



**PECO Energy Company
Default Service Program IV**

**ACCEPTABLE Modifications to the Pre-Bid Letter of Credit
February 27, 2019**

The Standard Pre-Bid Letter of Credit is appended as Appendix 9 to the Default Service Program RFP Rules. This document contains a *final* set of modifications to the Standard Pre-Bid Letter of Credit that are acceptable to PECO. All modifications to the Standard Pre-Bid Letter of Credit accepted for the benefit of a single RFP Bidder are available to all RFP Bidders on an optional basis. All such modifications are posted in this document.

Header - Original

IRREVOCABLE STANDBY LETTER OF CREDIT

_____ (“Date of Issuance”)

Letter of Credit No. _____

Beneficiary:

PECO Energy Company (“PECO”)
c/o NERA Economic Consulting (“NERA”)
Independent Evaluator
PECO Default Service Program
1835 Market Street, Suite 1205
Philadelphia, PA 19103

Applicant:

[Name of Bidder]

[Address]

Acceptable Modifications to Header

1. **IRREVOCABLE STANDBY LETTER OF CREDIT NO. _____**

_____ (“Date of Issuance”)

~~Letter of Credit No. _____~~

Beneficiary:

PECO Energy Company (“PECO”)
c/o NERA Economic Consulting (“NERA”)
Independent Evaluator
PECO Default Service Program
1835 Market Street, Suite 1205
Philadelphia, PA 19103

Applicant:

[Name of Bidder]

[Address]

2. IRREVOCABLE STANDBY LETTER OF CREDIT

_____ (“Date of Issuance”)

Letter of Credit No. _____

Issuing Bank:

[Bank Name]

[Bank Address and Contact Information]

Beneficiary:

PECO Energy Company (“PECO”)
c/o NERA Economic Consulting (“NERA”)
Independent Evaluator
PECO Default Service Program
1835 Market Street, Suite 1205
Philadelphia, PA 19103

Applicant:

[Name of Bidder]

[Address]

Paragraph 1 - Original

1. We, _____ (the “Issuing Bank”), hereby establish this Irrevocable Standby Letter of Credit (this “Letter of Credit”) in your favor in the amount of USD \$ _____, effective immediately and available to you at sight upon demand at our counters at _____ [designate Issuing Bank’s location for presentments] and expiring at 5:00 PM (New York, NY time¹) on _____ [insert date no earlier than March 27, 2019] (the “Expiration Date”), unless terminated earlier in accordance with the provisions of Paragraph 9 hereof.

Acceptable Modifications to Paragraph 1

1. We, _____ (the “Issuing Bank”), hereby establish this Irrevocable Standby Letter of Credit (this “Letter of Credit”) in your favor in the amount of USD \$ _____, effective immediately and available to you at sight upon demand at our counters at _____ [designate Issuing Bank’s location for presentments] and expiring at 5:00 PM (~~New York, NY~~ Chicago, IL time¹) on _____ [insert date no earlier than March 27, 2019] (the “Expiration Date”), unless terminated earlier in accordance with the provisions of Paragraph 9 hereof.

This first acceptable modification to Paragraph 1 is illustrative. It is acceptable to replace “New York, NY” with any City and/or State within the United States provided that this modification is also made to Paragraphs 5 and 9.

1. We, _____ (the “Issuing Bank”), hereby establish this Irrevocable Standby Letter of Credit (this “Letter of Credit”) in your favor in the amount of USD \$ _____, effective immediately and available to you at sight upon demand at our counters at _____ [designate Issuing Bank’s location for presentments] and expiring at 5:00 PM (~~New York, NY time~~ Eastern Prevailing Time¹) on _____ [insert date no earlier than March 27, 2019] (the “Expiration Date”), unless terminated earlier in accordance with the provisions of Paragraph 9 hereof.

This second acceptable modification to Paragraph 1 is illustrative. It is acceptable to replace “New York, NY time” with any time zone within the United States (e.g. ‘Eastern Prevailing Time’, ‘Central Prevailing Time’ or ‘Pacific Prevailing Time’) provided that this modification is also made to Paragraphs 5 and 9.

¹If the issuer of the Letter of Credit is located in an area that is not in the Eastern Time zone, this time and all other times in this Letter of Credit, and the definition of a Business Day should be adjusted accordingly, here and in Paragraphs 5 and 9.

1. We, _____ (the “Issuing Bank”), hereby establish this Irrevocable Standby Letter of Credit (this “Letter of Credit”) in your favor in the amount of USD \$ _____, effective immediately and available to you at sight upon demand at our counters at _____ [designate Issuing Bank’s location for presentments] and expiring at 5:00 PM (New York, NY time¹) on _____ [insert date no earlier than March 27, 2019] (the “Expiration Date”) in accordance with the terms hereinafter set forth, unless terminated earlier in accordance with the provisions of Paragraph 9 hereof.

1. We, _____ (the “Issuing Bank”), hereby establish this Irrevocable Standby Letter of Credit (this “Letter of Credit”) in your favor in the maximum aggregate amount of USD \$ _____, effective immediately and available to you at sight upon demand at our counters at _____ [designate Issuing Bank’s location for presentments] and expiring at 5:00 PM (New York, NY time¹) on _____ [insert date no earlier than March 27, 2019] (the “Expiration Date”), unless terminated earlier in accordance with the provisions of Paragraph 9 hereof.

1. We, _____ (the “Issuing Bank”), hereby establish this Irrevocable Standby Letter of Credit (this “Letter of Credit”) in your favor in the amount of USD \$ _____, effective immediately and available to you at sight upon demand at our counters at _____ [designate Issuing Bank’s location for presentments] and expiring at 5:00 PM ~~(New York, NY time¹)~~ on _____ [insert date no earlier than March 27, 2019] (the “Expiration Date”), unless terminated earlier in accordance with the provisions of Paragraph 9 hereof.

1. We, _____ (the “Issuing Bank”), hereby establish this Irrevocable Standby Letter of Credit (this “Letter of Credit”) in your favor in the amount of USD ~~\$~~ _____, effective immediately and available to you at sight upon demand at our counters at _____ [designate Issuing Bank’s location for presentments] and expiring at 5:00 PM (New York, NY time¹) on _____ [insert date no earlier than March 27, 2019] (the “Expiration Date”), unless terminated earlier in accordance with the provisions of Paragraph 9 hereof.

