

**CONFIRMATION  
BETWEEN  
SAN DIEGO GAS & ELECTRIC COMPANY  
AND  
PILOT POWER GROUP, INC**

This confirmation letter ("Confirmation") confirms the transaction ("Transaction") between **San Diego Gas & Electric Company** ("Seller" or "SDG&E" "Party B") and **Pilot Power Group, Inc** ("Buyer" or "Party A"), each individually a "Party" and together the "Parties", effective as of February 28, 2013 (the "Confirmation Effective Date"). This Transaction is governed by the EEI Master Power Purchase & Sale Agreement effective as of 4/25/00 (the "EEI Agreement"). The EEI Agreement and this Confirmation shall be collectively referred to herein as the "Agreement." Capitalized terms used but not otherwise defined in this Confirmation have the meanings ascribed to them in the EEI Agreement or in the RPS (as defined herein).

<b>Buyer:</b> Pilot Power Group, Inc		<b>Seller:</b> San Diego Gas & Electric Company
<b>Contact Information:</b>	<b>Name:</b> Pilot Power Group, Inc (" <u>Buyer</u> ")	<b>Name:</b> San Diego Gas & Electric Company (" <u>Seller</u> ")
	<b>All Notices:</b> Pilot Power Group, Inc. 8910 University Center Lane, Suite 520 San Diego, CA 92122 Attn: Contract Administration Phone: 858-678-0118 Facsimile: 858-678-0353 Duns: 930453365 Federal Tax ID Number: 33-0957670	<b>All Notices:</b> San Diego Gas & Electric Company Street: 8315 Century Park Court City: San Diego, CA Zip: 92123 Attn: Electric & Fuel Procurement Contract Administration Phone: (858) 650-6176 Facsimile: (858) 650-6190 Duns: 006911457 Federal Tax ID Number: 95-1184800
	<b>Invoices:</b> Pilot Power Group, Inc. 8910 University Center Lane, Suite 520 San Diego, CA 92122 Attn: Blaine Maas Phone: 858-678-0118 Facsimile: 858-678-0353	<b>Invoices:</b> San Diego Gas & Electric Company 8315 Century Park Ct. San Diego, California 92123-1593 Attn: Energy Accounting Manager Phone: (858) 650-6177 Facsimile: (858) 650-6190
	<b>Scheduling:</b> Pilot Power Group, Inc. 8910 University Center Lane, Suite 520 San Diego, CA 92122 Attn: Bryson Allen Phone: 858-678-0118 Facsimile: 858-678-0353	<b>Scheduling:</b> San Diego Gas & Electric Company 8315 Century Park Ct. San Diego, California 92123-1593 Attn: Transaction Scheduling Manager Phone: (858) 650-6160 Facsimile: (858) 650-6191

	<b>Payments:</b>	<b>Payments:</b>
	Pilot Power Group, Inc. 8910 University Center Lane, Suite 520 San Diego, CA 92122 Attn: Blaine Maas Phone: 858-678-0118 Facsimile: 858-678-0353	San Diego Gas & Electric Company PO Box 25110 Santa Ana, CA 92799-5110 Attn: Mail Payments Phone: (619) 696-4521 Facsimile: (619) 696-4899
	<b>Wire Transfer:</b>	<b>Wire Transfer:</b>
	BNK: City National Bank ABA: 122016066 ACCT: 027374468 Confirmation: Pilot Power Group, Inc. FAX: 858-678-0353	BNK: Union Bank of California for: San Diego Gas & Electric Company ABA: Routing # 122000496 ACCT: #4430000352 Confirmation: SDG&E, Major Markets FAX:(213) 244-8316
	<b>Credit and Collections:</b>	<b>Credit and Collections:</b>
	Pilot Power Group, Inc. 8910 University Center Lane, Suite 520 San Diego, CA 92122 Attn: Blaine Maas Phone: 858-678-0118 Facsimile: 858-678-0353	San Diego Gas & Electric Company, Major Markets 555 W. Fifth Street, ML 10E3 Los Angeles, CA 90013-1011 Attn.: Major Markets, Credit and Collections Manager Fax No.: (213) 244-8316 Phone: (213) 244-4343
	<b>Defaults:</b>	<b>Defaults:</b>
	With additional Notices of an Event of Default or Potential Event of Default to: Pilot Power Group, Inc. 8910 University Center Lane, Suite 520 San Diego, CA 92122 Attn: John Friderichs Phone: 858-678-0118 Facsimile: 858-678-0353	With additional Notices of an Event of Default or Potential Event of Default to: San Diego Gas & Electric Company 8330 Century Park Ct. San Diego, California 92123 Attn: General Counsel Phone: (858) 650-6141 Facsimile: (858) 650-6106

The Parties hereby agree that the General Terms and Conditions are incorporated herein, and to the following provisions as provided for in the General Terms and Conditions:

**Article Two**

Transaction Terms and Conditions

Optional provision in Section 2.4. If not checked, inapplicable.

**Article Four**

Remedies for Failure to Deliver or Receive

Accelerated Payment of Damages. If not checked, inapplicable.

**Article Five**

Events of Default; Remedies

Cross Default for Party A:

Party A: N/A

Cross Default Amount: N/A

Other Entity: N/A

Cross Default Amount: N/A

Cross Default for Party B:

Party B: N/A

Cross Default Amount: N/A

Other Entity: N/A

Cross Default Amount: N/A

5.6 Closeout Setoff

- Option A (Applicable if no other selection is made.)
- Option B – Affiliates shall have the meaning set forth in the Agreement unless otherwise specified as follows:
- Option C (No Setoff)

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**Article 8**

Credit and Collateral Requirements

**8.1 Party A Credit Protection:**

- (a) Financial Information:
  - Option A
  - Option B Specify: \_\_\_\_\_
  - Option C Specify: \_\_\_\_\_
- (b) Credit Assurances:
  - Not Applicable
  - Applicable
- (c) Collateral Threshold:
  - Not Applicable
  - ApplicableIf applicable, complete the following: N/A
- (d) Downgrade Event:
  - Not Applicable
  - ApplicableIf applicable, complete the following: N/A
- (e) Guarantor for Party B: None  
Guarantee Amount: None

**8.2 Party B Credit Protection:**

- (a) Financial Information:
  - Option A
  - Option B
  - Option C Specify:
- (b) Credit Assurances:
  - Not Applicable
  - Applicable
- (c) Collateral Threshold:
  - Not Applicable
  - Applicable
- (d) Downgrade Event:
  - Not Applicable
  - ApplicableIf applicable, complete the following: N/A
- (e) Guarantor for Party A: None

Guarantee Amount: N/A

**Article 10**  
Confidentiality

Option A: Confidentiality Applicable. If not checked, inapplicable.

