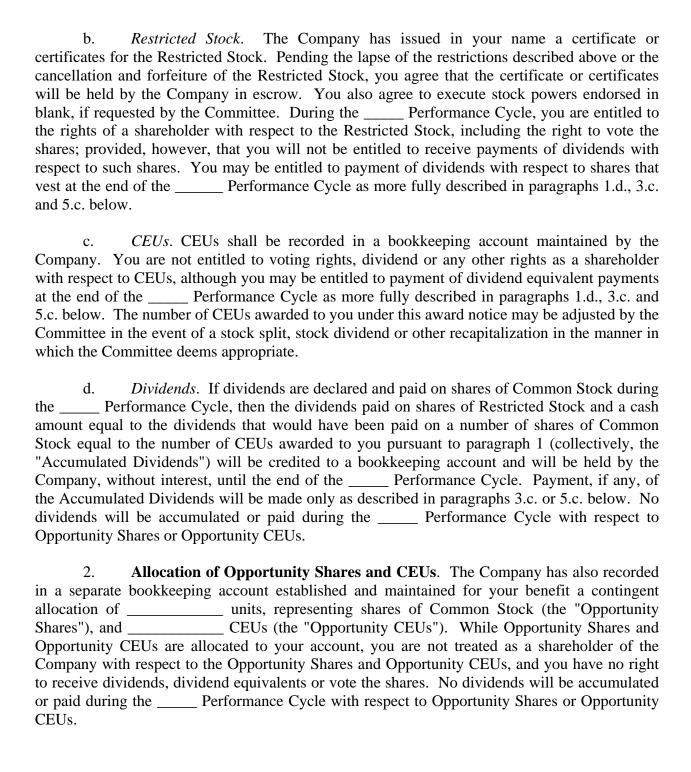
## **CLECO CORPORATION**

2030 Donahue Ferry Road Pineville, LA 71360

«NAME» «LOCATION	»	
	Re:	Notice and Acceptance of Grant of Restricted Stock and Common Stock Equivalent Units and Allocation of Opportunity Shares and Opportunity Common Stock Equivalent Units Performance Cycle
Dear «NICKN	IAME»	
Corporation ( Incentive Conincentives rel "Common Sto applicable to bound by the	the "Co npensati ated to ock"). ' your gra terms	ration Committee of the Board of Directors (the "Committee") of Cleco mpany") appointed to administer the Cleco Corporation 2000 Long-Term ion Plan, as amended (the "Plan") has granted and allocated to you certain shares of the Company's \$1.00 par value voting common stock (the This letter is intended to provide you notice of the terms and conditions ant and allocation. By execution below, you acknowledge and agree to be and conditions described herein and the provisions of the Plan. Unless ow, capitalized terms used herein shall have the meanings ascribed to them
1.	Grant	of Restricted Stock and Common Stock Equivalent Units.
Units ("CEUs	ck (the "), prov	The Committee grants to you an aggregate of shares of "Restricted Stock") and an equal number of Common Stock Equivalent yided that during the Performance Cycle (as defined below), such tock and such CEUs:
otherw	(i) vise disp	Shall not be sold, assigned, transferred, pledged, hypothecated or bosed of; and
		Shall be canceled and forfeited, without the payment of consideration by if you are notified that the Company has not achieved the Performance ablished for the Performance Cycle or your employment with the

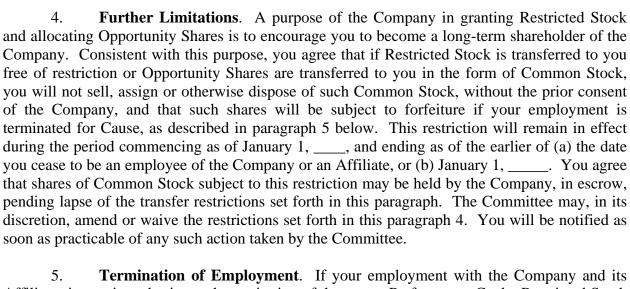
hereof.