¹ If the issuer of the Letter of Credit is located in an area that is not in the Eastern Time zone, this time and all other times in this Letter of Credit, and the definition of a Business Day should be adjusted accordingly, here and in Paragraphs 5 and 9.

~~¹ If the issuer of the Letter of Credit is located in an area that is not in the Eastern Time zone, this time and all other times in this Letter of Credit, and the definition of a Business Day should be adjusted accordingly, here and in Paragraphs 5 and 9.~~

1. We, _____(the “Issuing Bank”), hereby establish this Irrevocable Standby Letter of Credit (this “Letter of Credit”) in your favor in the amount of USD \$ _____, effective immediately and available to you at sight upon demand at our counters at _____[designate Issuing Bank’s location for presentments] and expiring at 5:00 PM (New York, NY time⁺) on _____[insert date no earlier than March 27, 2019] (the “Expiration Date”), unless terminated earlier in accordance with the provisions of Paragraph 9 hereof.

⁺~~If the issuer of the Letter of Credit is located in an area that is not in the Eastern Time zone, this time and all other times in this Letter of Credit, and the definition of a Business Day should be adjusted accordingly, here and in Paragraphs 5 and 9.~~

Paragraph 2 - Original

2. This Letter of Credit is issued at the request and for the account of _____ (including its successors and assigns, the “Bidder”). This Letter of Credit may be drawn by presenting the documents required by paragraph 3 hereof, including your certificate stating that:

a) “the Bidder has made a material omission or misrepresentation in the Part 1 Proposal or the Part 2 Proposal submitted in connection with this solicitation”; or

b) “the Bidder has disclosed information relating to its Proposal publicly or to any other party before the PUC has rendered its decision on the results of the solicitation”; or

c) “the Bidder has one or more Bids approved by the PUC and the Bidder has failed to execute the Uniform SMA and its Exhibits or has failed to meet the creditworthiness requirements within the timeframe required”.

Acceptable Modifications to Paragraph 2

2. This Letter of Credit is issued at the request and for the account of _____ ~~(including its successors and assigns,~~ (the “Bidder”). This Letter of Credit may be drawn by presenting the documents required by paragraph 3 hereof, including your certificate stating that:

a) “the Bidder has made a material omission or misrepresentation in the Part 1 Proposal or the Part 2 Proposal submitted in connection with this solicitation”; or

b) “the Bidder has disclosed information relating to its Proposal publicly or to any other party before the PUC has rendered its decision on the results of the solicitation”; or

c) “the Bidder has one or more Bids approved by the PUC and the Bidder has failed to execute the Uniform SMA and its Exhibits or has failed to meet the creditworthiness requirements within the timeframe required”.

2. This Letter of Credit is issued at the request and for the account of _____ (including its successors ~~by operation of law and assigns~~, the “Bidder”). This Letter of Credit may be drawn by presenting the documents required by paragraph 3 hereof, including your certificate stating that:

- a) “the Bidder has made a material omission or misrepresentation in the Part 1 Proposal or the Part 2 Proposal submitted in connection with this solicitation”; or
- b) “the Bidder has disclosed information relating to its Proposal publicly or to any other party before the PUC has rendered its decision on the results of the solicitation”; or
- c) “the Bidder has one or more Bids approved by the PUC and the Bidder has failed to execute the Uniform SMA and its Exhibits or has failed to meet the creditworthiness requirements within the timeframe required”.

2. This Letter of Credit is issued at the request and for the account of _____ (~~including its successors and assigns~~, (the “Bidder”). This Letter of Credit may be drawn by presenting the documents required by paragraph 3 hereof, including your certificate stating that:

- a) “the Bidder has made a material omission or misrepresentation in the Part 1 Proposal or the Part 2 Proposal submitted in connection with this solicitation”; or
- b) “the Bidder has disclosed information relating to its Proposal publicly or to any other party before the PUC has rendered its decision on the results of the solicitation”; or
- c) “the Bidder has one or more Bids approved by the PUC and the Bidder has failed to execute the Uniform SMA and its Exhibits or has failed to meet the creditworthiness requirements within the timeframe required”.

Paragraph 3 - Original

3. We hereby irrevocably authorize you to draw on us, in accordance with the terms and conditions hereof, up to the amount available under this Letter of Credit from time to time, subject to reduction as provided in Paragraph 8. A partial or full drawing hereunder may be presented by you on any Business Day on or prior to the Expiration Date by delivering or transmitting to the Issuing Bank at _____, (a) Annex 1 hereto, appropriately completed and duly signed by an Authorized Officer of PECO, which is your notice, and (b) Annex 2 hereto, appropriately completed and duly signed by an Authorized Officer of PECO, which is your draft.

Acceptable Modifications to Paragraph 3

3. We hereby irrevocably authorize you to draw on us, in accordance with the terms and conditions hereof, up to the amount available under this Letter of Credit from time to time, subject to reduction as provided in Paragraph 8. A partial or full drawing hereunder may be presented by you on any Business Day on or prior to the Expiration Date by delivering or ~~transmitting~~ faxing to the Issuing Bank at _____, (a) Annex 1 hereto, appropriately completed and duly signed by an Authorized Officer of PECO, which is your notice, and (b) Annex 2 hereto, appropriately completed and duly signed by an Authorized Officer of PECO, which is your draft.

3. We hereby irrevocably authorize you to draw on us, in accordance with the terms and conditions hereof, up to the amount available under this Letter of Credit from time to time, subject to reduction as provided in Paragraph 8. A partial or full drawing hereunder may be presented by you on any Business Day on or prior to the Expiration Date by delivering or transmitting by fax to the Issuing Bank at _____, (a) Annex 1 hereto, appropriately completed and duly signed by an Authorized Officer of PECO, which is your notice, and (b) Annex 2 hereto, appropriately completed and duly signed by an Authorized Officer of PECO, which is your draft.

3. We hereby irrevocably authorize you to draw on us, in accordance with the terms and conditions hereof, up to the amount available under this Letter of Credit from time to time, subject to reduction as provided in Paragraph 8. A partial or full drawing hereunder may be presented by you on any Business Day on or prior to the Expiration Date by delivering or transmitting by facsimile as specified in paragraph 4 to the Issuing Bank at _____, (a) Annex 1 hereto, appropriately completed and duly signed by an Authorized Officer of PECO, which is your notice, and (b) Annex 2 hereto, appropriately completed and duly signed by an Authorized Officer of PECO, which is your draft.