**Schedule M**

- Party A is a Governmental Entity or Public Power System  
 Party B is a Governmental Entity or Public Power System  
 Add Section 3.6. If not checked, inapplicable

**Schedule P**

Schedule P: Products and Related Definitions shall be deleted in its entirety.

**ARTICLE 1**  
**COMMERCIAL TERMS**

**FIRM DELIVERY OBLIGATION**

<b>Seller: SAN DIEGO GAS &amp; ELECTRIC COMPANY</b>		<b>Buyer: PILOT POWER GROUP, INC</b>	
<b>Scheduling:</b>	<u>Seller</u> Day Ahead: 858-650-6178	<u>Buyer</u> Day Ahead: 858-678-0118	
	Contact information is for convenience and is subject to change by notice.		
<b>Product:</b>	The Product is a Firm Delivery Obligation of all California Energy Commission-certified RPS Bundled Electric Energy and associated Green Attributes which meets the definition of a Category 1 Transaction in the Contract Quantity.		
	During the Delivery Period, Seller shall deliver and sell, and Buyer shall purchase and receive, this Product, subject to the terms and conditions of this Confirmation. Seller shall not substitute or purchase any Green Attributes from any generating resource other than the Project for delivery hereunder.		
<b>Project:</b>	All Product sold hereunder shall be from one or more of the facilities, each meeting the requirement of 6.1(a), listed in Exhibit A (collectively, the "Project").		
	The Parties acknowledge and agree that the Project consists of a pool of facilities and that Seller is permitted to utilize one or more of these pooled facilities in order to satisfy its obligations hereunder. The Parties further acknowledge and agree that, with respect to Section 3.3(a) of this Confirmation, Product shall solely be limited to the actual Product generated and delivered by the pooled facilities used to satisfy the Contract Quantity, and that Buyer is not entitled to any additional Product produced by the pooled facilities in the Project above and beyond the Contract Quantity.		
<b>Contract Capacity</b>	27.3 MW for deliveries in 2014; 29.9 MW for deliveries in 2015; and 41.6 MW for deliveries in 2016.		
	Notwithstanding the foregoing, in the event Seller does not deliver the Contract Capacity in a		

	particular hour, Seller shall make up the quantity shortfall (the "Shortfall") within the following twelve (12) months or before the end of the Delivery Period, whichever comes first.
<b>Contract Quantity:</b>	"Contract Quantity" shall be equal to 380,000MWhs which is the product of: (i) all Off Peak hours during the Delivery Period; and (ii) the Contract Capacity.
<b>Contract Price:</b>	Index plus \$26.00 MWh
<b>Term:</b>	The Term of this Transaction shall commence upon the Confirmation Effective Date and shall continue until delivery by Seller to Buyer of the Contract Quantity of the Product has been completed and all other obligations of the Parties under this Agreement have been satisfied, unless terminated earlier due to failure to satisfy the Condition Precedent or as otherwise provided in the Agreement.
<b>Delivery Period:</b>	Subject to the occurrence of the Condition Precedent Satisfaction Date, the Delivery Period of this Transaction shall be all Off-Peak Period hours commencing at 12:00 AM PST on January 1, 2014 and ending at midnight on December 31, 2016.
<b>Delivery Point:</b>	TH_SP15_GEN-APND
<b>Firm Delivery Obligation:</b>	"Firm Delivery Obligation" shall have the following meaning: The obligation to provide the Contract Quantity is a firm obligation in that Seller shall deliver the Contract Quantity of the Product from the Project consistent with the terms of this Confirmation without excuse other than a Force Majeure. If a failure by Seller to deliver (and Seller has not made up the Shortfall as required in the section entitled "Contract Quantity") or of Buyer to take, the Contract Quantity from the Project is not excused by Force Majeure, Section 4.1, or 4.2, of the EEI Agreement shall apply.
<b>Scheduling Obligations:</b>	For each Off-Peak Period hour of each day in the Delivery Period, Seller shall schedule to the Buyer the Contract Capacity (plus any Shortfall if Seller has given Buyer at least five (5) Business Days notice that Seller is making up a Shortfall) as an IST-APN in the Integrated Forward Market at the Delivery Point on a day-ahead basis in accordance with the Tariff. In the event that all of the scheduled quantity of the Product is not delivered after the IST has been scheduled between the Buyer and Seller, Buyer shall pay Seller in the next payment the price paid to Buyer from the CAISO applicable to each hour times the IST quantity in that hour that exceeds the Product quantity actually delivered in that hour.
<b>Scheduling Period:</b>	In accordance with this Confirmation, Seller shall schedule and deliver to Buyer the CAISO Energy, as applicable over all of the Off-Peak Period hours during the Delivery Period.
<b>Condition Precedent:</b>	The commencement of delivery of the Product and the obligation of Buyer to pay for the Product shall be contingent upon the Seller obtaining approval by the CPUC of this Confirmation. Either Party, in its sole discretion, has the right to terminate this Confirmation upon notice in accordance with Section 10.7 of the EEI Agreement, which such notice will be effective one (1) Business Day after such notice is given, if: (i) the CPUC does not issue a final and non-appealable order approving this Agreement in its entirety, (ii) the CPUC issues

	<p>a final and non-appealable order which contains conditions or modifications unacceptable to either Party, (iii) the CPUC does not approve the requested relief contained in Buyer's advice letter filing for this Agreement, or (iv) approval by the CPUC has not been obtained by Seller, on or before July 31, 2013.</p> <p>Any termination made by a Party under this "Condition Precedent" section shall be without liability or obligation to the other Party.</p> <p>Notwithstanding any other provision in this Confirmation, Seller will have no obligation to transfer Product to Buyer and Buyer shall have no obligation to pay for the Product unless and until Seller and Buyer have satisfied or waived this Condition Precedent.</p>
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**ARTICLE 2  
DEFINITIONS**

**"CAISO" means the California Independent System Operator.**

"CAISO Energy" means "Energy" as defined in the Tariff.

