

PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS

This Purchase and Sale Agreement and Joint Escrow Instructions (“**Agreement**”), is entered into as of _____ (“**Effective Date**”), by and between Commerce Refuse to Energy Authority (“**CREA**”) and the City of Commerce, a municipal corporation (the “**City**”) with reference to the following facts:

RECITALS

A. **WHEREAS**, the City and the County Sanitation District No. 2 of Los Angeles County, a special district organized and existing pursuant to the County Sanitation District Act (the “**District**”) make up the CREA joint powers authority pursuant to that certain First Amended Joint Power Agreement Commerce Refuse-To-Energy Facility, dated February 14, 1990 (the “**JPA**”);

B. **WHEREAS**, CREA is the owner of real property and improvements thereon commonly known as the Commerce Refuse-To-Energy Facility (the “**Property**”) located at 5926 Sheila Street, Commerce, California, Assessor’s Parcel Numbers 6334-025-911 and 6334-025-912, as described more particularly described in the attached Exhibit “A”;

C. **WHEREAS**, the Property is owned, operated and maintained in accordance with the JPA;

D. **WHEREAS**, the Property is subject to that certain Ground Lease, dated April 13, 2004, as amended by that certain First Amendment to Ground Lease, dated June 7, 2011, and as further amended by that certain Second Amendment to Ground Lease, dated November 20 2018 (collectively, the “**Ground Lease**”) by and between CREA, as “Landlord”, and the City, as “Tenant”, pursuant to which the City leases a portion of the Property from CREA for the operation of a liquefied natural gas facility and/or a compressed natural gas facility (the “**Gas Facility**”), which Ground Lease shall be assigned to the City at the Closing;

E. **WHEREAS**, the Property is subject to that certain Settlement Agreement and Release, dated January 1, 1995, by and between Georgia-Pacific, LLC (as successor-in-interest to James River Paper Company, Inc., referred to herein as “**Georgia-Pacific**”) and CREA (the “**CREA Settlement Agreement**”) and that certain Settlement Agreement and Mutual Release, dated January 1, 1995 (the “**CCRC Settlement Agreement**”), by and between Georgia-Pacific and the Commerce Community Redevelopment Commission, fka the Commerce Redevelopment Agency (“**CCRC**”), which governs certain rights and obligations among the parties thereto in connection with the remediation of the Property, as well as that certain property located at 5900 Sheila Street, Commerce, California, as more particularly described therein;

F. **WHEREAS**, in connection with the transfer of the Property, all of CREA’s rights and obligations under the CREA Settlement Agreement shall be assigned to and assumed by the City and the City shall pay to CREA an amount equal to the outstanding CREA Credit (as defined

below);

G. **WHEREAS**, the Parties have entered into that certain Settlement Agreement and Mutual Release of all Claims, dated _____, 2019 (the “**2019 Settlement Agreement**”), which, among other things, requires CREA to sell the Property to the City for five million dollars (\$5,000,000.00); and

H. **WHEREAS**, the parties desire to transfer the Property to the City pursuant to the terms hereof.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are acknowledged, CREA and the City agree as follows:

ARTICLE 1 DEFINITIONS

As used in this Agreement, the following terms shall have the following definitions:

“Close of Escrow” or “Closing” means the conveyance of the Property to the City and the closing of the transaction as described in Section 3.4 of this Agreement.

“Closing Date” is defined in Section 3.4 of this Agreement.

“Escrow Agent” and “Title Insurer” mean a nationally recognized title insurance company, to be selected by CREA.

“Due Diligence Period” means the period commencing with the Effective Date and ending at 5:00 p.m. on the seventh (7th) day following the Effective Date.

“Exception” means any encroachment, overlap, boundary line dispute or other matter that materially or adversely affects title to the Property as shown on a preliminary title report.

“Grant Deed” means that certain Grant Deed which is in substantially the same form as attached hereto as Exhibit “B”, conveying to the City CREA’s title to the Property, subject to the exceptions pursuant to Section 4.1.2 hereof.

“Hazardous Materials” means substances which are flammable, explosive, asbestos, radioactive or toxic, and any substances defined or regulated as hazardous substances, hazardous materials, toxic substances or hazardous waste under any Hazardous Materials Laws.

“Hazardous Materials Laws” means any and all federal, state or local laws, ordinances, rules, decrees, orders, regulations or court decisions relating to hazardous substances, hazardous materials, hazardous waste, toxic substances, environmental conditions on, under or about the Property, or soil or groundwater conditions, including, but not limited to, the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., the Comprehensive

Environmental Response, Compensation and Liability Act, 142 U.S.C. Section 9601, et seq., the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the California Hazardous Waste Control Act and the Carpenter-Presley-Tanner Hazardous Substance Account Act, Cal. Health & Safety Code Section 25100, et seq., and Section 25300, et seq., the Safe Drinking Water and Toxic Enforcement Act, Cal. Health & Safety Code Section 25249.5, et seq., the Porter-Cologne Water Quality Control Act, Cal. Water Code Section 13000, et seq., and any amendments to, and regulations implementing, the foregoing.

“New Exception” means any encroachment, overlap, boundary line dispute or other matter that materially or adversely affects title to the Property shown on any preliminary title report issued by Title Company subsequent to the expiration of the Due Diligence Period.

“Opening of Escrow” means the date on which the CREA and the City establish an escrow as further described in Section 3.2 of this Agreement.

“Permitted Exceptions” mean those matters shown on the Preliminary Title Report approved by the City under Section 4.1.2, New Exceptions approved by the City under Section 4.1.3 and matters excepted or excluded from coverage by the printed terms of the Title Policy’s standard form.

“Preliminary Title Report” is defined in Section 4.1.1 of this Agreement.

“Property” is defined in Recital A of this Agreement.

“Title Policy” means an ALTA owner’s title insurance policy, issued by the Title Company as of the date and time of the recording of the Grant Deed for the Property, in the amount to be determined as the fair market value of the property, insuring the City as owner of good, marketable and indefeasible fee simple title to the Real Property, subject only to the Permitted Exceptions.

ARTICLE 2

TRANSFER OF PROPERTY

2.1 **Property.** Subject to the terms of this Agreement, CREA agrees to sell to the City, and the City agrees to purchase from CREA, the Property, together with any and all rights, obligations, privileges, licenses, easements and appurtenances burdening and benefiting the Property, including, without limitation, all mineral and water rights and all easements, rights-of-way and other appurtenances used or connected with the beneficial use or enjoyment of the Property, together with all of CREA’s interest in any intangible property used or useful in connection with the Property, including, without limitation, all contract rights, plans, warranties, guaranties, licenses, permits, entitlements, governmental approvals and certificates of occupancy that affect the Property, together with all personal property, equipment, supplies and fixtures located on the Property at any time prior to the Close of Escrow.

2.2 **Purchase Price.** The purchase price for the Property shall be Five Million and 00/100ths Dollars (\$5,000,000.00) (the “**Purchase Price**”).

2.3 Payment of Purchase Price. By no later than the Escrow Agent's wire cut-off time on the day prior to the Closing Date, the City shall deposit in cash or other immediately available funds with Escrow Agent an amount equal to the Purchase Price plus or minus any applicable prorations and closing costs.

