

SECURITY AGREEMENT

This **SECURITY AGREEMENT** (this “Agreement”) dated as of August 24, 2021 (the “Effective Date”), is entered into by and among City of Member City, a California municipal corporation and charter city, as pledgor (“Member City”), and River City Bank, a California corporation, not in its individual capacity, but solely as collateral agent (in such capacity, together with its successors and permitted assigns in such capacity, the “Collateral Agent”), for the benefit of the PPA Providers (as defined below) and California Choice Energy Authority, a California joint powers authority (“CCEA”), as Secured Creditor (as defined below).

RECITALS:

A. Member City may in the future enter into Master Agreements (as defined below) and Power Purchase Agreements (as defined below) directly with PPA Providers for the purchase of Product (as defined below), and shall cause such PPA Provider to become a party to the Intercreditor Agreement (as defined below);

B. CCEA has previously entered into Master Agreements with PPA Providers, and may in the future enter into Master Agreements and Power Purchase Agreements with other PPA Providers, pursuant to which CCEA may purchase, on behalf of Member City, Product from such PPA Providers for Member City’s account and shall cause such PPA Provider to become a party to the Intercreditor Agreement (as defined below);

C. Member City shall sell the Product purchased by Member City and CCEA from PPA Providers to Member City’s customers at rates established by Member City from time to time;

D. Member City generates accounts receivable owing to Member City by Member City’s customers for such Product;

E. Member City’s customers are billed by Southern California Edison (“SCE”) amounts they owe for the Product provided by Member City;

F. As of the date hereof, Member City has directed SCE to remit all present and future collections on accounts receivable now or hereafter billed by SCE on behalf of Member City to Collateral Agent, for remittance to the Lockbox Account (as defined below) maintained by Collateral Agent, which direction is irrevocable unless both Collateral Agent, at the direction of the Required Secured Creditors (as defined below), and Member City direct SCE otherwise;

G. Member City desires herein to pledge to Collateral Agent, for the benefit of Secured Creditors, a first priority continuing security interest in and to the Collateral (defined below);

H. The Secured Creditors, Member City and Collateral Agent have entered into the Intercreditor Agreement (as defined below) wherein the Secured Creditors appointed River City Bank, as Collateral Agent to act on their behalf regarding the administration, collection and allocation of the proceeds of the Collateral; and

I. Member City and Collateral Agent desire to enter into this Agreement to evidence the pledge of the Collateral and to set forth their agreements regarding the Collateral and the application of the Collateral to the Obligations (as defined below).

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. DEFINITIONS

1.1 Defined Terms

The following terms shall have the meanings assigned to them in this Section 1.1 or in the provisions of this Agreement referred to below:

“Applicable Law” means any applicable law, including without limitation any: (a) federal, state, territorial, county, municipal or other governmental or quasi-governmental law, statute, ordinance, rule, regulation, requirement or use or disposal classification or restriction, whether domestic or foreign; (b) judicial, administrative or other governmental or quasigovernmental order, injunction, writ, judgment, decree, ruling, interpretation, finding or other directive, whether domestic or foreign; (c) common law or other legal or quasi-legal precedent; (d) any binding arbitrator’s, mediator’s or referee’s decision, finding, award or recommendation; or (e) charter, rule, regulation or other organizational or governance document of any national securities exchange or market or other self-regulatory organization.

“Bankruptcy Code” means the Bankruptcy Reform Act of 1978, as codified under Title 11 of the United States Code, and the rules promulgated thereunder, as the same may be in effect from time to time.

“Business Day” means any day other than a Saturday, a Sunday or a day on which commercial banks in the State of California are required or authorized to close.

“CCEA” means the California Choice Energy Authority, a California joint powers authority.