**"California Energy Commission-certified RPS Bundled Electric Energy" means electric energy from an Eligible Renewable Energy Resource, as such term is defined in Public Utilities Code Section 399.12 and 399.16.**

"Category 1 Transaction" means procurement of product that meets the product content requirements under Public Utilities Code Section 399.16(b)(1) as adopted in Senate Bill 2 (1x), enacted on April 12, 2011 in the First Extraordinary Session of the Legislature as implemented by the CPUC pursuant to CPUC Decision 11-12-052.

**"Condition Precedent Satisfaction Date" means the date on which CPUC approval, as fully described in the "Condition Precedent" provision, has been obtained or waived, by each of Seller and Buyer, in their sole discretion.**

"CPUC" means the California Public Utilities Commission or its regulatory successor.

**"CPUC Approval" means a final and non-appealable order of the CPUC, without conditions or modifications unacceptable to the Parties, or either of them, which contains the following terms:**

- (a) Approves this Agreement in its entirety, including payments to be made by the Buyer, subject to CPUC review of the Buyer's administration of the Agreement; and
- (b) Finds that any procurement pursuant to this Agreement is procurement from an eligible renewable energy resource for purposes of determining Buyer's compliance with any obligation that it may have to procure eligible renewable energy resources pursuant to the California Renewables Portfolio Standard (Public Utilities Code Section 399.11 et seq.), Decision 03-06-071, or other applicable law.

CPUC Approval will be deemed to have occurred on the date that a CPUC decision containing such findings becomes final and non-appealable.

Notwithstanding the foregoing, if a Tier 2 or Tier 3 advice letter process is used to obtain CPUC Approval of this Agreement, CPUC Approval will also be deemed to have occurred on the date that a CPUC Energy Division disposition which contains such findings or deems approved an advice letter requesting such findings becomes final and non-appealable.

**"Day-Ahead" has the meaning set forth in the Tariff.**

**"Delivery Term" means "Delivery Period".**

"Green Attributes" means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to the generation from the Project, and its avoided emission of pollutants. Green Attributes include but are not limited to Renewable Energy Credits, as well as:

- (1) any avoided emission of pollutants to the air, soil or water such as sulfur oxides (SO<sub>x</sub>), nitrogen oxides (NO<sub>x</sub>), carbon monoxide (CO) and other pollutants;
- (2) any avoided emissions of carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide, hydrofluorocarbons, perfluorocarbons, sulfur hexafluoride and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change, or otherwise by law, to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere;<sup>1</sup>
- (3) the reporting rights to these avoided emissions, such as Green Tag Reporting Rights. Green Tag Reporting Rights are the right of a Green Tag Purchaser to report the ownership of accumulated Green Tags in compliance with federal or state law, if applicable, and to a federal or state agency or any other party at the Green Tag Purchaser's discretion, and include without limitation those Green Tag Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present or future federal, state, or local law, regulation or bill, and international or foreign emissions trading program. Green Tags are accumulated on a MWh basis and one Green Tag represents the Green Attributes associated with one (1) MWh of Energy.

Green Attributes do not include;

- (i) any energy, capacity, reliability or other power attributes from the Project,
- (ii) production tax credits associated with the construction or operation of the Project and other financial incentives in the form of credits, reductions, or allowances associated with the Project that are applicable to a state or federal income taxation obligation,
- (iii) fuel-related subsidies or "tipping fees" that may be paid to Seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular preexisting pollutants or the promotion of local environmental benefits, or
- (iv) emission reduction credits encumbered or used by the Project for compliance with local, state, or federal operating and/or air quality permits.

If the Project is a biomass or biogas facility and Seller receives any tradable Green Attributes based on the greenhouse gas reduction benefits or other emission offsets attributed to its fuel usage, it shall provide Buyer with sufficient Green Attributes to ensure that there are zero net emissions associated with the production of electricity from the Project.

***"Index" means the CAISO Integrated Forward Market Day-Ahead price (as such term is defined in the Tariff) for the Delivery Point for each applicable hour as published by the CAISO on the CAISO website; or any successor thereto, unless a substitute publication and/or index is mutually agreed to by the Parties, weighted for the quantity of energy that is delivered under this Confirmation for each Scheduling Period.***

***"Integrated Forward Market" has the meaning set forth in the Tariff.***

***"Letter of Credit Default" means with respect to an outstanding Letter of Credit, the occurrence of any of the following events: (i) the issuer of such Letter of Credit shall fail to maintain a credit rating of at least "A-" by S&P or "A3" by Moody's; (ii) the issuer of the***

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<sup>1</sup> Avoided emissions may or may not have any value for GHG compliance purposes. Although avoided emissions are included in the list of Green Attributes, this inclusion does not create any right to use those avoided emissions to comply with any GHG regulatory program.

*Letter of Credit shall fail to comply with or perform its obligations under such Letter of Credit if such failure shall be continuing after the lapse of any applicable grace period; (iii) the issuer of such Letter of Credit shall disaffirm, disclaim, repudiate or reject, in whole or in part, or challenge the validity of, such Letter of Credit; or (iv) Seller shall fail to meet the requirements of Article 9 of this Confirmation after the applicable cure periods, if any.*

"Off-Peak Period " has the meaning established by the North American Energy Standards Board, as may be updated from time to time

*"RPS" means the California Renewable Portfolio Standard Program as codified at California Public Utilities Code Section 399.11 et seq., and any decisions by the CPUC related thereto.*

*"Tariff" means the tariff and protocol provisions, including any current CAISO-published "Operating Procedures" and "Business Practice Manuals," as amended or supplemented from time to time, of the CAISO.*

*"Vintage" means the calendar year and month during the Delivery Period in which the WREGIS Certificate is created through the generation of the Product.*

*"WREGIS" means the Western Renewable Energy Generation Information System or other process recognized under applicable laws for the registration, transfer or ownership of Green Attributes.*

*"WREGIS Certificate" means "Certificate" as defined by WREGIS in the WREGIS Operating Rules.*

*"WREGIS Operating Rules" means the operating rules and requirements adopted by WREGIS.*

### **ARTICLE 3 CONVEYANCE OF RENEWABLE ENERGY**

#### **3.1 Seller's Conveyance Of Electric Energy**

Beginning on the first day of the Delivery Period and throughout all applicable months of the Delivery Period, Seller shall deliver and sell, and Buyer shall purchase and receive, the Product, subject to the terms and conditions of this Confirmation. Buyer will not be obligated to purchase from Seller any Product that is not or cannot be delivered as a result of Force Majeure.