Paragraph 4 - Original

4. Drafts, document(s) and other communications hereunder may be presented or delivered to us by facsimile transmission. Presentation of documents to effect a draw by facsimile must be made to the following facsimile number: _____, and confirmed by telephone to us at the following number: _____. In the event of a presentation via facsimile transmission, no mail confirmation is necessary and the facsimile transmission will constitute the operative drawing documents.

Acceptable Modifications to Paragraph 4

4. Drafts, document(s) and other communications hereunder may be presented or delivered to us by facsimile transmission. Presentation of documents to effect a draw by facsimile must be made to the following facsimile number: _____, and confirmed by telephone to us at the following number: _____. In the event of a presentation via facsimile transmission, no mail confirmation is necessary and the facsimile transmission will constitute the operative drawing documents. In the event of a full or final drawing the original Standby Letter of Credit must be returned to the Issuing Bank via overnight courier within one business day of the beneficiary's receipt of full or final drawing.

4. Drafts, document(s) and other communications hereunder may be presented or delivered to us by facsimile transmission. Presentation of documents to effect a draw by facsimile must be made to the following facsimile number: _____, and confirmed by telephone to us at the following number: _____. However, [Issuing Bank]'s receipt of such telephone notice shall not be a condition to payment hereunder. In the event of a presentation via facsimile transmission, no mail confirmation is necessary and the facsimile transmission will constitute the operative drawing documents.

4. Drafts, document(s) and other communications hereunder may be presented or delivered to us by facsimile transmission. Presentation of documents to effect a draw by facsimile must be made to the following facsimile number: _____, or such other fax number identified by us in a written notice to you, and confirmed by telephone to us at the following number: _____. In the event of a presentation via facsimile transmission, no mail confirmation is necessary and the facsimile transmission will constitute the operative drawing documents.

4. Drafts, document(s) and other communications hereunder may be presented or delivered to us by facsimile transmission. Presentation of documents to effect a draw by facsimile must be made to the following facsimile number: _____, and confirmed by telephone to us at the following numbers: _____. In the event of a presentation via facsimile transmission, no mail confirmation is necessary and the facsimile transmission will constitute the operative drawing documents.

4. Drafts, document(s) and other communications hereunder may be presented or delivered to us by facsimile transmission. Presentation of documents to effect a draw by facsimile must be made to the following facsimile number: _____, and confirmed by telephone to us at the following number: _____. In the event of a presentation via facsimile transmission, no mail confirmation is necessary and the facsimile transmission will constitute the operative drawing documents. In the event of a full or final drawing the original Standby Letter of Credit and all amendments (if any) must be returned to the Issuing Bank via overnight courier within one business day of the beneficiary's receipt of full or final drawing.

4. Drafts, document(s) and other communications hereunder may be presented or delivered to us by facsimile transmission. Presentation of documents to effect a draw by facsimile must be made to the following facsimile number: _____ or such other fax number identified by us in a written notice to you, and confirmed by telephone to us at the following number: _____. In the event of a presentation via facsimile transmission, no mail confirmation is necessary and the facsimile transmission will constitute the operative drawing documents.

4. Drafts, document(s) and other communications hereunder may be presented or delivered to us by facsimile transmission. Presentation of documents to effect a draw by facsimile must be made to the following facsimile number: _____, and confirmed by telephone to us at the following numbers: _____ or _____. In the event of a presentation via facsimile transmission, no mail confirmation is necessary and the facsimile transmission will constitute the operative drawing documents.

Paragraph 5 - Original

5. We will honor a drawing hereunder made in compliance with the terms and provisions of this Letter of Credit by transferring in immediately available funds the amount specified in your draft (or so much thereof as is available hereunder) delivered or transmitted to us in connection with such drawing to the account designated as provided below, by 3:00 PM (New York, NY time) on the date of such drawing, if delivery or transmission of the requisite documents pursuant to Paragraph 3 hereof is made prior to 11:00 AM (New York, NY time) on a Business Day, but at the opening of business on the first Business Day next succeeding the date of such drawing if delivery or transmission of the requisite documents pursuant to Paragraph 3 hereof is made on or after 11:00 AM (New York, NY time) on any Business Day.

Acceptable Modifications to Paragraph 5

5. We will honor a drawing hereunder made in compliance with the terms and provisions of this Letter of Credit by transferring in immediately available funds the amount specified in your draft (or so much thereof as is available hereunder) delivered or transmitted to us in connection with such drawing to the account designated as provided below, by 3:00 PM (~~New York, NY~~ Chicago, IL time) on the date of such drawing, if delivery or transmission of the requisite documents pursuant to Paragraph 3 hereof is made prior to 11:00 AM (~~New York, NY~~ Chicago, IL time) on a Business Day, but at the opening of business on the first Business Day next succeeding the date of such drawing if delivery or transmission of the requisite documents pursuant to Paragraph 3 hereof is made on or after 11:00 AM (~~New York, NY~~ Chicago, IL time) on any Business Day.

This first acceptable modification to Paragraph 5 is illustrative. It is acceptable to replace “New York, NY” with any City and/or State within the United States provided that this modification is also made to Paragraphs 1 and 9.

5. We will honor a drawing hereunder made in compliance with the terms and provisions of this Letter of Credit by transferring in immediately available funds the amount specified in your draft (or so much thereof as is available hereunder) delivered or transmitted to us in connection with such drawing to the account designated as provided below, by 3:00 PM (~~New York, NY~~ Eastern Prevailing time) on the date of such drawing, if delivery or transmission of the requisite documents pursuant to Paragraph 3 hereof is made prior to 11:00 AM (~~New York, NY~~ Eastern Prevailing time) on a Business Day, but at the opening of business on the first Business Day next succeeding the date of such drawing if delivery or transmission of the requisite documents pursuant to Paragraph 3 hereof is made on or after 11:00 AM (~~New York, NY~~ Eastern Prevailing time) on any Business Day.

This second acceptable modification to Paragraph 5 is illustrative. It is acceptable to replace “New York, NY time” with any time zone within the United States (e.g. ‘Eastern Prevailing Time’, ‘Central Prevailing Time’ or ‘Pacific Prevailing Time’) provided that this modification is also made to Paragraphs 1 and 9.