Company and its Affiliates terminates for any reason, except as provided in paragraph 5



# 3. **Performance Objectives; Vesting, Delivery and Payment**.

to the provisions Plan, to determin	Performance Cycle") is a soft the Plan, including properties the degree to which the	ning as of January 1,, a attached hereto as <b>Exhibit A</b> . rovisions authorizing the Co-Company achieves the Performance of the control of the property of the control of the property of	The summary is subject mmittee to interpret the ormance Objectives, and
Performance Cyclif any, that are no cash, and the number from your bookk with respect to Caward letter will paid shall entitle Stock as of a date events any cash paid by March to vest or be delivitle be determined.	cle, the Committee will not of longer subject to restrict on the form the ceping account in the form the ceping account in the cepi	ent. As soon as practicable at tify you of the number of shadon, the number of CEUs, if a set and Opportunity CEUs, if a of Common Stock or cash, as under this paragraph or an eash payment. Each CEU or qual to the Fair Market Value are as near as practicable to the unit with respect to CEUs or Opportunity of Shares of Restricted Stock per of CEUs and Opportunity ased upon whether the Come Objectives for the	ares of Restricted Stock, any, to be paid to you in any, to be issued to you as applicable. Payments y other provision of this Opportunity CEU to be of a share of Common he payment date. In all prortunity CEUs will be and Opportunity Shares CEUs to be paid, if any, apany has achieved the
		1	
Performance	Restricted	CELL	Total Assessed
Objective	Restricted Shares	CEUs	Total Award
Objective hreshold		CEUs	Total Award
Objective		CEUs	Total Award
Objective hreshold larget Maximum  Shares of Restrivested, paid or is canceled by the Common	Shares  Stock, CEUs, Oppose Sued to you will be forfeite Company.	rtunity Shares and Opportuned and the affected certificate ividends. If any shares of I	nity CEUs that are not s or bookkeeping entries

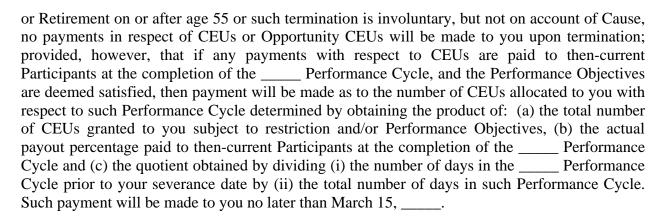


- Affiliates is terminated prior to the expiration of the \_\_\_\_\_ Performance Cycle, Restricted Stock granted to you, CEUs allocated to you and any Accumulated Dividends allocated to you in accordance with paragraph 1 hereof, and Opportunity Shares and Opportunity CEUs allocated to you in accordance with paragraph 2 hereof, will be forfeited as of the date of your termination, except as expressly provided below:
- a. Restricted Stock and Opportunity Shares. If your employment with the Company and its Affiliates is terminated during the \_\_\_\_\_ Performance Cycle on account of your death, Disability or Retirement on or after age 55, or if such termination is involuntary, but not on account of Cause, no shares will be vested or delivered upon termination; provided, however, that if any Restricted Stock held by then-current Participants vests at the completion of the \_\_\_\_\_ Performance Cycle, the restrictions lapse and the Performance Objectives are deemed satisfied, the number of shares of Restricted Stock issued to you with respect to such Performance Cycle shall be determined by obtaining the product of: (a) the total number of shares of such Restricted Stock subject to restriction and/or Performance Objectives, (b) the actual payout percentage paid to then-current Participants at the completion of the \_\_\_\_\_ Performance Cycle and (c) the quotient obtained by dividing (i) the number of days in the \_\_\_\_\_ Performance Cycle prior to your severance date by (ii) the total number of days in such Performance Cycle.

