

**VANCOUVER ISLAND - CALL FOR TENDERS**

**TENDER SECURITY FORM**

**Issued: 30 June 2004**

[*Issuing Bank Name and Address*]

**Date of Issue:** [*Date*]

Irrevocable Standby Letter of Credit

[*Number*]

**Applicant:**

**Beneficiary:**

[*Bidder Name and Address*]

British Columbia Hydro and Power Authority

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 who has defaulted in its obligation under BC Hydro's Call For Tenders For Capacity and Associated Energy Supply on Vancouver Island, issued 31 October 2003, as amended ("CFT") to:
  - (i) execute and deliver the applicable Final Form Agreement(s) (as defined in the CFT) in the forms prescribed by the CFT, and/or
  - (ii) concurrently deliver the Development Security (as defined in the CFT) and, if applicable, the Deposit (as defined in the Final Form VIGP Transfer Agreement), to be delivered at the time of execution of the applicable Final Form Agreement(s) in the form and amount prescribed therein,

all within 7 days after delivery by the Beneficiary to the Applicant of two execution copies of the applicable Final Form Agreement(s).

- (2) This original Letter of Credit must be presented with your demand for payment for endorsement purposes.

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

This Letter of Credit takes effect from the date of issue set forth above, and shall remain valid until [*Date not earlier than 120 days after the Tender Closing Time as defined in the CFT*].

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (1993 Revision), International Chamber of Commerce, (Publication No. 500). This 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 Letter of Credit must be quoted on all documents required hereby. Notwithstanding Article 17 of said publication, if this Letter of Credit expires during an interruption of business as described in Article 17, we agree to effect payment if this Letter of Credit is drawn within 15 days after resumption of normal business.

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Authorized Signing Officer  
[*Bank Name*]

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Authorized Signing Officer  
[*Bank Name*]