Should any electric energy provided by Seller under this Confirmation be determined to have originated from a resource other than the Project, Seller shall remedy such failure in a manner reasonably acceptable to Buyer within a reasonable period of time after written notice of such failure is given to the Seller by the Buyer.

#### **3.2 Reserved**

#### **3.3 Seller's Conveyance Of Green Attributes**

**(a) Green Attributes.** Seller hereby provides and conveys all Green Attributes associated with all electricity generation from the Project to Buyer as part of the Product being delivered. Seller represents and warrants that Seller holds the rights to all Green Attributes from the Project, and Seller agrees to convey and hereby conveys all such Green Attributes to Buyer as included in the delivery of the Product from the Project.

*The Green Attributes are delivered and conveyed upon completion of all actions described in Section 3.3(b) below.*



**(b) Green Attributes Initially Credited to Seller's WREGIS Account**

**(A) During the Delivery Period, Seller, at its own cost and expense, shall maintain its registration with WREGIS. All Green Attributes transferred by Seller hereunder shall be designated California RPS-compliant with WREGIS. Seller shall, at its sole expense, use WREGIS as required pursuant to the WREGIS Operating Rules to effectuate the transfer of Green Attributes to Buyer in accordance with WREGIS reporting protocols and WREGIS Operating Rules.**

**(B) For each applicable month of the Delivery Period, Seller shall deliver and convey the Green Attributes associated with the electric energy delivered in Section 3.1 within five (5) Business Days after the end of the month in which the WREGIS Certificates for the Green Attributes are created by properly transferring such WREGIS Certificates, in accordance with the rules and regulations of WREGIS, equivalent to the quantity of Green Attributes, to Buyer into Buyer's WREGIS account such that all right, title and interest in and to the WREGIS Certificates shall transfer from Seller to Buyer. Provided, however, that Seller shall not be obligated to deliver and convey any Green Attributes or the associated WREGIS Certificates prior to the beginning of the Delivery Period.**

**(C) In addition to its other obligations under this Section 3.3, Seller shall convey to Buyer WREGIS Certificates from the Project that are of the same Vintage as the Product that was provided under Section 3.1 of this Confirmation.**

**ARTICLE 4  
CPUC FILING AND APPROVAL**

*Within thirty (30) days after the Confirmation Effective Date, Seller shall file with the CPUC the appropriate request for CPUC approval **of this Agreement, and possibly other agreements**, as more fully described in the Condition **Precedent** section. Seller shall expeditiously seek CPUC approval, including promptly responding to any requests for information related to the request for CPUC approval. Buyer shall use commercially reasonable efforts to support Seller in obtaining CPUC approval **of the advice letter filing**. Seller and Buyer have no obligation to seek rehearing or to appeal a CPUC decision which fails to approve this Agreement, or which fails to meet the requirements contained in the Condition **Precedent** section.*

**ARTICLE 5  
COMPENSATION**

Buyer will pay Seller as follows:

Calculation Period: Each calendar month during the Delivery Period.

Monthly Cash Settlement Amount:

Buyer shall pay Seller the Monthly Cash Settlement Amount, in arrears, for each Calculation Period in the amount equal to the sum, over all Off Peak Period hours of the Calculation Period, of the Product, for each such hour, of (i) the Contract Price, multiplied by (ii) the quantity of the Product (whether or not such Green Attributes have been transferred in WREGIS as described below) actually delivered during the hour.. Such Monthly Cash Settlement Amount constitutes payment for the Product, including the Green Attributes, for such applicable Calculation Period. Buyer shall be obligated to make such payments with respect to each applicable Calculation Period notwithstanding the fact that the Green Attributes associated with a particular Calculation Period may be delivered or credited to Buyer's WREGIS account subsequent to the conclusion of the applicable Calculation Period in accordance with Section 3.3(b) of this Confirmation, provided that if Seller fails to comply with the provisions of Section 3.3(b), Buyer shall be entitled to exercise all rights and remedies available to Buyer under this Agreement for Seller's failure to deliver the Product.

Payment Date:

Notwithstanding any provision to the contrary in Article 6 of the EEI Agreement, payments of each Monthly Cash Settlement Amount by Buyer to Seller under this Confirmation shall be due and payable on or before the later of the twentieth (20<sup>th</sup>) day of the month in which the Buyer receives from Seller an invoice for the Calculation Period to which the Monthly Cash Settlement Amount pertains, or within ten (10) Business Days, or, if such day is not a Business Day, then on the next Business Day, following receipt of an invoice issued by Seller for the applicable Calculation Period. The invoice shall include a statement detailing the portion of Product transferred to Buyer during the applicable Calculation Period.

Invoices to Buyer will be sent by hard copy and PDF format to:

[Attn: Blaine Maas

Address Pilot Power Group, Inc., 8910 University Center Lane, Suite 520, San Diego, CA 92122

Email: [bmaas@pilotpowergroup.com](mailto:bmaas@pilotpowergroup.com)

Phone: 858-678-0118 Facsimile: 858-678-0353 ]

For purposes of this Confirmation, Buyer shall be deemed to have received an invoice upon the receipt of either the hard copy or PDF format of the invoice, whichever comes first.

Payment to Seller shall be made by electronic funds transfer pursuant to the following:

BNK: Union Bank of California

For: San Diego Gas & Electric Company

ABA: Routing # 122000496

ACCT: #4430000352

Confirmation: SDG&E, Major Markets  
FAX :( 213) 244-8316

With a copy to:

San Diego Gas & Electric Company  
8315 Century Park Ct.  
San Diego, California 92123-1593  
Attn: Energy Accounting Manager  
Phone: (858) 650-6177  
Facsimile: (858) 650-6190

## **ARTICLE 6 REPRESENTATIONS, WARRANTIES AND COVENANTS**

### **6.1 *Seller's Representation, Warranties, and Covenants Related to Green Attributes***

- (a) Seller, and, if applicable, its successors, represents and warrants that throughout the Delivery Term of this Agreement that:
- (i) the Project qualifies and is certified by the CEC as an Eligible Renewable Energy Resource ("ERR") as such term is defined in Public Utilities Code Section 399.12 or Section 399.16; and
  - (ii) the Project's output delivered to Buyer qualifies under the requirements of the California Renewables Portfolio Standard. To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law.