5. We will honor a drawing hereunder made in compliance with the terms and provisions of this Letter of Credit by transferring in immediately available funds the amount specified in your draft (or so much thereof as is available hereunder) delivered or ~~transmitted-faxed~~ to us in connection with such drawing to ~~the~~ your account designated as provided below, by 3:00 PM (New York, NY time) on the date of such drawing, if delivery or ~~transmission fax~~ of the requisite documents pursuant to Paragraph 3 hereof is made prior to 11:00 AM (New York, NY time) on a Business Day, but at the opening of business on the first Business Day next succeeding the date of such drawing if delivery or ~~transmission fax~~ of the requisite documents pursuant to Paragraph 3 hereof is made on or after 11:00 AM (New York, NY time) on any Business Day.

5. We will honor a drawing hereunder made in compliance with the terms and provisions of this Letter of Credit by transferring in immediately available funds the amount specified in your draft (or so much thereof as is available hereunder) delivered or transmitted by fax to us in connection with such drawing to ~~the~~ your account designated as provided below, by 3:00 PM (New York, NY time) on the date of such drawing, if delivery or transmission by fax of the requisite documents pursuant to Paragraph 3 hereof is made prior to 11:00 AM (New York, NY time) on a Business Day, but at the opening of business on the first Business Day next succeeding the date of such drawing if delivery or transmission by fax of the requisite documents pursuant to Paragraph 3 hereof is made on or after 11:00 AM (New York, NY time) on any Business Day.

5. We will honor a drawing hereunder made in compliance with the terms and provisions of this Letter of Credit by transferring in immediately available funds the amount specified in your draft (or so much thereof as is available hereunder) delivered or transmitted to us in connection with such drawing to the account designated as provided below, by 3:00 PM (New York, NY time) on the date of such drawing, if delivery or transmission of the requisite documents pursuant to Paragraph 3 hereof is made prior to 11:00 AM (New York, NY time) on a Business Day, but at the opening of business on the first Business Day ~~next succeeding~~ after the date of such drawing if delivery or transmission of the requisite documents pursuant to Paragraph 3 hereof is made on or after 11:00 AM (New York, NY time) on any Business Day.

5. We will honor a drawing hereunder made in compliance with the terms and provisions of this Letter of Credit by transferring in immediately available funds the amount specified in your draft (or so much thereof as is available hereunder) delivered or faxed ~~transmitted~~ to us in connection with such drawing to the account designated as provided below, by 3:00 PM (New York, NY time) on the date of such drawing, if delivery or fax ~~transmission~~ of the requisite documents pursuant to Paragraph 3 hereof is made prior to 11:00 AM (New York, NY time) on a Business Day, but at the opening of business on the first Business Day next succeeding the date of such drawing if delivery or fax ~~transmission~~ of the requisite documents pursuant to Paragraph 3 hereof is made on or after 11:00 AM (New York, NY time) on any Business Day.

5. We will honor a drawing hereunder made in compliance with the terms and provisions of this Letter of Credit by transferring in immediately available funds the amount specified in your draft (or so much thereof as is available hereunder) delivered or transmitted to us in connection with such drawing to the account designated as provided below, by 3:00 PM (New York, NY time) on the date of such drawing, if delivery or transmission by fax of the requisite documents pursuant to Paragraph 3 hereof is made prior to 11:00 AM (New York, NY time) on a Business Day, but at the opening of business on the first Business Day next succeeding the date of such drawing if delivery or transmission of the requisite documents pursuant to Paragraph 3 hereof is made on or after 11:00 AM (New York, NY time) on any Business Day.

5. We will honor a drawing hereunder made in compliance with the terms and provisions of this Letter of Credit by transferring in immediately available funds the amount specified in your draft (or so much thereof as is available hereunder) delivered or transmitted to us in connection with such drawing to the account designated as provided below, by 3:00 PM ~~(New York, NY time)~~ on the date of such drawing, if delivery or transmission of the requisite documents pursuant to Paragraph 3 hereof is made prior to 11:00 AM ~~(New York, NY time)~~ on a Business Day, but at the opening of business on the first Business Day next succeeding the date of such drawing if delivery or transmission of the requisite documents pursuant to Paragraph 3 hereof is made on or after 11:00 AM ~~(New York, NY time)~~ on any Business Day.

Paragraph 6 - Original

6. If a demand for payment made by you hereunder does not, in any instance, conform to the terms and conditions of this Letter of Credit, we shall give you notice not later than the time provided in Paragraph 5 above for honor of a drawing presented to us, that the demand for payment was not effected in accordance with the terms and conditions of this Letter of Credit, stating the reasons why the demand for payment was not so effected, and that we will upon your instructions hold any documents at your disposal or return the same to you. Upon being notified that the demand for payment was not effected in conformity with this Letter of Credit, you may attempt to correct any such non-conforming demand for payment to the extent that you are entitled to do so, provided, however, in such event a conforming demand for payment must be timely made in accordance with the terms of this Letter of Credit.

Acceptable Modifications to Paragraph 6

6. If a demand for payment made by you hereunder does not, in any instance, conform to the terms and conditions of this Letter of Credit, we shall give you notice not later than the time provided in Paragraph 5 above for honor of a drawing presented to us, that the demand for payment was not effected in accordance with the terms and conditions of this Letter of Credit, stating the reasons why the demand for payment was not so effected, and that we will upon your instructions hold any documents at your disposal or return the same to you. Upon being notified that the demand for payment was not effected in conformity with this Letter of Credit, you may attempt to correct any such non-conforming demand for payment to the extent that you are entitled to do so, provided, however, in such event a conforming demand for payment must be timely made prior to the Expiration Date in accordance with the terms of this Letter of Credit.

Paragraph 7 - Original

7. Unless otherwise hereafter designated in writing to us by an Authorized Officer of PECO, all payments made by us under this Letter of Credit shall be transmitted by wire transfer to PECO pursuant to the following instructions:

PECO Energy Company

Account No.: _____

Bank: _____

Bank's Address: _____

ABA Routing No.: _____

Contact: _____

Telephone No.: _____

Acceptable Modifications to Paragraph 7

It is acceptable to leave the PECO Energy Company banking and contact information blank.