“Collateral” means the following, whether now existing or hereafter arising: (a) the Receivables; (b) the Termination Payments due to Member City; (c) the Deposit Accounts; (d) all cash, cash equivalents, Securities, Investment Property (as such term is defined in the UCC), Security Entitlements (as such term is defined in the UCC), checks, money orders and other items of value now or hereafter that are required to be, or that are, paid, deposited, credited or held (whether for collection, provisionally or otherwise) in or with respect to any Deposit Account or otherwise in the possession or under the control of, or in transit to, the Collateral Agent or the Depository Bank for credit or with respect to any Deposit Account and all interest accumulated thereon; and (e) all Proceeds (as such term is defined in the UCC) of any or all of the foregoing. The term “Collateral” shall not include any amounts distributed to Member City pursuant to Section 6.2(v).

“Collateral Agent” has the meaning given to such term in the Preamble hereof.

“Control” has the meaning given to such term in Section 9-104 of the UCC.

“Control Agreements” means the Account Control Agreement, dated as of the date hereof, among the Depository Bank, Member City and Collateral Agent and any other agreements entered into among Member City and Depository Bank which shall designate the Deposit Accounts as blocked accounts under the Control of Collateral Agent, for the benefit of Secured Creditors, as provided in the UCC, as each such agreement may be amended, supplemented, restated or replaced from time to time.

“Credit Rating” means for a Qualified Institution the respective ratings then assigned to such entity’s unsecured, senior long-term debt or deposit obligations (not supported by third party credit enhancement) by S&P, Moody’s or other specified rating agency or agencies or, if such entity does not have a rating for its unsecured, senior long-term debt or deposit obligations, then the rating assigned to such entity as its “corporate credit rating” by S&P.

“Customer” means any customer of Member City who purchases Product from Member City but is invoiced by SCE, and any other obligor(s) responsible for payment of a Receivable.

“Deposit Accounts” means the Lockbox Account, together with any other Deposit Account or Securities Account (as such terms are defined in the UCC) from time to time pledged by Member City to Collateral Agent, for the benefit of Secured Creditors, to secure the Obligations.

“Depository Bank” means River City Bank, a California corporation, in its capacity as depository bank, and its successors and permitted assigns.

“Direction Letter” means that certain letter dated as of the date of this Agreement in the form attached at Exhibit B, a copy of which has been delivered to the Collateral Agent, from Member City to SCE pursuant to which Member City has directed SCE to remit all of the Proceeds on the Receivables collected by SCE from Customers to the Lockbox Account specified therein for application to the Obligations, unless and until both Collateral Agent, at the direction of the Required Secured Creditors, and Member City jointly instruct SCE to terminate or change such direction and any written amendments, modifications, restatements, extensions or supplements thereto or replacements thereof and any similar letter or written direction provided to SCE in accordance herewith.

“Discharge Date” means that date on which: (a) any and all outstanding Obligations under the Transaction Agreements have been fully satisfied, and (b) there are no continuing obligations by Member City under any Transaction Agreements (other than for any provisions for contingent or inchoate obligations which are intended to survive the termination of the Transaction Agreements).

“Distribution Date” means the twenty-fifth (25th) day of each month.

“Distribution Date Certificate” means a certificate substantially in the form of Exhibit A hereto itemizing each of the payments to be remitted under Section 6.2, prepared by CCEA and submitted to Member City, and submitted by Member City to Collateral Agent in accordance with Section 6.3.

“Event of Default” has the meaning set forth in the applicable Master Agreement or Power Purchase Agreement.

“Intercreditor Agreement” means the Intercreditor and Collateral Agency Agreement, dated as of even date herewith, among Collateral Agent, the Secured Creditors from time to time party thereto and Member City, as amended, supplemented, restated or replaced from time to time in accordance with the terms therein.

“Letter of Credit” means one or more irrevocable, transferable standby letters of credit, in a form acceptable to the PPA Providers and issued by a Qualified Institution.

“Lien” means any mortgage, pledge, hypothecation, deposit arrangement, encumbrance, lien (statutory or other), assignment, charge or other security interest or any preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including any sale governed by Article 9 of the UCC, any conditional sale or title retention agreement, or any capital lease having substantially the same economic effect as any of the foregoing).