(b) Seller and, if applicable, its successors, represents and warrants that throughout the Delivery Term of this Agreement the Renewable Energy Credits transferred to Buyer conform to the definition and attributes required for compliance with the California Renewables Portfolio Standard, as set forth in California Public Utilities Commission Decision 08-08-028, and as may be modified by subsequent decision of the California Public Utilities Commission or by subsequent legislation.

To the extent a change in law occurs after execution of this Agreement that causes this representation and warranty to be materially false or misleading, it shall not be an Event of Default if Seller has used commercially reasonable efforts to comply with such change in law.

The term "commercially reasonable efforts" as set forth in Sections 6.1 (a) and (b) above shall not require Seller to incur out-of-pocket expenses in excess of \$25,000 in the aggregate in any one calendar year between the Confirmation Effective Date and the last day of the Term.

(c) Seller warrants that all necessary steps to allow the Renewable Energy Credits transferred to Buyer to be tracked in the Western Renewable Energy Generation Information System will be taken prior to the first delivery under the contract.

For the avoidance of doubt, the term "contract" as used in the immediately preceding paragraph means this Agreement.

(d) In addition to the foregoing, Seller warrants, represents and covenants, as of the Confirmation Effective Date and throughout the Delivery Period, that:

- (i) Seller has the contractual rights to sell all right, title, and interest in the Product agreed to be delivered hereunder;
- (ii) Seller has not sold the Product to be delivered under this Confirmation to any other person or entity; and
- (i) at the time of delivery, all rights, title, and interest in the Product to be delivered under this Confirmation are free and clear of all liens, taxes, claims, security interests, or other encumbrances of any kind whatsoever.

## **ARTICLE 7 GENERAL PROVISIONS**

### **7.1 Facility Identification**

Upon Buyer's reasonable request, within ten (10) Business Days after the end of each month during the Delivery Period, Seller shall provide indicative identification, based on preliminary meter data, of the facility(s) from the pooled facility that the Product was delivered from for that month.

## **ARTICLE 8 GOVERNING LAW**

### **Section 8.2 Governing Law/Venue**

THIS AGREEMENT AND THE RIGHTS AND DUTIES OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED, ENFORCED AND PERFORMED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW. TO THE EXTENT ENFORCEABLE AT SUCH TIME, EACH PARTY WAIVES ITS RESPECTIVE RIGHT TO ANY JURY TRIAL WITH RESPECT TO ANY LITIGATION ARISING UNDER OR IN CONNECTION WITH THIS AGREEMENT. The Parties hereby irrevocably and unconditionally agrees that any legal action or proceeding with respect to this Agreement shall be brought in the courts of the State of California in the County of San Diego or the courts of the United States in the County of San Diego, and by executing and delivering this Agreement, both Parties hereby submit to and accept irrevocably and unconditionally, the jurisdiction of the above mentioned courts. The foregoing, however, shall not limit the right of either Party as it may elect to bring any legal action or proceeding or to obtain execution of judgment in any other appropriate jurisdiction.

## **ARTICLE 9 CREDIT AND COLLATERAL**

Article 8 of the EEI Agreement shall be amended by adding the following new Section 8.4:

- (a) **Buyer shall secure its obligations under this Confirmation by delivering to Seller within 10 Business Days of Condition Precedent Satisfaction Date and maintaining in full force and effect throughout the Delivery Term, a Letter of Credit in a form attached hereto as Exhibit B in the amount of US\$2,104,528.00.**
- (b) **The security posted under this section shall not be deemed a limitation of Buyer's damages. Seller shall return any unused portion of any Letter of Credit posted under this Agreement to Buyer promptly after the following**

have occurred: (i) the Delivery Term of this Confirmation has ended; and (ii) all payment obligations of Buyer arising under this Confirmation, including compensation for Termination Payment, indemnification payments or other damages, are indefeasibly paid in full (whether directly or indirectly such as through set-off or netting).

- (c) Costs of any Letter of Credit shall be borne by Buyer.
- (d) All Letters of Credit shall be subject to the following provisions:
- (e) The Buyer shall (i) renew or cause the renewal of each outstanding Letter of Credit on a timely basis as provided in the relevant Letter of Credit and in accordance with this Agreement, (ii) if the issuer has indicated its intent not to renew such Letter of Credit, provide a substitute Letter of Credit at least sixty (60) days prior to the expiration of the outstanding Letter of Credit, and (iii) if an issuer of a Letter of Credit shall fail to honor the Seller's properly documented request to draw on an outstanding Letter of Credit, provide for the benefit of the Seller a substitute Letter of Credit, that is issued by an alternate issuer acceptable to the Seller within five (5) Business Days after the Seller receives notice of such refusal.

#### **ARTICLE 10 CONFIDENTIALITY**

**10.1 Amendment to EEI Agreement.** Section 10.11 of the EEI Agreement, "Confidentiality" is deleted and replaced with the following:

*"10.1(a) Neither Party shall disclose the non-public terms or conditions of this Agreement or any transaction hereunder to a third party, other than (i) the Party's Affiliates and its and their officers, directors, employees, lenders, counsel, accountants or advisors who have a need to know such information and have agreed to keep such terms confidential, (ii) for disclosure to the Buyer's Procurement Review Group, as defined in CPUC Decision (D) 02-08-071, subject to a confidentiality agreement, (iii) to the CPUC under seal for purposes of review, (iv) disclosure of terms specified in and pursuant to Section 10.1(b) of this Agreement; (v) in order to comply with any applicable law, regulation, or any exchange, control area or CAISO rule, or order issued by a court or entity with competent jurisdiction over the disclosing Party ("Disclosing Party"), other than to those entities set forth in subsection (vi); or (vi) in order to comply with any applicable regulation, rule, or order of the CPUC, CEC, or the Federal Energy Regulatory Commission. In connection with requests made pursuant to clause (v) of this Section 10.1(a) ("Disclosure Order") each Party shall, to the extent practicable, use reasonable efforts to prevent or limit such disclosure. After using such reasonable efforts, the Disclosing Party shall not be: (i) prohibited from complying with a Disclosure Order or (ii) liable to the other Party for monetary or other damages incurred in connection with the disclosure of the confidential information. Except as provided in the preceding sentence, the Parties shall be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with, this confidentiality obligation.*

(b) RPS Confidentiality. Notwithstanding Section 10.1(a) of this Agreement, at any time on or after the date on which the Buyer makes its filing seeking CPUC approval for this Agreement, either Party shall be permitted to disclose the following terms with respect to this Agreement: Party names, resource type, Delivery Term, project location, Contract Capacity, Contract Quantity, and Delivery Point.