Paragraph 8 - Original

8. Partial drawings are permitted hereunder and multiple drawings are permitted hereunder. The amount available for drawing by you under this Letter of Credit shall be automatically reduced by the amount of any drawings paid through us referencing this Letter of Credit. Presentation of demands for drawings in amounts that exceed the amount available to be drawn hereunder shall not be deemed a failure to comply with the requirements of Paragraph 3 hereof, provided that the amounts payable on any such demand shall thus be limited to the amount then available to be drawn under this Letter of Credit.

Acceptable Modifications to Paragraph 8

8. Partial drawings are permitted hereunder and multiple drawings are permitted hereunder. The amount available for drawing by you under this Letter of Credit shall be automatically reduced by the amount of any drawings paid ~~through~~by us referencing this Letter of Credit. Presentation of demands for drawings in amounts that exceed the amount available to be drawn hereunder shall not be deemed a failure to comply with the requirements of Paragraph 3 hereof, provided that the amounts payable on any such demand shall thus be limited to the amount then available to be drawn under this Letter of Credit.

Paragraph 9 - Original

9. This Letter of Credit shall terminate on the earliest of the date (a) you have made drawings which exhaust the amounts available to be drawn under this Letter of Credit, (b) we receive from you a Certificate of Cancellation in the form of Annex 3 hereto together with the original of this Letter of Credit returned for cancellation, or (c) 5:00 PM (New York, NY time) on the Expiration Date.

Acceptable Modifications to Paragraph 9

9. This Letter of Credit shall terminate on the earliest of the date (a) you have made drawings which exhaust the amounts available to be drawn under this Letter of Credit, (b) we receive from you a Certificate of Cancellation in the form of Annex 3 hereto together with the original of this Letter of Credit returned for cancellation, or (c) 5:00 PM (~~New York, NY~~ Chicago, IL time) on the Expiration Date.

This first acceptable modification to Paragraph 9 is illustrative. It is acceptable to replace “New York, NY” with any City and/or State within the United States provided that this modification is also made to Paragraphs 1 and 5.

9. This Letter of Credit shall terminate on the earliest of the date (a) you have made drawings which exhaust the amounts available to be drawn under this Letter of Credit, (b) we receive from you a Certificate of Cancellation in the form of Annex 3 hereto together with the original of this Letter of Credit returned for cancellation, or (c) 5:00 PM (~~New York, NY~~ Eastern Prevailing time) on the Expiration Date.

This second acceptable modification to Paragraph 9 is illustrative. It is acceptable to replace “New York, NY time” with any time zone within the United States (e.g. ‘Eastern Prevailing Time’, ‘Central Prevailing Time’ or ‘Pacific Prevailing Time’) provided that this modification is also made to Paragraphs 1 and 5.

9. This Letter of Credit shall terminate on the earliest of the date (a) you have made drawings which exhaust the amounts available to be drawn under this Letter of Credit, (b) we receive from you a Certificate of Cancellation in the form of Annex 3 hereto together with the original of this Letter of Credit, and all amendments, returned for cancellation, or (c) 5:00 PM (New York, NY time) on the Expiration Date.

9. This Letter of Credit shall terminate on the earliest of the date (a) you have made drawings which exhaust the amounts available to be drawn under this Letter of Credit, (b) we receive from you a Certificate of Cancellation in the form of Annex 3 hereto together with the original of this Letter of Credit, and all amendments attached thereto, returned for cancellation, or (c) 5:00 PM (New York, NY time) on the Expiration Date.

9. This Letter of Credit shall terminate on the earliest of the date (a) you have made drawings which exhaust the amounts available to be drawn under this Letter of Credit, (b) we receive from you a Certificate of Cancellation in the form of Annex 3 hereto together with the original of this Letter of Credit and any amendment thereto returned for cancellation, or (c) 5:00 PM (New York, NY time) on the Expiration Date.

9. This Letter of Credit shall terminate on the earliest of the date (a) you have made drawings which exhaust the amounts available to be drawn under this Letter of Credit, (b) we receive from you a Certificate of Cancellation in the form of Annex 3 hereto together with the original of this Letter of Credit and any original amendment thereto returned for cancellation, or (c) 5:00 PM (New York, NY time) on the Expiration Date.

9. This Letter of Credit shall terminate on the earliest of the date (a) you have made drawings which exhaust the amounts available to be drawn under this Letter of Credit, (b) we receive from you a Certificate of Cancellation in the form of Annex 3 hereto together with the original of this Letter of Credit returned for cancellation and all amendments, if any, or (c) 5:00 PM (New York, NY time) on the Expiration Date.

9. This Letter of Credit shall terminate on the earliest of the date (a) you have made drawings which exhaust the amounts available to be drawn under this Letter of Credit, (b) we receive from you a Certificate of Cancellation in the form of Annex 3 hereto together with the original of this Letter of Credit and amendments (if any) returned for cancellation, or (c) 5:00 PM (New York, NY time) on the Expiration Date.

9. This Letter of Credit shall terminate on the earliest of the date (a) you have made drawings which exhaust the amounts available to be drawn under this Letter of Credit, (b) we receive from you a Certificate of Cancellation in the form of Annex 3 hereto together with the original of this Letter of Credit returned for cancellation, or (c) ~~5~~6:00 PM (New York, NY time) on the Expiration Date.

Paragraph 10 – Original

10. This Letter of Credit is not transferable, and except as otherwise expressly stated herein, is subject to the Uniform Customs and Practice for Documentary Credits – 2007 revision, ICC Publication No. 600, or any successor publication thereto (the “UCP”). All banking charges are for the account of the Bidder. This Letter of Credit shall, as to matters not governed by the UCP, be governed and construed in accordance with New York law, without regard to principles of conflicts of law.

Acceptable Modifications to Paragraph 10

10. This Letter of Credit is not transferable, and except as otherwise expressly stated herein, is subject to the Uniform Customs and Practice for Documentary Credits – 2007 revision, ICC Publication No. 600, ~~or any successor publication thereto~~ (the “UCP”). All banking charges are for the account of the Bidder. This Letter of Credit shall, as to matters not governed by the UCP, be governed and construed in accordance with New York law, without regard to principles of conflicts of law.

10. This Letter of Credit is not transferable, and except as otherwise expressly stated herein, is subject to the Uniform Customs and Practice for Documentary Credits – 2007 revision, ICC Publication No. 600, ~~or any successor publication thereto~~ (the “UCP”). All banking charges are for the account of the Bidder. This Letter of Credit shall, as to matters not governed by the UCP, be governed and construed in accordance with New York law, without regard to principles of conflicts of law.