If your employment with the Company and its Affiliates is terminated on account of Cause during the period described in paragraph 4 hereof, you agree that all Common Stock acquired on the lapse of restrictions and/or the transfer of Opportunity Shares will be forfeited and canceled as of the date of such termination, without requirement of further notice.

b. CEUs and Opportunity CEUs. If your employment with the Company and its Affiliates is terminated during the \_\_\_\_\_- Performance Cycle on account of your death, Disability

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- c. *Accumulated Dividends*. Accumulated Dividends that were credited to the bookkeeping accounts with respect to the shares of Restricted Stock which were deemed vested pursuant to paragraph 5.a. and the CEUs which were paid pursuant to paragraph 5.b. will be paid to you no later than March 15, \_\_\_\_\_.
- d. *Cause*. For this purpose, the term "Cause" generally means that you commit an intentional act of fraud, embezzlement or theft during your employment, you engage in intentional misconduct that is materially injurious to the Company (or an Affiliate), you wrongfully disclose confidential information, you intentionally damage the property of the Company or you intentionally refuse to perform your material job duties. The Committee determines whether any termination is on account of Cause.
- 6. Change in Control. Notwithstanding any provision of the Plan or this agreement to the contrary, upon the occurrence of a Change in Control, all Performance Objectives shall be deemed satisfied and all restrictions and limitations shall lapse as to the aggregate number of shares of Restricted Stock granted to you in paragraph 1 hereof, all CEUs granted to you in paragraph 1 shall be paid to you in cash, shares of Common Stock equal to the number of Opportunity Shares allocated to you in paragraph 2 hereof shall be transferred to you, free of restriction, and Opportunity CEUs allocated to you in paragraph 2 hereof shall be paid to you in cash. If your employment with the Company is subject to a severance agreement, employment agreement or similar document defining the term "Change in Control," the definition contained in such document shall govern; otherwise, the term "Change in Control" shall be determined in accordance with the terms of the Plan.

Unless you are or become a party to a separate written agreement with the Company that provides to the contrary, the Plan provides that no portion of the payments you receive from the Company or an Affiliate on account of a Change in Control, including Common Stock under this paragraph 6, can be characterized as an "excess parachute payment" within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended. If an excess parachute

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payment is otherwise payable to you on account of a Change in Control, you may be required to forfeit some or all of the Common Stock transferable hereunder to comply with this limitation.

Notwithstanding the foregoing, payments of cash with respect to CEUs will not be made pursuant to this paragraph 6 unless the Change in Control is a permissible payment event for purposes of Section 409A of the Code and relevant guidance thereunder. If the Change in Control is not a permissible payment event under Section 409A of the Code, payments with respect to CEUs will be made at the end of the \_\_\_\_\_ Performance Cycle, but not later than March 15, \_\_\_\_\_.

- 7. **Business Transactions**. If your employment with the Company and its Affiliates is involuntarily terminated on account of a Business Transaction and not on account of Cause, all Performance Objectives shall be deemed satisfied and all restrictions shall lapse as to the Restricted Stock granted to you in paragraph 1 hereof, all CEUs granted to you in paragraph 1 shall be paid to you in cash, shares of Common Stock equal to the number of Opportunity Shares allocated to you in paragraph 2 hereof shall be transferred to you, free of restriction, and Opportunity CEUs allocated to you in paragraph 2 hereof shall be paid to you in cash. For this purpose, the term "Business Transaction" is defined in the Plan as the sale, lease or other disposition of all or a substantial portion of the assets of an Affiliate or the sale or other disposition of all or substantially all of the issued and outstanding stock or other equity interests of an Affiliate. The Committee determines whether any sale, lease or disposition is a Business Transaction.
- 8. **Tax Withholding**. If the restrictions lapse with respect to all or part of the Restricted Stock or if Opportunity Shares are transferred to you, you agree that:
- a. If Restricted Stock is released to you, CEUs are paid to you, Opportunity Shares are transferred or issued to you or Opportunity CEUs are paid to you by the Company, you will, no later than the date of such release, transfer or issuance, pay to the Company, or make arrangements satisfactory to the Committee regarding payment of, any federal, state or local taxes required by law to be withheld by the Company with respect to such deliveries or payments; and
- b. The Company and its Affiliates shall, to the extent permitted by law, have the right to deduct from any payments otherwise due to you any federal, state or local taxes required by law to be withheld.
- 9. **No Assignment**. The grant and allocation described herein shall not be subject in any manner to sale, transfer, pledge, assignment or other encumbrance or disposition, whether by operation of law or otherwise and whether voluntarily or involuntarily, except by will or the laws of descent and distribution.