(c) Publicity. Except as otherwise agreed to in this Section 10.1 above, no announcement, publicity, advertising, press release, promotional or marketing materials regarding the arrangement contemplated under this Agreement, including the existence hereof, shall be made by either Party without the prior written approval of the other Party which approval shall not be unreasonably withheld or delayed."

ARTICLE 12  
ADDITIONAL EVENTS OF DEFAULT

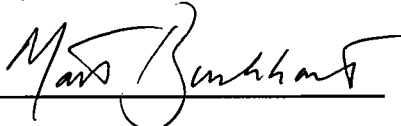
Article 5 of the EEI Agreement shall be amended to include the following new Section 5.1(i): "a Letter of Credit Default."

ACKNOWLEDGED AND AGREED TO AS OF THE CONFIRMATION EFFECTIVE DATE:

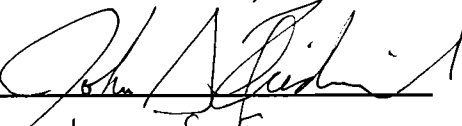
SAN DIEGO GAS & ELECTRIC COMPANY

PILOT POWER GROUP, INC

BY:



BY:



NAME: Matt Burkhart

NAME: JOHN S. FRIDERICHS

TITLE: Vice President-  
Electric & Fuel Procurement

TITLE: DIRECTOR, ORIG & DEV

"10.1(a) Neither Party shall disclose the non-public terms or conditions of this Agreement or any transaction hereunder to a third party, other than (i) the Party's Affiliates and its and their officers, directors, employees, lenders, counsel, accountants or advisors who have a need to know such information and have agreed to keep such terms confidential, (ii) for disclosure to the Buyer's Procurement Review Group, as defined in CPUC Decision (D) 02-08-071, subject to a confidentiality agreement, (iii) to the CPUC under seal for purposes of review, (iv) disclosure of terms specified in and pursuant to Section 10.1(b) of this Agreement; (v) in order to comply with any applicable law, regulation, or any exchange, control area or CAISO rule, or order issued by a court or entity with competent jurisdiction over the disclosing Party ("Disclosing Party"), other than to those entities set forth in subsection (vi); or (vi) in order to comply with any applicable regulation, rule, or order of the CPUC, CEC, or the Federal Energy Regulatory Commission. In connection with requests made pursuant to clause (v) of this Section 10.1(a) ("Disclosure Order") each Party shall, to the extent practicable, use reasonable efforts to prevent or limit such disclosure. After using such reasonable efforts, the Disclosing Party shall not be: (i) prohibited from complying with a Disclosure Order or (ii) liable to the other Party for monetary or other damages incurred in connection with the disclosure of the confidential information. Except as provided in the preceding sentence, the Parties shall be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with, this confidentiality obligation.

(b) RPS Confidentiality. Notwithstanding Section 10.1(a) of this Agreement, at any time on or after the date on which the Buyer makes its filing seeking CPUC approval for this Agreement, either Party shall be permitted to disclose the following terms with respect to this Agreement: Party names, resource type, Delivery Term, project location, Contract Capacity, Contract Quantity, and Delivery Point.

(c) Publicity. Except as otherwise agreed to in this Section 10.1 above, no announcement, publicity, advertising, press release, promotional or marketing materials regarding the arrangement contemplated under this Agreement, including the existence hereof, shall be made by either Party without the prior written approval of the other Party which approval shall not be unreasonably withheld or delayed."

**ARTICLE 12  
ADDITIONAL EVENTS OF DEFAULT**

Article 5 of the EEI Agreement shall be amended to include the following new Section 5.1(i): "a Letter of Credit Default."

**ACKNOWLEDGED AND AGREED TO AS OF THE CONFIRMATION EFFECTIVE DATE:**

**SAN DIEGO GAS & ELECTRIC COMPANY**

**PILOT POWER GROUP, INC**

BY: \_\_\_\_\_

BY: \_\_\_\_\_

NAME: Matt Burkhart

NAME: \_\_\_\_\_

TITLE: Vice President-  
Electric & Fuel Procurement

TITLE: \_\_\_\_\_

a.s.  
**APPROVED AS TO LEGAL FORM**

**EXHIBIT A**

**TO THE CONFIRMATION BETWEEN PILOT POWER GROUP, INC AND SAN DIEGO GAS  
AND ELECTRIC COMPANY DATED: FEBRUARY [XX], 2013**

<b>Name of Facility</b>	<b>Resource</b>	<b>Location</b>	<b>CEC RPS ID</b>	<b>Host Balancing Authority</b>
AES Delano Inc	Biomass	Delano, CA	60431A	CAISO
AES Mt Signal 1 Solar	Solar PV	Imperial Valley, CA		CAISO
Arlington	Solar PV	Hassayampa, AZ		CAISO
Badger Filtration Plant	Conduit Hydro	Rancho Santa Fe, CA	60438E	CAISO
Bear Valley Hydro	Conduit Hydro	Escondido, CA	60439E	CAISO
Blue Lake Power, LLC	Biomass	Blue Lake, CA	60690A	CAISO
Borrego PV Solar I	Solar PV	Borrego Springs, CA	61211C	CAISO
Calpine Geysers	Geothermal	Sonoma & Lake County, CA	60002A	CAISO
			60003A	CAISO
			60004A	CAISO
			60005A	CAISO
			60006A	CAISO
			60007A	CAISO
			60008A	CAISO
			60009A	CAISO
			60012D	CAISO
			60013D	CAISO
			60014C	CAISO
60015C	CAISO			
60016C	CAISO			
Gestamp Calipatria	Solar PV	Calipatria, CA		CAISO
GRS - Sycamore	Biogas	Santee, CA	60486A	CAISO
Kumeyaay Wind Energy Facility	Wind	Boulevard, CA	60432A	CAISO
Manzana Wind	Wind	Tehachapi, CA	61671C	CAISO
Mesa Wind Farm	Wind	Riverside County, CA	60370A	CAISO
MM Prima Deshecha Energy, LLC	Biogas	San Juan Capistrano, CA	60552A	CAISO
MM San Diego - Miramar	Biogas	San Diego, CA	60481A	CAISO
MMR Campo Verde	Solar PV	Imperial Valley		CAISO
Mountain View III	Wind	Riverside County, CA	60430A	CAISO
Mushroom Power - CRE (FIT)	Biomass	San Diego, CA		CAISO
Oasis Power Partners	Wind	Mojave, CA		CAISO