ARTICLE 3 **ESCROW**

3.1 Escrow Agent. Escrow Agent is designated, authorized and instructed to act in accordance with the terms of this Agreement.

3.2 Opening of Escrow. Opening of Escrow shall occur within one (1) business day of the Effective Date of this Agreement.

3.3 Escrow Instructions. This Agreement shall constitute initial escrow instructions to Escrow Agent. CREA and the City shall execute a copy of Escrow Agent's general conditions and any additional escrow instructions reasonably required by Escrow Agent to consummate the transaction provided for in this Agreement after Opening of Escrow; provided, however, any additional escrow instructions shall not modify the provisions of this Agreement, unless the instructions (a) state the modification in full, and (b) are signed by both CREA and the City. In the event of any conflict between the terms of this Agreement and the terms of Escrow Agent's general conditions, the terms of this Agreement shall prevail.

3.4 Close of Escrow. The "Closing Date" or "Closing" means the date Escrow Agent records the Grant Deed to the Property in favor of the City which shall occur no later than thirty (30) days after all parties have executed this Agreement.

3.5 Deliveries to Escrow. On or before the Closing Date, CREA and the City shall timely deliver to Escrow Agent the deliverables required to cause the Close of Escrow. Without limiting the generality of the foregoing, CREA and the City shall deliver to Escrow Agent the following:

3.5.1 CREA's Deliveries.

(a) The Grant Deed conveying the Property to the City, duly executed by CREA and acknowledged in recordable form conveying to the City good and marketable fee simple title to the Property, subject only to the Permitted Exceptions;

(b) Any forms required to be completed by CREA for tax purposes in accordance with the transfer of the Property;

(c) Two (2) original counterparts of a Bill of Sale and General Assignment (the "**Bill of Sale and General Assignment**") in the form attached hereto as Exhibit "C";

(d) Two (2) original counterparts of an Assignment of Contracts (the

“**Assignment of Contracts**”), in the form attached hereto as Exhibit “D”, assigning all contracts affecting the Property as of the Closing Date to the City including, without limitation, the CREA Settlement Agreement and the Interconnection Agreement (defined below);

(e) Two (2) original counterparts of the Consent to Assignment (the “**Consent to Assignment**”) in the form attached hereto as Exhibit “E”, in connection with the assignment of the Interconnection Agreement;

(f) Two (2) original counterparts of an Assignment of Ground Lease (the “**Assignment of Ground Lease**”) in form mutually agreed to between the parties, which shall assign as of the Closing Date the Ground Lease;

(g) Two (2) counterparts of the Access Agreement (defined below); and

(h) Any and all additional documents which may be reasonably necessary to transfer title to the Property to the City as specified in this Agreement or otherwise required by law.

3.5.2 The City’s Deliveries. the City shall deliver or cause to be delivered to Escrow Agent:

(a) Prior to the Close of Escrow, cash in the amount of the sums required of the City under this Agreement including, without limitation, the CREA Credit (defined below);

(b) Two (2) original counterparts of the Bill of Sale and General Assignment, executed by the City

(c) Two (2) original counterparts of the Assignment of Contracts, executed by the City;

(d) Two (2) original counterparts of the Consent to Assignment, executed by the City;

(e) Two (2) original counterparts of the Assignment of Lease, executed by the City;

(f) Two (2) counterparts of the Access Agreement; and

(g) Any and all additional documents which may be reasonably necessary to transfer title to the Property to the City as specified in this Agreement or otherwise required by law.

3.6 Completion of Documents. Escrow Agent is authorized to complete the documents deposited by CREA and the City into Escrow, when appropriate and consistent with this Agreement.

3.7 Escrow Fees and Costs.

3.7.1 CREA's Payments. CREA shall pay:

- (a) the Escrow Agent's fee;
- (b) the cost of the Preliminary Title Report and any subsequently issued amendments;
- (c) the premium for the Title Policy;
- (d) any government conveyance fees and taxes in the amount Escrow Agent determines to be due upon the transfer of the Property or otherwise required by law; and
- (e) any other charges and expenses which are typically paid by the transferor of property in accordance with the customary practices of Escrow Agent. CREA shall pay all operating expenses for the Property prior to the Closing Date, if any, including, but not limited to, insurance, utilities, interest on encumbrances, taxes and maintenance costs.

3.7.2 The City's Payments. the City shall pay:

- (a) other charges and expenses typically paid by transferees of property in accordance with the customary practices of Escrow Agent; and
- (b) the CREA Credit (defined below).

3.7.3 Default. Notwithstanding the foregoing, in the event of a default by the City or CREA under this Agreement, all cancellation and other escrow charges shall be paid by the defaulting party.

3.8 Existing Encumbrances. Escrow Agent is authorized to secure beneficiary demands and requests for reconveyance for those monetary liens which are not Permitted Exceptions. CREA has the right to approve all demands and statements described in this section, but approval shall not be unreasonably withheld or delayed.

ARTICLE 4

PROPERTY INFORMATION; INSPECTIONS; DUE DILIGENCE AND TITLE MATTERS

4.1 Inspections; Due Diligence Period.

4.1.1 Inspections in General. Commencing from the Effective Date and continuing through the earlier of the Close of Escrow or the termination of this Agreement, the City, its agents, consultants and employees shall have a limited license (the "**License**") to enter upon the Property for the purpose of making non-invasive inspections at the City's sole cost and

expense. The City may only conduct invasive testing with CREA's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Before any such entry upon the Property, the City shall provide CREA with a certificate of insurance naming CREA as an additional insured and shall be from a reputable insurer and include commercially reasonable insurance limits and coverage. If any inspection or test disturbs the Property, the City will restore the Property to the same condition as existed before the inspection or test. The City shall defend, indemnify CREA and hold CREA, CREA's members, manager, officers, tenants, agents, contractors and employees ("CREA's Agents") and the Property harmless from and against any and all losses, costs, damages, claims, or liabilities, including but not limited to, mechanics' and materialmen's liens and CREA's reasonable attorneys' fees, arising out of or in connection with the City's, or its agents', contractors', employees', or invitees' entry upon or inspection of the Property; provided, however, such indemnity obligations shall not include any of the following: (i) claims arising solely out of CREA's or CREA's Agents' negligent acts or omissions or willful misconduct, or (ii) claims arising solely out of the mere discovery of an existing condition with respect to the Property. The License shall be deemed revoked upon any termination of this Agreement. The indemnity provisions of this Section 4.1.1 shall survive the Close of Escrow or the earlier termination of this Agreement.

