

STANDING OFFER PROGRAM

NETWORK UPGRADE SECURITY – LETTER OF CREDIT

[Issuing Bank Name & Address]

Date of Issue: [Date]

Irrevocable Standby Letter of Credit

[Number]

Applicant:

[Seller Name and Address]

Beneficiary:

British Columbia Hydro and Power Authority
333 Dunsmuir Street
Vancouver, BC
V6B 5R3

At the request and for the account of the Applicant, we hereby establish in favour of the Beneficiary our irrevocable standby Letter of Credit No. ([Number]) (hereinafter called the “Letter of Credit”) for an amount not exceeding [Currency and Amount both in letters and numbers].

We, [Bank Name and Address] hereby unconditionally and irrevocably undertake and bind ourselves, and our successors and assigns, to pay you immediately, the sum, which you claim upon receipt of the following documents:

- (1) your signed written demand specifying the amount claimed (not exceeding [Dollar Amount]), and certifying that such amount is due to you by the Applicant under the terms of an Electricity Purchase Agreement between you and the Applicant made as of [Date]; and
- (2) this original Network Upgrade Security – Letter of Credit must be presented with your demand for payment for endorsement purposes.

Partial drawings are allowed. The amount of this Network Upgrade Security – Letter of Credit shall be automatically reduced by the amount of any drawing paid hereunder.

This Network Upgrade Security – Letter of Credit takes effect from the date of issue set forth above, and shall remain valid until []. However, it is a condition of this Network Upgrade Security – Letter of Credit that it will be automatically extended without notice for a further one year period from the present or any future expiry date unless at least ninety (90) days prior to such expiry date we notify you in writing by courier or registered mail at your address above that we elect not to consider this Network Upgrade Security – Letter of Credit to be extended for any additional period.

This Network Upgrade Security – Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (1993 Revision), International Chamber of Commerce, (Publication

No. 500). This Network Upgrade Security – Letter of Credit is governed by the laws applicable in the Province of British Columbia. The parties hereby irrevocably attorn to the non-exclusive jurisdiction of the courts of British Columbia. The number of this Network Upgrade Security – Letter of Credit must be quoted on all documents required hereby. Notwithstanding Article 17 of said publication, if this Network Upgrade Security – Letter of Credit expires during an interruption of business as described in Article 17, we agree to effect payment if this Network Upgrade Security – Letter of Credit is drawn within 15 days after resumption of normal business.

Authorized Signing Officer
[Bank Name]

Authorized Signing Officer
[Bank Name]