Oasis Power Partners, LLC	Wind	Mojave, CA	60489A	CAISO
Ocotillo Wind Energy Facility	Wind	Imperial Valley, CA	61400C	CAISO
Olivenhain Municipal	Conduit Hydro	Olivenhain, CA	60441E	CAISO
Otay Landfill I	Biogas	Chula Vista, CA	60433E	CAISO
Otay Landfill II	Biogas	Chula Vista, CA	60434E	CAISO
Otay Landfill V - CRE (FIT)	Landfill gas	San Diego, CA		CAISO
Otay Landfill VI - CRE (FIT)	Landfill gas	San Diego, CA		CAISO
Pacific Wind, LLC	Wind	Tehachapi, CA	61555C	CAISO
Phoenix West	Wind	Riverside County, CA	60445A	CAISO
RAM (To be added)	Solar PV	Various in SD County		CAISO
Rancho Penasquitos	Conduit Hydro	San Diego, CA	60470A	CAISO
Regenerate Seville	Solar PV	El Centro, CA		CAISO
Rugraw Lassen Lodge Hydro	Small Hydro	Lassen, CA		CAISO
San Francisco Peak Hydro Plant	Conduit Hydro	Oceanside, CA	60442E	CAISO
San Marcos Landfill	Biogas	San Marcos, CA	60435A	CAISO
SDG&E SEP (UOG)	Solar PV	Various in SD County		CAISO
SDG&E Sustainable	Solar PV	Various in SD County	Various	CAISO
Soitec Desert Green	Solar PV	Borrego Springs, CA		CAISO
Soitec Eastland	Solar PV	Boulevard, CA		CAISO
Soitec Rugged	Solar PV	Boulevard, CA		CAISO
Soitec TDS	Solar PV	Boulevard, CA		CAISO
Soitec Westland	Solar PV	Boulevard, CA		CAISO
Sol Orchard	Solar PV	San Diego County, CA (distributed)		CAISO
Solargen2	Solar PV	Imperial Valley, CA		CAISO
SunEdison Cascade	Solar PV			CAISO
Sycamore Landfill	Biogas	Santee, CA	60886A	CAISO
Tenaska South	Solar PV	Calexico, CA		CAISO
Tenaska West	Solar PV	Imperial Valley, CA		CAISO
Victor Mesa Linda B	Solar PV	Victorville, CA		CAISO
Western Antelope Dry Ranch	Solar PV	Lancaster, CA		CAISO
Zodiac Power Solar A - CRE (FIT)	Solar PV	Potrero, CA		CAISO
Zodiac Solar E - CRE (FIT)	Solar PV	Potrero, CA		CAISO

**EXHIBIT B  
LETTER OF CREDIT TEMPLATE**

(CITY NATIONAL BANK LETTERHEAD)

ISSUE DATE: \_\_\_\_\_

IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER: \_\_\_\_\_

BENEFICIARY: SAN DIEGO GAS & ELECTRIC COMPANY  
555 W. FIFTH STREET  
MAIL CODE: GT18A3  
LOS ANGELES, CA 90013

APPLICANT: PILOT POWER GROUP, INC.  
8910 UNIVERSITY CENTER LANE, SUITE 520  
SAN DIEGO, CALIFORNIA 92122  
ATTN: CFO

AMOUNT: USD2,104,528.00 (TWO MILLION ONE HUNDRED FOUR THOUSAND FIVE HUNDRED TWENTY EIGHT AND NO/100 U.S. DOLLARS)

EXPIRY DATE AND PLACE: \_\_\_\_\_, 2014 AT CITY NATIONAL BANK,  
INTERNATIONAL DEPARTMENT, LOS ANGELES, CALIFORNIA

LADIES/GENTLEMEN:

WE HEREBY OPEN OUR IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER (LC NUMBER) IN FAVOR OF SAN DIEGO GAS & ELECTRIC COMPANY ("BENEFICIARY"), BY ORDER AND FOR ACCOUNT OF PILOT POWER GROUP, INC., AVAILABLE AT SIGHT UPON DEMAND AT CITY NATIONAL BANK, INTERNATIONAL DEPARTMENT, 555 SOUTH FLOWER STREET, 24<sup>TH</sup> FLOOR, LOS ANGELES, CALIFORNIA 90071 FOR AN AGGREGATE AMOUNT OF USD2,104,528.00 (TWO MILLION ONE HUNDRED FOUR THOUSAND FIVE HUNDRED TWENTY EIGHT AND NO/100 U.S. DOLLARS)

AGAINST PRESENTATION OF THIS ORIGINAL LETTER OF CREDIT AND ANY AMENDMENTS AND ONE OF THE FOLLOWING DOCUMENTS:

1. STATEMENT SIGNED AND DATED BY AN AUTHORIZED SIGNER OF BENEFICIARY STATING THAT: "PILOT POWER GROUP, INC. ('APPLICANT') IS IN DEFAULT UNDER THE CONFIRMATION LETTER BETWEEN BENEFICIARY AND APPLICANT DATED (INSERT DATE) AS MAY BE AMENDED FROM TIME TO TIME OR ANY OTHER AGREEMENT NOW OR HEREINAFTER ENTERED INTO BY BENEFICIARY AND APPLICANT OR UNDER ANY TRANSACTION CONTEMPLATED THEREBY. THEREFORE, WE ARE DRAWING THE AMOUNT OF (INSERT AMOUNT) UNDER CITY NATIONAL BANK LETTER OF CREDIT NUMBER (LC NUMBER)."