4.1.2 Assumption of CREA Settlement Agreement and Payment of CREA Credit. The City acknowledges that the Property is subject to the CREA Settlement Agreement, which requires the parties thereto to perform certain remediation obligations with respect to the Property, including payment of costs thereof. As transferee of the Property, the City shall assume all rights and obligations of CREA under the CREA Settlement Agreement, including all applicable remediation obligations, and CREA shall assign all of its rights and obligations under the CREA Settlement Agreement to the City, at Closing by execution and delivery of the Assignment of Contracts in accordance with the terms hereof. In addition, the CREA Settlement Agreement includes reference to the CREA Credit which is as a result of the overpayment by CREA of Past Costs (as defined in the CREA Settlement Agreement) and is to be used as a credit against CREA's payment of Future Costs (as defined in the CREA Settlement Agreement), which Future Costs are to be paid by Georgia-Pacific until the CREA Credit is applied in full. As of the March 31, 2019, the CREA Credit is equal to Six Hundred Thirteen Thousand Nine Hundred Thirty Eight Dollars and 00/100 (\$613,938.00), which amount shall be updated to reflect the applicable amount as of the Closing Date (the "**CREA Credit**"). Since the City shall assume at the Closing all of CREA's rights and obligations under the CREA Settlement Agreement and will therefore have the future benefit of the CREA Credit to be applied against any Future Costs due thereunder, the City shall pay to CREA at Closing an amount equal to the CREA Credit for reimbursement thereof.

4.1.3 Assignment of Ground Lease. As of the Effective Date hereof, the City leases a certain portion of the Property from CREA pursuant to the Ground Lease. Effective as of the Closing, the parties shall execute and deliver the Assignment of Ground Lease thereby assigning the Ground Lease to the City, and following such assignment CREA shall have no further rights or obligations under the Ground Lease.

4.1.4 Assignment of Interconnection Agreement and Service Agreement. As of the Effective Date hereof, the Property receives power by a Southern California Edison ("**SCE**") connection pursuant to that certain Generator Interconnection Agreement (GIA) for a Generating

Facility Interconnecting Under the Cluster Study Process (Applicable for Queue Cluster 4), between SCE and CREA, and that certain Service Agreement for Wholesale Distribution Service between SCE and CREA (collectively, “**Interconnection Agreement**”). Effective as of the Closing or prior thereto in the event the City obtains and constructs a separate power connection to the Property with SCE or otherwise prior to Closing, CREA shall assign the Interconnection Agreement to the City and the City shall assume all rights and responsibilities under the Interconnection Agreement, including any demolition obligations, and thereafter CREA shall have no remaining obligations thereunder.

4.1.5 Access Agreement. At the Close of Escrow, the parties shall enter into a commercially reasonable access agreement (“**Access Agreement**”) which shall provide CREA with the right to enter the Property after Closing for the purpose of environmental monitoring and remediation.

4.2 Preliminary Title Report.

4.2.1 Delivery to the City. Within three (3) business days following the Opening of Escrow, CREA shall cause the Title Company to deliver to the City a preliminary title report for an ALTA standard form coverage owner’s title insurance policy covering the Property (the “**Title Report**”), together with copies of all documents (collectively, the “**Title Documents**”) referenced in the Title Report.

4.2.2 Approval of Condition of Title. On or before the expiration of the Due Diligence Period, the City shall review the Title Report and coordinate with the Title Company to obtain an approved Proforma Owner’s Policy (“**Approved Proforma**”) in form and substance acceptable to the City in its commercially reasonable discretion evidencing the Title Policy to be issued at Closing. If the City disapproves any matter of title shown in the Title Report, the City shall notify CREA on or before the expiration of the Due Diligence Period of any such disapproved exception and CREA shall have the right, but no obligation, to elect to eliminate such exception on or prior to the Closing Date by providing the City with written notice of such election within five (5) days following receipt of the City’s notice of the disapproved exception(s) (provided that if CREA does not provide such notice to the City, CREA shall be deemed to have elected not to eliminate any such disapproved exceptions).

4.3 Title Policy. It shall be a condition to Closing that Title Insurer issue the Title Policy insuring the City’s title to the Property in the amount of the fair market value of the Property (to be determined based on fair and reasonable comparable for like-kind property between the Title Company and the City), subject only to the Permitted Exceptions in the form of the Approved Proforma.

4.4 Condition of the Property.

4.4.1 No CREA Representations; “AS-IS” Transfer. The City acknowledges that, except as explicitly set forth in Section 6.1, CREA is transferring the Property in its as-is, where-is with all faults condition and has made no representations or warranties, express or implied, regarding the Property or matters affecting the Property, whether made by CREA, on CREA’s behalf or

otherwise, including, without limitation, the physical condition of the Property (including, without limitation, the improvements on the Property), the size or square footage of the Property or the improvements, the age of the improvements, title to, or the boundaries of the Property, pest control matters, utilities, soil conditions, the presence, existence or absence of Hazardous Materials or other environmental issues, compliance with building, health, safety, land use and zoning laws, structural and other engineering characteristics (including seismic damage), economic conditions or projections, or any other information pertaining to the Property (including, without limitation, any due diligence materials or document delivered by CREA to the City under this Agreement) or the market and physical environments in which the Property is located. The City assumes sole and complete responsibility for the Property upon transfer of title, all risk of adverse physical characteristics and existing conditions, tort liability and compliance with any and all federal, state and local laws, regulations, rules, orders or ordinances relating to the condition of the Property, including Hazardous Materials Laws.

4.4.2 The City's Reliance on its Investigations. The City acknowledges that the City is taking the Property "as is" with any and all latent and patent defects and that there is no warranty by CREA that the Property is fit for a particular purpose. The City acknowledges that, except as expressly provided in Section 6.1, it is not relying upon any representation, statement or other assertion with respect to the condition of the Property, but is relying upon the examination of the Property. The City takes the Property under the express understanding that, except as expressly provided in this Agreement, there are no express or implied warranties (except for limited warranties of title set forth in the Grant Deed to be delivered at the Close of Escrow).

The provisions of this section shall survive indefinitely any Closing or termination of this Agreement and shall not be merged into the closing documents.

4.4.3 Section 1542 Waiver. the City acknowledges that it has read and is familiar with the provisions of California Civil Code Section 1542 ("Section 1542"), which is set forth below:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

By initialing below, with the exception of any claims that may arise in connection with (a) any representations made by CREA herein and (b) any remedies that the City may have in the event of a default by CREA. The City waives the provisions of Section 1542 solely in connection with the matters that are the subject of the foregoing waivers and releases:

the City's Initials: _____

The waiver and release by the City shall survive indefinitely any Closing or termination of this Agreement and shall not be merged into the closing documents.

ARTICLE 5

CLOSE OF ESCROW

5.1 The City's Conditions to Close of Escrow. Close of Escrow shall be subject to satisfaction or waiver of each of the following conditions precedent for the benefit of the City:

- (a) The Title Insurer's written agreement to issue or issuance of the Title Policy in the form of the Approved Proforma.
- (b) The continued accuracy of the representations and warranties of CREA set forth in Article 6.1.
- (c) Delivery by the CREA of all deliverables set forth in Section 3.5.1.

5.1.1 Waiver of the City's Conditions to Close Escrow. The City may unilaterally waive, in writing, any or all of the conditions described in Section 5.1. If the City elects to close, notwithstanding the nonsatisfaction of the condition, there shall be no liability on the part of the CREA for breaches of representations and warranties of which the City had knowledge as of the Closing.