10. This Letter of Credit is not transferable, and except as otherwise expressly stated herein, is subject to the Uniform Customs and Practice for Documentary Credits – 2007 revision, ICC Publication No. 600, or any successor publication thereto (the “UCP”). All banking charges are for the account of the Bidder. This Letter of Credit shall, as to matters not governed by the UCP, be governed and construed in accordance with ~~New York law~~ the laws of the State of New York, without regard to principles of conflicts of law.

10. This Letter of Credit is not transferable, and except as otherwise expressly stated herein, is subject to the Uniform Customs and Practice for Documentary Credits – 2007 revision, ICC Publication No. 600, or any successor publication ~~thereto~~ (the “UCP”). All banking charges are for the account of the Bidder. This Letter of Credit shall, as to matters not governed by the UCP, be governed and construed in accordance with New York law, without regard to principles of conflicts of law.

10. This Letter of Credit is not transferable, and except as otherwise expressly stated herein, is subject to the Uniform Customs and Practice for Documentary Credits – 2007 revision, ICC Publication No. 600, ~~or any successor publication thereto~~ (the “UCP 600”). All banking charges are for the account of the Bidder. This Letter of Credit shall, as to

matters not governed by the UCP 600, be governed and construed in accordance with New York law, without regard to principles of conflicts of law.

This modification is acceptable provided that “UCP” is replaced with “UCP 600” both times “UCP” appears in Paragraph 10.

Paragraph 11 – Original

11. Article 36 of the UCP as it applies to this Letter of Credit is hereby modified to provide as follows:

If on the last Business Day for presentation the place for presentation stated in this Letter of Credit is for any reason closed, then the last day for presentation is automatically extended to the day occurring thirty calendar days after the place for presentation re-opens for business.

Article 36 of the UCP as it applies to this Letter of Credit is hereby further modified by providing that any alternate place for presentation we may designate pursuant to this rule must be in the United States.

Acceptable Modifications to Paragraph 11

11. Article 36 of the UCP as it applies to this Letter of Credit is hereby modified to provide as follows:

If on the last Business Day for presentation the place for presentation stated in this Letter of Credit is for any reason closed, then the last day for presentation is automatically extended to the day occurring thirty calendar days after the place for presentation re-opens for business.

Article 36 of the UCP as it applies to this Letter of Credit is hereby further modified by providing that any alternate place for presentation ~~we that~~ _____ may designate pursuant to this rule must be in the United States.

11. Article 36 of the UCP as it applies to this Letter of Credit is hereby modified to provide as follows:

If on the last Business Day for presentation the place for presentation stated in this Letter of Credit is for any reason closed, then the Issuing Bank hereby specifically agrees ~~last day for presentation is automatically extended~~ to effect payment if this Letter of Credit is drawn against within ~~the day occurring~~ thirty calendar days after the place for presentation re-opens for business.

Article 36 of the UCP as it applies to this Letter of Credit is hereby further modified by providing that any alternate place for presentation we may designate pursuant to this rule must be in the United States.

Paragraph 12 – Original

12. As used herein:

“Bidder” shall mean an entity that has successfully completed the Part 1 Proposal, and that submits the Part 2 Proposal.

“Business Day” shall mean any day on which commercial banks are not authorized or required to close in New York, NY and any day on which payments can be effected on the Fedwire system.

Acceptable Modifications to Paragraph 12

12. As used herein:

“Business Day” shall mean any day on which commercial banks are not authorized or required to close in ~~New York, NY~~Chicago, IL and any day on which payments can be effected on the Fedwire system.

This acceptable modification to Paragraph 12 is illustrative. It is acceptable to replace “New York, NY” with any City and/or State within the United States as long as such change is generally consistent with any acceptable modification incorporated to Paragraphs 1, 5, and 9.

12. As used herein:

“Bidder” shall mean _____ [name of Bidder], which ~~an entity~~ ~~that~~ has successfully completed the Part 1 Proposal, and ~~that~~ submits ~~the a~~ Part 2 Proposal.

12. As used herein:

“RFP” shall mean “Request for Proposals”.

12. As used herein:

“Bidder” shall mean _____ [name of Bidder] an entity that has successfully completed the Part 1 Proposal, and that submits the Part 2 Proposal.

12. As used herein:

“Bidder” shall mean [name of Bidder], which is the ~~an~~ entity that has successfully completed the Part 1 Proposal, and that submits the Part 2 Proposal.

12. As used herein:

“Bidder” shall mean [name of Bidder], which ~~an entity~~ ~~that~~ has successfully completed the Part 1 Proposal, and that submits the Part 2 Proposal.

Paragraph 14 – Original

14. We, the Issuing Bank, certify that as of the Date of Issuance our senior unsecured debt is rated “A-” or better by S&P Global Ratings, or “A3” or higher from Moody’s Investors Service.

Acceptable Modifications to Paragraph 14

Paragraph 15 – Original

15. This original Letter of Credit has been sent to the Independent Evaluator at 1835 Market Street, Suite 1205, Philadelphia, PA 19103 (as per Bidder’s instructions, the Independent Evaluator holds the Letter of Credit for the benefit of PECO). The aggregate amount paid to PECO during the validity of this Letter of Credit will not exceed the amount of this Letter of Credit. Any demands or communications in the form of the attached Annexes or other communications directed to us under this Letter of Credit must be signed by an Authorized Officer of PECO. Acceptance or rejection of any amendments to this Letter of Credit must be signed by an Authorized Officer of PECO or an Authorized Officer of the Independent Evaluator on behalf of PECO.

Acceptable Modifications to Paragraph 15

15. This original Letter of Credit ~~has been~~ will be sent to the Independent Evaluator at 1835 Market Street, Suite 1205, Philadelphia, PA 19103 (as per Bidder’s instructions, the Independent Evaluator ~~holds~~ will hold the Letter of Credit for the benefit of PECO). The aggregate amount paid to PECO during the validity of this Letter of Credit will not exceed the amount of this Letter of Credit. Any demands or communications in the form of the attached Annexes or other communications directed to us under this Letter of Credit must be signed by an Authorized Officer of PECO. Acceptance or rejection of any amendments to this Letter of Credit must be signed by an Authorized Officer of PECO or an Authorized Officer of the Independent Evaluator on behalf of PECO.