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- 10. **Additional Requirements**. You acknowledge that Common Stock acquired hereunder may bear such legends as the Committee or the Company deems appropriate to comply with applicable Federal or state securities laws or under the terms of the Plan. In connection therewith and prior to the issuance of such shares, you may be required to deliver to the Company such other documents as may be reasonably required to ensure compliance with applicable Federal or state securities laws.
- 11. **Employment Rights**. Neither this agreement nor the grant of Restricted Stock or CEUs or allocation of Opportunity Shares or Opportunity CEUs shall be deemed to confer upon you any right to continue in the employ of the Company or any Affiliate or interfere, in any manner, with the right of the Company or any of its Affiliates to terminate your employment, whether with or without cause, in its sole discretion.
- 12. **Amendment**. The Committee may amend the terms and conditions set forth herein, without your consent, to the extent it determines that such amendment is necessary or appropriate to comply with the provisions of Section 409A of the Internal Revenue Code of 1986, as amended. You will receive written notice of any such amendment. Otherwise, the terms and conditions set forth herein can be amended by the written consent of the parties hereto.

Very truly yours,

**CLECO CORPORATION** 

By:	
•	George W. Bausewine
Its:	Senior Vice President
	Corporate Services

## ACKNOWLEDGMENT AND AGREEMENT

I acknowledge that the Restricted Stock and CEUs granted and Opportunity Shares and Opportunity CEUs allocated hereunder shall be subject to such additional terms and conditions as may be imposed under the terms of the Plan, in addition to the terms and conditions of this agreement. By execution of this agreement, I acknowledge that no member of the Committee shall be liable for any action or determination taken in good faith with respect to the Plan or any grant or award hereunder.

Signatu	ıre		
Date:			

## **EXHIBIT A**

## CLECO CORPORATION 2000 LONG-TERM INCENTIVE COMPENSATION PLAN

# PERFORMANCE OBJECTIVES

The Cleco Corporation 2000 Long-Term Incentive Compensation Plan (the "Plan" requires the Compensation Committee of the Board of Directors (the "Committee") of Cleco Corporation (the "Company") to establish performance measures for each Performance Cycle.
corporation (the company ) to establish performance measures for each refrontiance cycle.
For the Performance Cycle, the comparative performance measure approved is the relative price appreciation plus dividends paid per share on Common Stock ("Total Shareholde Return" or "TSR") during the Performance Cycle as compared to the Total Shareholde Return of companies in the S&P Small and Midcap Electric Utilities Index ("Peer Group").
Company's TSR must rank at or above the <u>30th</u> percentile level in order for any award to be paid. Actual awards are determined by the Committee based on the Company's rank within the peer group (see <b>Attachment A</b> – Performance Award Matrix).
peer group (see Attachment A – Terrormance Award Matrix).
Restrictions will lapse upon receipt by you of written notice from the Committee that the Company has achieved the Performance Objectives established for the Performance Cycle; notice will be given by the Committee as soon as practicable after the close of the cycle
Payments with respect to CEUs will be made on a similar schedule, provided that in all events any payments to be made with respect to the CEUs granted for the Performance Cycle will be made on or before March 15,