5.1.2 Failure of Conditions; Termination by the City. If any of the conditions described in Section 5.1 is neither satisfied nor waived, the City may terminate this Agreement and the escrow by giving written notice of termination to CREA and Escrow Agent. In the event of termination, the City shall be relieved of any obligation to acquire the Property and to pay any costs associated with this Agreement. The termination shall not limit any other legal rights and remedies available to the City if the failure of conditions is the result of a default by CREA.

5.2 CREA's Conditions to Close of Escrow. Close of Escrow shall be subject to satisfaction or waiver of each of the following conditions precedent for the benefit of CREA:

- (a) The continued accuracy of the representations and warranties of the City set forth in Section 6.2.
- (b) As of the Closing Date, the City shall have performed its obligations under this Agreement and all deliveries to be made at Closing have been tendered, including those required under Section 3.5.2.
- (c) The rights and obligations of the Parties to proceed with the Close of Escrow and transfer of the Property pursuant to the terms of this Agreement is specifically conditioned upon validation of this Agreement pursuant to California Code of Civil Procedure Section 860, and therefore, the Close of Escrow shall be automatically extended and shall occur (if at all) on that certain date which is the latter of (i) ten (10) business days following the date upon which a final judgement validating the Resolution of CREA approving this Agreement has been filed with the court of competent jurisdiction and any and all appeal periods have expired, and (ii) the originally scheduled Closing Date.

5.2.1 Waiver of CREA's Conditions to Close Escrow. CREA may unilaterally

waive, in writing, any or all of the conditions described in Section 5.2, except the condition provided in Section 5.2(c) as the validation of this Agreement must occur prior to the Close of Escrow. If CREA elects to close, notwithstanding the nonsatisfaction of the condition, there shall be no liability on the part of the City for breaches of representations and warranties of which the CREA had knowledge as of the Closing.

5.2.2 Failure of Conditions; Termination by CREA. If any of the foregoing conditions is neither satisfied nor waived, CREA may terminate this Agreement and the escrow by giving written notice of termination to the City and Escrow Agent. In the event of termination, CREA shall be relieved of any obligation to transfer the Property to the City and to pay any costs associated with this Agreement. The termination shall not limit any other legal rights and remedies available to CREA if the failure of conditions is the result of a default by the City.

5.3 Prorations. For purposes of prorations only, on the day of Closing the Property shall be considered to be owned by the City and all prorations provided in this Agreement to be made as of the Closing shall each be made as of the end of the day before the Closing Date. In each proration set forth below, the portion of the proration applicable to periods beginning as of Closing shall be credited to the City or charged to the City as applicable and the portion of the proration applicable to periods ending as of Closing shall be credited to CREA or charged to CREA as applicable.

5.4 Distribution of Funds and Documents. On the Closing Date, provided that all conditions to closing set forth herein shall have been satisfied or waived, Escrow Agent shall:

5.4.1 With respect to all closing documents delivered to Escrow Holder hereunder, and to the extent necessary, Escrow Holder is authorized to insert into all blanks requiring the insertion of dates the date of the recordation of the Deed or such other date as Escrow Holder may be instructed in writing by the City and CREA;

5.4.2 Submit to the Los Angeles County Recorder the Grant Deed for the Property and any other document to be recorded under the terms of this Agreement;

5.4.3 Cause the Title Company to issue the Title Policy;

5.4.4 Deliver to CREA any and all amounts due to CREA in accordance with the terms hereof;

5.4.5 Deliver to the City and CREA by email pdf copies of, and by United States mail originals of:

(a) The Title Policy to the City;

(b) One signed copy of Escrow Agent's closing statement showing all receipts and disbursements of the escrow to both the CREA and the City;

(c) The Bill of Sale and General Assignment, the Assignment of Contracts, the Consent to Assignment and the Assignment of Lease; and

(d) Any other non-recorded document received under this Agreement to the payee or person acquiring rights under this Agreement or for whose benefit the document was acquired.

ARTICLE 6

REPRESENTATIONS AND WARRANTIES

6.1 CREA's Representations and Warranties. CREA warrants that as of the date of this Agreement and as of the Close of Escrow:

6.1.1 Authority. CREA has full legal right, power and authority to execute and fully perform its obligations under this Agreement, without the need for any further action; and the persons executing this Agreement and other documents required under this Agreement on behalf of CREA are the only persons required to execute the documents to legally effect the transactions contemplated by this Agreement and are fully authorized to do so.

6.2 The City's Representations and Warranties. As a material inducement to CREA to execute this Agreement and consummate this transaction, the City represents and warrants to CREA that:

(a) Authority. the City has full legal right, power and authority to execute and fully perform its obligations under this Agreement, without the need for any further action; and the persons executing this Agreement and other documents required under this Agreement on behalf of the City are the only persons required to execute the documents to legally effect the transactions contemplated by this Agreement and are fully authorized to do so.

6.3 As-Is. As of the expiration of the Due Diligence Period, provided that the City has not terminated this Agreement, the City will have:

(a) examined and inspected the Property and will know and be satisfied with the physical condition, quality, quantity and state of repair of the Property in all respects (including, without limitation, the compliance of the Property with the Americans With Disabilities Act of 1990 Pub.L. 101-336, 104 Stat. 327 (1990), and any comparable local or state laws (collectively, the “ADA”) and by proceeding with this transaction following the expiration of the Due Diligence Period shall be deemed to have determined that the same is satisfactory to the City;

(b) reviewed the due diligence materials related to the Property, all instruments, records and documents that the City deems appropriate or advisable to review in connection with this transaction, including, but not by way of limitation, any and all architectural drawings, plans, specifications, surveys, building and occupancy permits, and any licenses, leases, contracts, warranties and guarantees relating to the Property or the business conducted thereon, and the City,

by proceeding with this transaction following the expiration of the Due Diligence Period, shall be deemed to have determined that the same and the information and data contained therein and evidenced thereby are satisfactory to the City;

(c) reviewed all applicable laws, ordinances, rules and governmental regulations (including, but not limited to, those relating to building, zoning and land use) affecting the development, use, occupancy or enjoyment of the Property, and the City, by proceeding with this transaction following the expiration of the Due Diligence Period, shall be deemed to have determined that the same are satisfactory to the City; and

(d) at its own cost and expense, made its own independent investigation respecting the Property and all other aspects of this transaction, and shall have relied thereon and on the advice of its consultants in entering into this Agreement, and the City, by proceeding with this transaction following the expiration of the Due Diligence Period, shall be deemed to have determined that the same are satisfactory to the City.

TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THIS TRANSFER IS MADE AND WILL BE MADE WITHOUT REPRESENTATION, COVENANT, OR WARRANTY OF ANY KIND (WHETHER EXPRESS, IMPLIED, STATUTORY, OR, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW) BY CREA. AS A MATERIAL PART OF THE CONSIDERATION FOR THIS AGREEMENT, THE CITY AGREES TO ACCEPT THE PROPERTY ON AN "AS IS" AND "WHERE IS" BASIS, WITH ALL FAULTS, AND WITHOUT ANY REPRESENTATION OR WARRANTY, ALL OF WHICH CREA HEREBY DISCLAIMS. NO WARRANTY OR REPRESENTATION IS MADE BY CREA AS TO FITNESS FOR ANY PARTICULAR PURPOSE, MERCHANTABILITY, DESIGN, QUALITY, CONDITION, OPERATION OR INCOME, COMPLIANCE WITH DRAWINGS OR SPECIFICATIONS, ABSENCE OF DEFECTS, ABSENCE OF HAZARDOUS OR TOXIC SUBSTANCES, ABSENCE OF FAULTS, FLOODING, OR COMPLIANCE WITH LAWS AND REGULATIONS INCLUDING, WITHOUT LIMITATION, THOSE RELATING TO HEALTH, SAFETY, AND THE ENVIRONMENT (INCLUDING, WITHOUT LIMITATION, THE ADA). THE CITY ACKNOWLEDGES THAT THE CITY HAS ENTERED INTO THIS AGREEMENT WITH THE INTENTION OF MAKING AND RELYING UPON ITS OWN INVESTIGATION OF THE PHYSICAL, ENVIRONMENTAL, ECONOMIC USE, COMPLIANCE, AND LEGAL CONDITION OF THE PROPERTY AND THAT CITY IS NOT NOW RELYING, AND WILL NOT LATER RELY, UPON ANY REPRESENTATIONS AND WARRANTIES MADE BY CREA, OR ANYONE ACTING OR CLAIMING TO ACT, BY, THROUGH OR UNDER OR ON CREA'S BEHALF CONCERNING THE PROPERTY. ADDITIONALLY, THE CITY AND CREA HEREBY AGREE THAT (A) THE CITY IS TAKING THE PROPERTY "AS IS" WITH ALL LATENT AND PATENT DEFECTS AND THAT THERE IS NO WARRANTY BY CREA THAT THE PROPERTY IS FIT FOR A PARTICULAR PURPOSE, (B) THE CITY IS SOLELY RELYING UPON ITS EXAMINATION OF THE PROPERTY, AND (C) THE CITY TAKES THE PROPERTY UNDER THIS AGREEMENT UNDER THE EXPRESS UNDERSTANDING THAT THERE ARE NO EXPRESS OR IMPLIED WARRANTIES.

CITY'S INITIALS

6.4 Release. By accepting the Grant Deed at the Close of Escrow, the City shall be deemed to have made its own independent investigation of the Property, and the presence of Hazardous Materials on the Property as the City deems appropriate. Accordingly, the City, on behalf of itself and all of its members, managers, officers, directors, employees, representatives, affiliated entities and successors and assigns (collectively, the “**Releasors**”) hereby expressly waives and relinquishes any and all rights and remedies Releasors may now or hereafter have against CREA, its successors and assigns, members, managers, officers and/or directors, representatives, affiliates, agents and employees (the “**CREA Parties**”), whether known or unknown, and the City shall indemnify, protect, hold harmless and defend (with counsel reasonably acceptable to CREA) the CREA Parties against any and all claims, liabilities, suits, demands, obligations, duties, acts, omissions, causes of action, damages, losses, which may arise from or be related to (a) the physical condition, quality, quantity and state of repair of the Property and the prior management and operation of the Property, (b) the Property’s compliance or lack of compliance with any federal, state or local laws or regulations, and (c) any past, present or future presence or existence of Hazardous Materials on, under or about the Property or with respect to any past, present or future violation of any rules, regulations or laws, now or hereafter enacted, regulating or governing the use, handling, storage or disposal of Hazardous Materials, including, without limitation, (i) any and all rights and remedies Releasors may now or hereafter have under the Comprehensive Environmental Response Compensation and Liability Act of 1980 (“**CERCLA**”), the Superfund Amendments and Reauthorization Act of 1986, the Resource Conservation and Recovery Act, and the Toxic Substance Control Act, all as amended, and any similar state, local or federal environmental law, rule or regulation, and (ii) any and all claims, whether known or unknown, now or hereafter existing, with respect to the Property under Section 107 of CERCLA (42 U.S.C.A. §9607). As used herein, the term “Hazardous Material(s)” includes, without limitation, any hazardous or toxic materials, substances or wastes, such as (1) any materials, substances or wastes which are toxic, ignitable, corrosive or reactive and which are regulated by any local governmental authority, or any agency of the United States government, (2) any other material, substance, or waste which is defined or regulated as a hazardous material, extremely hazardous material, hazardous waste or toxic substance pursuant to any laws, rules, regulations or orders of the United States government, or any local governmental body, (3) asbestos, (4) petroleum and petroleum based products, (5) formaldehyde, (6) polychlorinated biphenyls (PCBs), and (7) freon and other chlorofluorocarbons. The City shall, as of the Closing Date, and, by the execution of this Agreement, hereby does, forever release CREA of and from any environmental claims and causes of action existing now or hereafter created or enacted, whether at common law or by federal, state, county, or municipal law or ordinance. The City agrees never to commence, aid in any way, or prosecute against CREA, its officers, directors, members, managers, agents or employees or its and their respective successors, any action or other proceeding based upon any of the foregoing released matters. The City agrees that its acceptance of the Title Policy shall be in full satisfaction of any express or implied warranty of CREA as to the condition of title to the Property, and in the event there are any title exceptions or defects, including, without limitation, liens, encumbrances, covenants, conditions, reservations restrictions, rights, rights-of-way or easements, which, in the City’s opinion, constitute a defect in title, the City agrees to look solely to the remedies available to the City under the Title Policy, and CREA shall have no responsibility or liability for any title defects. The City hereby waives any and all right to assert any claim against or obtain any damages from, for any reason whatsoever, the members, managers, directors, officers and partners of CREA, whether known, unknown, foreseen, unforeseen, patent

or latent. The City understands and acknowledges the significance and consequence of such specific waivers.

The City's Initials: _____

THE FOREGOING WAIVERS, RELEASES AND AGREEMENTS BY THE CITY, ON BEHALF OF ITSELF AND THE RELEASORS, SHALL SURVIVE THE CLOSE OF ESCROW AND THE RECORDATION OF THE GRANT DEED AND SHALL NOT BE DEEMED MERGED INTO THE GRANT DEED UPON ITS RECORDATION.

ARTICLE 7

GENERAL PROVISIONS

7.1 Assignment. The City shall not have the right to assign its rights or obligations under this Agreement.

7.2 Contingency. This Agreement shall bind the City and CREA only following its approval by CREA and execution by the authorized signatory of the City and CREA.

7.3 Entire Agreement. This Agreement together with all exhibits attached to this Agreement and other agreements expressly referred to in this Agreement, constitutes the entire agreement between CREA and the City with respect to the subject matter contained in this Agreement. All prior or contemporaneous agreements, understandings, representations, warranties and statements, oral or written, are superseded.

7.4 Exhibits. All exhibits referred to in this Agreement are attached to this Agreement and are incorporated into this Agreement by reference.

7.5 Further Assurances. CREA and the City shall perform any further acts and execute and deliver any additional documents and instruments that may be reasonably required to carry out the provisions of this Agreement and the intentions of CREA and the City.