15. This original Letter of Credit ~~has been~~ is being sent to the Independent Evaluator at 1835 Market Street, Suite 1205, Philadelphia, PA 19103 (as per Bidder’s instructions, the Independent Evaluator ~~holds~~ will hold the Letter of Credit for the benefit of PECO). The aggregate amount paid to PECO during the validity of this Letter of Credit will not exceed the amount of this Letter of Credit. Any demands or communications in the form of the attached Annexes or other communications directed to us under this Letter of Credit must be signed by an Authorized Officer of PECO. Acceptance or rejection of any amendments to this Letter of Credit must be signed by an Authorized Officer of PECO or an Authorized Officer of the Independent Evaluator on behalf of PECO.

15. This original Letter of Credit has been sent to the Independent Evaluator at 1835 Market Street, Suite 1205, Philadelphia, PA 19103 (as per Bidder’s instructions, the Independent Evaluator holds the Letter of Credit for the benefit of PECO). The aggregate amount paid to PECO during the validity of this Letter of Credit will not exceed the amount of this Letter of Credit. Any demands or communications in the form of the attached Annexes or other communications directed to us under this Letter of Credit must be signed by an Authorized Officer of PECO. Acceptance or rejection of any amendments to this

Letter of Credit must be signed by an Authorized Officer of PECO or an Authorized Officer of the Independent Evaluator on behalf of PECO. Functional title of PECO authorized officers (President, Treasurer, any Vice President, any Senior Vice President, any Managing Director, any Director, any Associate Director, or any Assistant Treasurer) must be clearly indicated after respective signature in any demands or communications presented to us.

The following paragraph may be included as Paragraph 16

16. Should you have occasion to contact us regarding this Letter of Credit, kindly direct your communication to the attention of: _____ [representative] at _____ [phone number], making specific reference to this Letter of Credit No. _____.

16. Should you have occasion to contact us regarding this Letter of Credit, kindly direct your communication to the attention of _____ at _____ [phone number], making specific reference to this Letter of Credit No. _____.

The following may be added as an administrative note

CERTAIN ADMINISTRATIVE SERVICES FOR _____ [Bank]
MAY BE PROVIDED BY _____ [Bank Agent], THROUGH ITS
_____ [Branch Name], OR ANY DIRECT OR INDIRECT
MAJORITY OWNED SUBSIDIARY OF _____ [Bank].

_____ [Bank]
BY: _____ [Bank Agent], AS AUTHORIZED AGENT

ALL PARTIES TO THIS LETTER OF CREDIT ARE ADVISED THAT THE U.S.
GOVERNMENT HAS IN PLACE CERTAIN SANCTIONS AGAINST CERTAIN
COUNTRIES, INDIVIDUALS, ENTITIES, AND VESSELS. [BANK], INCLUDING
BRANCHES AND, IN CERTAIN CIRCUMSTANCES, SUBSIDIARIES, ARE/WILL
BE PROHIBITED FROM ENGAGING IN TRANSACTIONS OR OTHER ACTIVITIES
WITHIN THE SCOPE OF APPLICABLE SANCTIONS.

Signature - Original

Very truly yours,
[Issuing Bank]

Signature: _____
Name: _____
Title: _____
Date: _____

Acceptable Modifications to the Signature Block

S1. ~~Very truly yours,~~
~~[Issuing Bank]~~
By: _____ By: _____
Authorized Signature: _____ Authorized Signature
Name: _____ Name:
Title: _____ Title:
Date: _____ Date:

S1. Very truly yours,
[Issuing Bank]

Authorized Signatory
~~Signature:~~ _____
Name: _____
Title: _____
Date: _____

S1. Very truly yours,
[Issuing Bank]
By: _____ By: _____
Authorized Signature: _____ Authorized Signature
Name: _____ Name:
Title: _____ Title:
Date: _____ Date:

Annex 1 – Original

Annex 1 to Letter of Credit

DRAWING UNDER LETTER OF CREDIT NO. _____

_____, 20__

To: [Issuing Bank]
[Address]

Attention: Standby Letter of Credit Unit

Ladies and Gentlemen:

The undersigned is making a drawing under Your Letter of Credit No. _____ (the “Letter of Credit”) in the amount specified below and hereby certifies to you as follows:

1. Capitalized terms used herein that are not defined herein shall have the meanings ascribed thereto in the Letter of Credit.
2. The undersigned is making a drawing under the Letter of Credit. The amount to be received by PECO is (USD) \$ _____.
3. Pursuant to Paragraph 2 of the Letter of Credit No. _____, dated _____, the undersigned is entitled to make a drawing under the Letter of Credit in as much as the Bidder has _____ [state a reason from conditions (a) – (c) of Paragraph 2 of the Letter of Credit].
4. The undersigned acknowledges that, upon your honoring the drawing herein requested, the amount of the Letter of Credit available for drawing shall be automatically decreased by the amount of this drawing honored by you.

Very truly yours,

PECO Energy Company

By _____

Name:

Title:

Date:

cc: _____ [Bidder]

Acceptable Modifications to Annex 1

A1.1 Annex 1 to Letter of Credit

DRAWING UNDER LETTER OF CREDIT NO. _____
_____, 20__

To: [Issuing Bank]
[Address]

Attention: Standby Letter of Credit ~~Unit~~Department

This modification is acceptable provided that this modification is also made to Annex 3.

A1.2 Annex 1 to Letter of Credit

DRAWING UNDER LETTER OF CREDIT NO. _____
_____, 20__

To: [Issuing Bank]
[Address]

~~Attention: Standby Letter of Credit Unit~~

A1.3 Annex 1 to Letter of Credit

DRAWING UNDER LETTER OF CREDIT NO. _____
_____, 20__

To: [Issuing Bank]
[Address]

Attn: Trade Service Operations/Standby LC Section~~Attention: Standby Letter of Credit Unit~~

This modification is acceptable provided that this modification is also made to the attention line in Annex 3.

Annex 2 – Original

Annex 2 to Letter of Credit

SIGHT DRAFT

Amount: \$ _____

Date: _____, 20__

At sight, pay to the order of PECO Energy Company the sum of _____ U.S. Dollars.

Drawn under Irrevocable Letter of Credit No. _____ of _____ [identify Issuing Bank] dated _____, 20__.