OR,

2. STATEMENT SIGNED AND DATED BY AN AUTHORIZED SIGNER OF BENEFICIARY STATING THAT: "WE ARE IN RECEIPT OF A WRITTEN NOTICE FROM CITY NATIONAL BANK OF ITS ELECTION NOT TO EXTEND THE FOLLOWING REFERENCED LETTER OF CREDIT FOR AN ADDITIONAL PERIOD OF ONE YEAR, AND AS OF THE DATE OF THIS DRAWING, WE HAVE NOT RECEIVED AN ACCEPTABLE REPLACEMENT LETTER OF CREDIT FROM PILOT POWER GROUP, INC. THEREFORE, WE ARE DRAWING THE AMOUNT OF (INSERT AMOUNT OF DRAFT) UNDER CITY NATIONAL BANK LETTER OF CREDIT NUMBER (LC NUMBER)."

SPECIAL CONDITIONS:

1. ALL COSTS AND BANKING CHARGES PERTAINING TO THIS LETTER OF CREDIT ARE FOR THE ACCOUNT OF THE APPLICANT.
2. PARTIAL AND MULTIPLE DRAWINGS ARE PERMITTED.
3. IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT SHALL BE DEEMED AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR AN ADDITIONAL PERIOD OF ONE (1) YEAR FROM THE EXPIRY DATE HEREOF OR ANY FUTURE EXPIRY DATE, UNLESS AT LEAST NINETY (90) DAYS PRIOR TO ANY EXPIRATION DATE, WE SHALL NOTIFY THE BENEFICIARY BY OVERNIGHT COURIER SERVICE AT THE ABOVE ADDRESS, THAT WE ELECT NOT TO EXTEND THIS LETTER OF CREDIT FOR ANY SUCH ADDITIONAL PERIOD.
4. WE HEREBY AGREE WITH YOU THAT IF DOCUMENTS ARE PRESENTED TO CITY NATIONAL BANK, AT THE BELOW ADDRESS IN LOS ANGELES, UNDER THIS LETTER OF CREDIT AT OR PRIOR TO 9:00 A.M. PACIFIC TIME ON A BUSINESS DAY, AND PROVIDED THAT SUCH DOCUMENTS PRESENTED CONFORM WITH THE TERMS AND CONDITIONS OF THIS LETTER OF CREDIT, PAYMENT SHALL BE MADE BY US IN IMMEDIATELY AVAILABLE FUNDS BY OUR CLOSE OF BUSINESS ON THAT DAY. IF DOCUMENTS ARE PRESENTED TO CITY NATIONAL BANK, AT THE BELOW ADDRESS IN LOS ANGELES, UNDER THIS LETTER OF CREDIT AFTER 9:00 A.M. PACIFIC TIME ON A BUSINESS DAY, AND PROVIDED THAT SUCH DOCUMENTS CONFORM WITH THE TERMS AND CONDITIONS OF THIS LETTER OF CREDIT, PAYMENT SHALL BE MADE BY US IN IMMEDIATELY AVAILABLE FUNDS BY NOON ON THE SUCCEEDING BUSINESS DAY. AS USED IN THIS LETTER OF CREDIT, "BUSINESS DAY" SHALL MEAN ANY DAY OTHER THAN A SATURDAY, SUNDAY OR A DAY ON WHICH BANKING INSTITUTIONS IN THE STATE OF CALIFORNIA ARE AUTHORIZED OR REQUIRED BY LAW TO CLOSE.

WE HEREBY ENGAGE WITH YOU THAT ALL DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS AND CONDITIONS OF THIS LETTER OF CREDIT SHALL BE DULY HONORED IF PRESENTED FOR PAYMENT AT THE OFFICE OF CITY NATIONAL BANK, INTERNATIONAL DEPARTMENT, 555 SOUTH FLOWER STREET, 24<sup>TH</sup> FLOOR, LOS ANGELES, CALIFORNIA 90071 ON OR BEFORE THE EXPIRATION DATE OF THIS LETTER OF CREDIT.

WE AGREE THAT IF THIS LETTER OF CREDIT WOULD OTHERWISE EXPIRE DURING, OR WITHIN 30 DAYS AFTER, AN INTERRUPTION OF OUR BUSINESS CAUSED BY AN ACT OF GOD, RIOT, CIVIL COMMOTION, INSURRECTION, ACT OF TERRORISM, WAR

OR ANY OTHER CAUSE BEYOND OUR CONTROL OR BY ANY STRIKE OR LOCKOUT, THEN THIS LETTER OF CREDIT SHALL EXPIRE ON THE 30TH DAY FOLLOWING THE DAY ON WHICH WE RESUME OUR BUSINESS AFTER THE CAUSE OF SUCH INTERRUPTION HAS BEEN REMOVED OR ELIMINATED AND ANY DRAWING ON THIS LETTER OF CREDIT WHICH COULD PROPERLY HAVE BEEN MADE BUT FOR SUCH INTERRUPTION SHALL BE PERMITTED DURING SUCH EXTENDED PERIOD.

THIS LETTER OF CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (2007 REVISION) INTERNATIONAL CHAMBER OF COMMERCE, PUBLICATION NO. 600 ("UCP"), EXCEPT TO THE EXTENT THAT THE TERMS HEREOF ARE INCONSISTENT WITH THE PROVISIONS OF THE UCP, INCLUDING BUT NOT LIMITED TO ARTICLES 14(B) AND 36 OF THE UCP, IN WHICH CASE THE TERMS OF THIS LETTER OF CREDIT SHALL GOVERN. MATTERS NOT COVERED BY THE UCP SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA.

SHOULD YOU HAVE OCCASION TO COMMUNICATE WITH US REGARDING THIS LETTER OF CREDIT, KINDLY DIRECT YOUR COMMUNICATION TO THE ATTENTION OF OUR STANDBY LETTER OF CREDIT DEPARTMENT AT THE ABOVE ADDRESS OR PHONE (213) 673-8640, MAKING SPECIFIC REFERENCE TO OUR LETTER OF CREDIT NUMBER (LC NUMBER).

SINCERELY,

CITY NATIONAL BANK

\_\_\_\_\_  
AUTHORIZED SIGNATURE

(NAME AND TITLE)

\_\_\_\_\_  
AUTHORIZED SIGNATURE

(NAME AND TITLE)