7.6 Governing Law. This Agreement shall be governed, interpreted, construed and enforced in accordance with the laws of the State of California.

7.7 Construction. The captions and section headings used in this Agreement are inserted for convenience only and are not intended to define, limit or affect the construction or interpretation of any term or provision of this Agreement. Whenever required by the context of this Agreement, the singular shall include the plural and vice versa. This Agreement shall not be construed as if it had been prepared by CREA or the City, but rather as if CREA and the City had jointly prepared this Agreement.

7.8 Modification, Waiver, Amendment. No modification, waiver, amendment or discharge of this Agreement shall be valid unless the modification, waiver, amendment or discharge is in writing and signed by CREA and the City.

7.9 No Other Inducement. The making, execution and delivery of this Agreement by the CREA and the City has been induced by no representations, statements warranties or agreements other than those expressed in this Agreement.

7.10 Notices. All notices or other communications required or permitted under this Agreement shall be in writing, and shall be personally delivered by reputable overnight carrier, sent by certified mail, postage prepaid, return receipt requested, or sent by telecopy or e-mail, and shall be deemed received upon the earlier of (a) if personally delivered or delivered by overnight courier, the date of delivery to the address of the person to receive the notice, (b) if mailed, two (2) business days after the date of posting by the United States Postal Service, (c) if given by telecopy or e-mail, when sent. Any notice, request, demand, direction or other communication sent by telecopy or e-mail must be confirmed within forty-eight (48) hours by letter mailed or delivered in accordance with this section.

If to CREA: _____

If to the City: _____

If to Escrow Agent: _____

Any notice of change of address shall be given by written notice in the manner detailed in this section. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to constitute receipt of the notice, demand, request or communication sent.

7.11 Severability. If any term, provision, covenant or condition of this Agreement is held to be invalid, void or otherwise unenforceable, to any extent, by any court of competent jurisdiction, the remainder of this Agreement shall not be affected, and each term, provision, covenant or condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

7.12 Specific Performance and Other Remedies. If CREA defaults in its obligation to sell and convey the Property to the City pursuant to this Agreement, the City's sole remedy shall be to elect one of the following: (a) to terminate this Agreement, or (b) to bring a suit for specific performance provided that any suit for specific performance must be brought within ninety (90)

days of CREA's default, to the extent permitted by law, and the City waives the right to bring suit at any later date. This Agreement confers no present right, title or interest in the Property to the City and the City agrees not to file a lis pendens or other similar notice against the Property except in connection with, and after, the proper filing of a suit for specific performance.

7.13 Successors. Subject to the limitations on assignment set forth in Section 8.1, all terms of this Agreement shall be binding upon, inure to the benefit of, and be enforceable by CREA and the City and their respective heirs, legal representatives, successors, and assigns.

7.14 Time. Time is of the essence of each provision of this Agreement.

7.15 Time Period Computation. All periods of time referred to in this Agreement shall include all Saturdays, Sundays and state, national or CREA holidays, unless the period of time specifies business days, provided that if the date or last date to perform any act or give any notice or approval shall fall on a Saturday, Sunday or state, national or CREA holiday, the act or notice may be timely performed or given on the next succeeding day which is not a Saturday, Sunday or state, national or CREA holiday.

7.16 Waiver. The waiver by one party of the performance of any term, provision, covenant or condition shall not invalidate this Agreement, nor shall it be considered as a waiver by the party of any other term, provision, covenant or condition. Delay by any party in pursuing any remedy or in insisting upon full performance for any breach or failure of any term, provision, covenant or condition shall not prevent the party from later pursuing remedies or insisting upon full performance for the same or any similar breach or failure.

ARTICLE 8

POST CLOSING TRANSFER OF PROPERTY

In the event that the City sells the Property on or before five (5) years following the Closing Date for a purchase price in excess of Five Million Dollars (\$5,000,000), within five (5) business days of the closing of such sale the City shall pay to the County Sanitation District No. 2 of Los Angeles County an amount equal to one-half (1/2) of the amount such purchase price exceeds Five Million Dollars (\$5,000,000). THIS POST-CLOSING OBLIGATIONS SHALL SURVIVE THE CLOSE OF ESCROW AND THE RECORDATION OF THE GRANT DEED AND SHALL NOT BE DEEMED MERGED INTO THE GRANT DEED UPON ITS RECORDATION.

[Signature Page Follows]

SIGNATURES

CREA:

COMMERCE REFUSE TO ENERGY AUTHORITY

By: _____

Name: _____

Its: _____

THE CITY:

By: _____

Name: _____

Its: _____

ACCEPTANCE BY ESCROW HOLDER:

_____ acknowledges that it has received a fully executed counterpart of the Agreement and agrees to act as Escrow Holder under the Agreement and to be bound by and perform the terms of the Agreement as the terms apply to Escrow Holder.

Dated: _____

By: _____

Name: _____

Title: _____

Exhibit "A"
LEGAL DESCRIPTION OF PROPERTY

Exhibit "B"
GRANT DEED

Recording requested by and
When recorded, return to:

Attn: _____

APN: _____

GRANT DEED

THE UNDERSIGNED GRANTOR DECLARES:

DOCUMENTARY TRANSFER TAX is \$_____ and is computed on the full value of the interest or property conveyed.

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, _____ ("**Grantor**"), hereby grants to _____ ("**Grantee**"), all of Grantor's interest in that certain real property located in the City of Commerce, County of Los Angeles, State of California, described in **Exhibit "A"** attached hereto and incorporated herein by this reference, together with all of Grantor's right, title and interest in and to all appurtenances thereon or in any way appertaining thereto and all of Grantor's right, title and interest in and to all buildings, structures, fixtures and improvements located thereon (the "**Property**"), subject to all matters of record as of the date hereof.

IN WITNESS WHEREOF, the undersigned has executed this Grant Deed, to be effective upon its recordation in the Official Records of Los Angeles County, California.

“GRANTOR”

COMMERCE REFUSE TO ENERGY AUTHORITY,

By: _____
Name: _____
Title: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF _____

On _____, before me, _____,
Notary Public, personally appeared _____, who proved to me
on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the
within instrument and acknowledged to me that he/she/they executed the same in his/her authorized
capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity
upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public in and for said County and State

This is to certify that the interest in real property conveyed by the Grant Deed dated _____ from Commerce Refuse to Energy Authority to The City of Commerce, a municipal corporation is hereby accepted by order of the [LEGISLATIVE BODY] on [DATE], (or by the undersigned officer or agent on behalf of the [LEGISLATIVE BODY] pursuant to authority conferred by resolution of the [LEGISLATIVE BODY] adopted on [DATE]) and the grantee consents to recordation thereof by its duly authorized officer.

Dated _____

THE CITY OF COMMERCE

By: _____

Name: _____

Title: _____

EXHIBIT A to EXHIBIT B

Description of Property

[TBD]

Exhibit "C"
BILL OF SALE AND GENERAL ASSIGNMENT

FORM OF BILL OF SALE AND GENERAL ASSIGNMENT AGREEMENT

THIS BILL OF SALE AND GENERAL ASSIGNMENT AGREEMENT ("**Assignment**"), dated _____, is by and between Commerce Refuse to Energy Authority ("**Assignor**"), and The City of Commerce ("**Assignee**").