To: _____ [Issuing Bank]
_____ [Address]

PECO Energy Company

By _____

Name:
Title:
Date:

Acceptable Modifications to Annex 2

A2.1 Annex 2 to Letter of Credit

SIGHT DRAFT

Amount: USD \$ _____

Date: _____, 20__

A2.2 Annex 2 to Letter of Credit

SIGHT DRAFT

Amount: U.S. \$ _____

Date: _____, 20__

A2.3 Annex 2 to Letter of Credit

To: _____ [Issuing Bank]
_____ [Address]

Attn: Trade Service Operations/Standby LC Section

This modification to add the attention line is acceptable provided that this modification is also made to the attention lines in Annexes 1 and 3.

Annex 3 (Certificate of Cancellation) – Original

Annex 3 to Letter of Credit

CERTIFICATE OF CANCELLATION

_____, 20__

To: [Issuing Bank]
[Address]

Attention: Standby Letter of Credit Unit/Your Letter of Credit No. _____

Ladies and Gentlemen:

The undersigned hereby certifies to you that the above-referenced Letter of Credit may be cancelled without further payment. Attached hereto is the original Letter of Credit, marked cancelled.

PECO Energy Company

By _____

Name:

Title:

Date:

cc: _____ [Bidder]

Acceptable Modifications to Annex 3

A3.1 Annex 3 to Letter of Credit

CERTIFICATE OF CANCELLATION

_____, 20__

To: [Issuing Bank]
[Address]

Attention: Standby Letter of Credit Unit/Your Letter of Credit No. _____

Ladies and Gentlemen:

The undersigned hereby certifies to you that the above-referenced Letter of Credit may be cancelled without further payment. Attached hereto is the original Letter of Credit [and any amendments](#), marked cancelled.

A3.2 Annex 3 to Letter of Credit

CERTIFICATE OF CANCELLATION

_____, 20__

To: [Issuing Bank]
[Address]

Attention: Standby Letter of Credit Unit/Your Letter of Credit No. _____

Ladies and Gentlemen:

The undersigned hereby certifies to you that the above-referenced Letter of Credit may be cancelled without further payment. Attached hereto is the original Letter of Credit [and all amendments attached thereto](#), marked cancelled.

A3.3 Annex 3 to Letter of Credit

CERTIFICATE OF CANCELLATION

_____, 20__

To: [Issuing Bank]
[Address]

Attention: Standby Letter of Credit Unit/Your Letter of Credit No. _____

Ladies and Gentlemen:

The undersigned hereby certifies to you that the above-referenced Letter of Credit may be cancelled without further payment. Attached hereto is the original Letter of Credit [and all amendments](#), marked cancelled.

A3.4 Annex 3 to Letter of Credit

CERTIFICATE OF CANCELLATION

_____, 20__

To: [Issuing Bank]
[Address]

Attention: Standby Letter of Credit ~~Unit~~[Department](#)/Your Letter of Credit No.

[This modification is acceptable provided that this modification is also made to Annex 1.](#)

A3.5 Annex 3 to Letter of Credit

CERTIFICATE OF CANCELLATION

_____, 20__

To: [Issuing Bank]
[Address]

Attention: Standby Letter of Credit Unit/Your Letter of Credit No. _____

Ladies and Gentlemen:

The undersigned hereby certifies to you that the above-referenced Letter of Credit may be cancelled without further payment. Attached hereto is the original Letter of Credit, [and any amendment thereto](#) marked cancelled.

A3.6 Annex 3 to Letter of Credit

CERTIFICATE OF CANCELLATION

_____, 20__

To: [Issuing Bank]
[Address]

Attention: Standby Letter of Credit Unit/Your Letter of Credit No. _____

Ladies and Gentlemen:

The undersigned hereby certifies to you that the above-referenced Letter of Credit may be cancelled without further payment. Attached hereto is the original Letter of Credit [and all amendments \(if any\)](#), marked cancelled.

A3.7 Annex 3 to Letter of Credit

CERTIFICATE OF CANCELLATION

_____, 20__

To: [Issuing Bank]
[Address]

Attention: Standby Letter of Credit Unit/Your Letter of Credit No. _____

Ladies and Gentlemen:

The undersigned hereby certifies to you that the above-referenced Letter of Credit may be cancelled without further payment. Attached hereto is the original Letter of Credit [and any original amendment thereto](#), marked cancelled.

A3.8 Annex 3 to Letter of Credit

CERTIFICATE OF CANCELLATION

_____, 20__

To: [Issuing Bank]
[Address]

Attention: Standby Letter of Credit Unit/Your Letter of Credit No. _____

Ladies and Gentlemen:

The undersigned hereby certifies to you that the above-referenced Letter of Credit may be cancelled without further payment. Attached hereto is the original Letter of Credit [and amendments](#), marked cancelled.

A3.9 Annex 3 to Letter of Credit

CERTIFICATE OF CANCELLATION

_____, 20__

To: [Issuing Bank]
[Address]

Attention: Standby Letter of Credit Unit/Your Letter of Credit No. _____

Ladies and Gentlemen:

The undersigned hereby certifies to you that the above-referenced Letter of Credit may be cancelled without further payment. Attached hereto is the original Letter of Credit, marked cancelled and amendment, if any.

A3.6 Annex 3 to Letter of Credit

CERTIFICATE OF CANCELLATION

_____, 20__

To: [Issuing Bank]
[Address]

Attention: Standby Letter of Credit Unit/Your Letter of Credit No. _____

Ladies and Gentlemen:

The undersigned hereby certifies to you that the above-referenced Letter of Credit may be cancelled without further payment. Attached hereto is the original Letter of Credit, and all amendments, if any, marked cancelled.

A3.10 Annex 3 to Letter of Credit

CERTIFICATE OF CANCELLATION

_____, 20__

To: [Issuing Bank]
[Address]

~~Attention: Standby Letter of Credit Unit~~ Your Letter of Credit No. _____

A3.11 Annex 3 to Letter of Credit

CERTIFICATE OF CANCELLATION

_____, 20__

To: [Issuing Bank]
[Address]

~~Attention: Standby Letter of Credit Unit~~ Attn. Trade Service Operations/Standby
LC Section/Your Letter of Credit No. _____

***This modification is acceptable provided that this modification is also made to the
attention line in Annex 1.***