A. Pursuant to that certain Transfer Agreement Between Commerce Refuse to Energy Authority and The City Of Commerce Transferring Title to Commerce Refuse-To-Energy Facility, dated as of _____, by and between Assignor and Assignee (the "**Agreement**"), on or about the date hereof Assignor will convey to Assignee that certain real property located at 5926 Sheila Street, Commerce, California, together with the improvements thereon (the "**Property**") as more particularly described in the Agreement.

B. In connection with the conveyance of the Property to Assignee, Assignor desires to assign to Assignee, and Assignee desires to assume from Assignor, any and all of Assignor's right, title and interest, if any, in, to and under the following (collectively, the "**Assigned Property**"):

(i) any and all equipment, fixtures, furniture and other tangible personal property owned by Assignor, affixed or attached to or located or situated on, and used in connection with, the Property;

(ii) to the extent assignable, any and all use, occupancy, operating, building and other governmental permits, licenses, approvals, documents and instruments (if any) heretofore issued from time to time with respect to the Property; and

(iii) to the extent assignable, any and all easements and other appurtenances used or connected with the beneficial use or enjoyment of the Property and any and all existing contracts, guaranties and warranties issued in connection with the Property.

NOW, THEREFORE, for good and valuable consideration, the receipt of which his hereby acknowledged, the parties hereto agree as follows:

1. Assignment and Assumption. Assignor does hereby grant, bargain, sell, assign, transfer, and convey unto Assignee, its successors and assigns, and Assignee hereby unconditionally accepts and assumes, all of Assignor's right, title and interest in, to and under the Assigned Property.

2. AS-IS. Assignor makes the foregoing assignments, conveyances and transfers on an "AS-IS" basis, without representation or warranty of any kind, either express or implied, with respect to any such rights or property, the effectiveness or validity thereof, or Assignee's rights to utilize and rely upon same.

3. Successors and Assigns. This Assignment shall inure to the benefit of, and be binding upon, the successors, executors, administrators, legal representatives and assigns of the parties hereto.

4. Governing Law. This Assignment shall be construed under and enforced in accordance with the laws of the State of California, without regard to conflict of law principles.

5. Counterparts. This Assignment may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Assignment as of the date set forth above.

ASSIGNOR:

ASSIGNEE:

**COMMERCE REFUSE TO ENERGY
AUTHORITY**

THE CITY OF COMMERCE

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

Exhibit “D”
ASSIGNMENT OF CONTRACTS

FORM OF ASSIGNMENT AND ASSUMPTION OF CONTRACTS

THIS ASSIGNMENT AND ASSUMPTION OF CONTRACTS (this “Assignment”) is made as of _____, 2019 (the “Effective Date”), by and among Commerce Refuse to Energy Authority (“Assignor”), and The City of Commerce (“Assignee”), with reference to the following recitals:

Recitals

A. Pursuant to that certain Transfer Agreement Between Commerce Refuse to Energy Authority and The City Of Commerce Transferring Title to Commerce Refuse-To-Energy Facility, dated as of _____, by and between Assignor and Assignee (the “**Agreement**”), on or about the date hereof Assignor will convey to Assignee that certain real property located at 5926 Sheila Street, Commerce, California, together with the improvements thereon (the “**Property**”) as more particularly described in the Agreement.

B. In connection with the transfer of the Property, Assignor desires to assign and convey all of Assignor’s interest in the contracts and agreements identified on Schedule 1 hereto and incorporated herein by this reference (the “Contracts”).

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee, intending to be legally bound, agree as follows:

Agreement

1. Assignment. Assignor hereby assigns and transfers unto Assignee all of its right, title, claim and interest in, to and under the Contracts (collectively, “Assigned Interests”).

2. Assumption. Assignee hereby accepts the foregoing assignment and assumes all of the Assignor’s obligations under the Assigned Interests which relate to the period from and after the Effective Date. Assignee hereby agrees to indemnify, defend and hold harmless Assignor from and against any and all cost, liability, loss, damage or expense, including, without limitation, reasonable attorneys’ fees and expenses (collectively, “Losses and Liabilities”) arising out of or in any way related to the Assigned Interests with respect to the period from and after the Effective Date. Following the Effective Date, Assignor shall have no remaining rights or obligations under the Assigned Interests.

3. Successors and Assigns. This Assignment shall be binding upon and shall inure to the benefit of the successors and assigns of the respective parties hereto.

4. Governing Law. This Assignment shall be governed by and construed in accordance with the laws of the State of California.

5. Recitals; Further Assurances. The recitals are integrated into and made a part of this Assignment. The parties covenant and agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out this Assignment.

6. Counterparts. This Assignment may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one document. Facsimile or other electronically transmitted signatures of the parties shall be deemed to constitute original signatures, and facsimile or other electronically transmitted copies hereof shall be deemed to constitute duplicate original counterparts.

[Remainder of page intentionally blank; signature page follows]

IN WITNESS WHEREOF, this Assignment has been executed by the parties effective as of the Effective Date.

ASSIGNOR:

COMMERCE REFUSE TO ENERGY AUTHORITY

By: _____
Name: _____
Its: _____

ASSIGNEE:

THE CITY OF COMMERCE

By: _____
Name: _____
Its: _____

SCHEDULE 1

List of Contracts

1. Settlement Agreement and Release, dated January 1, 1995, by and between Georgia-Pacific, LLC (as successor-in-interest to James River Paper Company, Inc.) and Commerce Refuse to Energy Authority
2. Generator Interconnection Agreement (GIA) for a Generating Facility Interconnecting Under the Cluster Study Process (Applicable for Queue Cluster 4), between Southern California Edison and Commerce Refuse to Energy Authority
3. Service Agreement for Wholesale Distribution Service between Southern California Edison and Commerce Refuse to Energy Authority

Exhibit “E”**CONSENT TO ASSIGNMENT****CONSENT TO ASSIGNMENT**

This Consent to Assignment (this “Consent”) is entered into by and among Southern California Edison Company, a California corporation (“SCE”), [Name of Seller], a [Legal Status of Seller] (“Assignor”), and [Name of Assignee], a [Legal Status of Assignee] (“Assignee”). SCE, Assignor and Assignee are sometimes referred to herein individually as a “Party” and jointly as the “Parties.”

RECITALS

The Parties enter into this Consent with reference to the following facts:

- (A) SCE and Assignor are parties to those certain interconnection agreements described in Schedule 1 hereto (“Interconnection Agreements”) for the purpose of providing distributed interconnection service.
- (B) Assignee has acquired from Assignor the Generating Facilities as described in Schedule 2.
- (C) Assignor wishes to assign the Interconnection Agreements to Assignee (“Assignment”), subject to the terms and conditions set forth in an agreement between Assignor and Assignee.
- (D) In accordance with the Interconnection Agreements, Assignor is required to obtain SCE’s consent to the Assignment pursuant to the terms of this Consent.

AGREEMENT

In consideration of the foregoing, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound, the Parties hereto hereby agree as follows:

1. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Assigned Agreements.
2. SCE hereby consents to the Assignment of the Interconnection Agreements by Assignor to Assignee under the terms and conditions of this Consent.

3. As of the Effective Date (as defined in Paragraph 20):
 - (a) Assignee assumes and will be liable to SCE for each and every duty and obligation of Assignor under the Interconnection Agreements arising or accruing on or after the Effective Date; and
 - (b) Assignor will remain liable to SCE for each and every duty and obligation of Assignor under the Interconnection Agreements arising or accruing before the Effective Date.
4. Assignor releases all claims to any fees, deposits and any form of financial security collected by SCE for the benefit of the Interconnection Agreement and hereby assigns any such claims to such fees, deposits and financial security to Assignee.
5. This Consent is neither a modification of, nor an amendment to, the Interconnection Agreements, each of which is, and shall remain, in full force and effect.
6. Neither this Consent nor the Assignment in any manner diminish SCE's rights or increase its obligations under the Interconnection Agreements.
7. Subject to the provisions of Section 3, Assignor and Assignee jointly and severally agree to pay, and to hold SCE harmless from, any and all balance owed, loss, liability, damage, claim, cost or expense (including, without limitation, any direct, indirect or consequential loss, liability, damage, claim, cost or expense, including legal fees and expenses) in connection with or arising out of any of the transactions contemplated by the Assignment, or this Consent.
8. SCE is not a party to, and has no obligation under, any documents or agreements other than those it has signed. To the extent that this Consent is inconsistent with any other documents or agreements, as between the Parties, this Consent shall govern.
9. This Consent is binding upon, inures to the benefit of, and is enforceable by, each of SCE, Assignor and Assignee, and each of their permitted successors and assigns, and inures to the further benefit of, and is enforceable by, any assignee or transferee permitted hereby and by the Interconnection Agreements. No assignment of the Interconnection Agreements by Assignor or Assignee, other than the Assignment, is valid without SCE's prior written consent, which consent may not be unreasonably withheld.
10. All notices, requests, consents, approvals, elections, demands and other communications (collectively, "Notices") required or permitted to be given under this Consent shall be in writing and shall be given to a Party at the address or facsimile number set forth below, or at such other address as such Party may hereafter specify for such purpose by Notice under this Section 10. Such Notice will be deemed to be made: (i) on the fifth (5th)

GFID # [See Schedule 1], [Name of Seller]

business day after deposit thereof in the United States mail, first class postage prepaid; (ii) when received, if delivered by hand; (iii) when received in full, if sent by facsimile transmission; (iv) when received in full, if sent by electronic mail; or (v) on the first business day following deposit in overnight mail, postage prepaid.

Notice shall be directed (a) if to SCE or Assignor, in accordance with Section 9 of the relevant Generating Facility Interconnection Agreement for each Facility, included in the list of Interconnection Agreements in Schedule 2, (b) if to Assignee, to [Company Name, Company Address, Company Contact, Contact's Phone #, Contact's Email Address], and (c) to such other address or addressee as any such Party may designate by notice given pursuant hereto.

11. THIS CONSENT SHALL BE CONSTRUED IN ACCORDANCE WITH, AND THIS CONSENT AND ALL MATTERS ARISING OUT OF THIS CONSENT AND THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE GOVERNED BY, THE LAW OF THE STATE OF CALIFORNIA WITHOUT REGARD TO ANY CONFLICTS OF LAWS PROVISIONS THEREOF THAT WOULD RESULT IN THE APPLICATION OF THE LAW OF ANOTHER JURISDICTION.
12. Notwithstanding any right that they may otherwise have under law to venue in other counties or location, the Parties consent to jurisdiction and venue in Los Angeles County, California for the litigation of disputes of any nature arising out of or relating to this Consent including, without limitation, disputes sounding in contract, tort or based on statute or regulation, that the Parties are unable to settle between themselves.
13. This Consent may not be amended, modified, abrogated or superseded by a subsequent agreement unless such subsequent agreement is in the form of a written instrument signed by the Parties.
14. The Parties acknowledge that they have read and understood this Consent. The Parties further acknowledge that, in entering into this Consent, they have been advised by attorneys of their choice. Further, all Parties have participated in the drafting and preparation of this Consent. Accordingly, no Party to this Consent will be deemed to be the drafter of any part of it, and no ambiguity in its provisions shall be construed against any Party for that reason.
15. Except as provided in Section 9 above, the Parties do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Consent or any duty, covenant, obligation or understanding established thereunder.
16. If any provision of this Consent is held invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions hereof will not in any way be affected or impaired thereby.

GFID # [See Schedule 1], [Name of Seller]

17. This Consent sets forth the entire agreement of the Parties with respect to the subject matter herein, and supersedes all previous understandings, written or oral, with respect thereto.
18. This Consent may be executed in one or more counterparts, each of which will be deemed to be an original of this Consent and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this Consent and of signature pages by facsimile transmission, Portable Document Format (i.e., PDF), or by other electronic means shall constitute effective execution and delivery of this Consent as to the Parties and may be used in lieu of the original Consent for all purposes.
19. Each Party represents and warrants that the execution, delivery and performance of this Consent are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it, and that the person who signs below on behalf of that Party has authority to execute this Consent on behalf of such Party and to bind such Party to this Consent.
20. Provided that the conditions set forth herein have been satisfied, the “Effective Date” of this Consent is the date on which the last Party signs it.

[Signature Page Follows]

GFID # [See Schedule 1], [Name of Seller]

IN WITNESS WHEREOF, the Parties hereto have caused this Consent to be executed by their duly authorized representatives on the dates indicated below their respective signature.

[ASSIGNOR'S NAME], [Assignor's Legal Status].	SOUTHERN CALIFORNIA EDISON COMPANY, a California corporation.
By: _____ Name: _____ Title: _____ Date: _____	By: _____ Name: _____ Title: _____ Date: _____
[ASSIGNEE'S NAME], [Assignee's Legal Status].	
By: _____ Name: _____ Title: _____ Date: _____	

GFID # [See Schedule 1], [Name of Seller]

Schedule 1**INTERCONNECTION AGREEMENTS**

Project ID	Title of Agreement	Dated as of	By and Between
[GFID# e.g., GFID1234]	[Name of Agreement: e.g., Generating Facility Interconnection Agreement (3rd Party Inadvertent-Export)]	[Agreement Effective Date]	Assignor and SCE
[GFID# e.g., GFID1234]	[Name of Agreement: e.g., Generating Facility Interconnection Agreement (3rd Party Inadvertent-Export)]	[Agreement Effective Date]	Assignor and SCE

GFID # [See Schedule 1], [Name of Seller]

Schedule 2

FACILITIES

Project ID	Facility Name	Project Location	SCE Customer of Record
[GFID# e.g., GFID1234]	[Project Name/Site Name]	[Site Address]	[Customer Name on CGA]
[GFID# e.g., GFID1234]	[Project Name/Site Name]	[Site Address]	[Customer Name on CGA]