“Lockbox Account” means the deposit account no. *****5586, which is maintained in the name of Member City and is under the Control of Collateral Agent, for the benefit of the Secured Creditors, at Depositary Bank, and any replacement account, in each case, pursuant to the Lockbox Account Control Agreement.

“Lockbox Account Control Agreement” means the Account Control Agreement, dated as of the date hereof, among Depositary Bank, Member City and Collateral Agent and any other agreements entered into among Depositary Bank, Member City and Collateral Agent which shall designate the Lockbox Account as a blocked account under the Control of Collateral Agent, for the benefit of Secured Creditors, as provided in the UCC, as each such agreement may be amended, supplemented, restated or replaced from time to time in accordance with its terms.

“Master Agreements” means agreements between CCEA and a PPA Provider, or between Member City and a PPA Provider, pursuant to the Master Power Purchase and Sale Agreement published by the Edison Electric Institute and the National Energy Marketers Association (version 2.1 dated 4/25/00), together with the exhibits, schedules, and written supplements thereto, under which a PPA Provider will sell Product to CCEA for the account of Member City, or a PPA Provider will sell Product to Member City, from time to time under transactions and confirmations (including confirmations entered into after the date hereof) entered into pursuant to such agreement, including any written amendments, modifications, restatements, extensions or supplements thereto or replacements thereof.

“Moody’s” means Moody’s Investor Services, Inc., or its successor.

“Obligations” means all of the obligations and liabilities of Member City under the Transaction Agreements to each PPA Provider, whether direct or indirect, joint or several, absolute or contingent, due or to become due, now existing or hereinafter arising under or in respect of one or more of the Transaction Agreements, including all payments, fees, purchases, mark-to-market exposure, commitments for reimbursement, indemnifications, interest, damages and Termination Payments, if any. The term “Obligations” also includes all of Member City’s other present and future obligations to CCEA under that certain Administrative Services Agreement, and to each

PPA Provider under the Transaction Agreements entered into by CCEA for Member City's account, including the repayment of (a) any amounts that Collateral Agent (or a PPA Provider) may advance or spend for the maintenance or preservation of the Collateral and (b) any other expenditure that Collateral Agent or PPA Provider may make under the provisions of the Transaction Agreements for the benefit of Member City. For the avoidance of doubt, the term "Obligations" includes any of the foregoing that arises after the filing of a petition by or against Member City under any bankruptcy or insolvency statute, even if the Obligations do not accrue because of any statutory automatic stay or otherwise.

"Person" means an individual, partnership, corporation, limited liability company, association, trust, unincorporated organization, or a government or agency or political subdivision thereof (including, without limitations, a city or California joint powers authority).

"Power Purchase Agreement" means each agreement, including the Master Agreements, together with the exhibits, schedules, transactions, confirmations (including confirmations entered into after the date hereof), and any written amendments, modifications, restatements, extensions or supplements thereto or replacements thereof, pursuant to which a PPA Provider sells the Product to Member City, or to CCEA for the account of Member City, as amended, modified, supplemented, restated, extended or replaced from time to time.

"PPA Provider" means each seller of Product under a Power Purchase Agreement that is made a party to the Intercreditor Agreement, and its respective successors and assigns.

"Product" means any of the following: energy, renewable energy attributes, capacity attributes, resource adequacy benefits, or any other similar or related products contemplated in the Power Purchase Agreements.

"Qualified Institution" means a commercial bank organized under the laws of the United States or a political subdivision thereof having at the applicable time (a) a Credit Rating of (i) A- or better from Standard & Poor's, or (ii) A3 or better from Moody's, or (iii) if such bank has a Credit Rating at such time from both Standard & Poor's and Moody's, A- or better from Standard & Poor's and A3 or better from Moody's and (b) assets of at least Ten Billion Dollars (\$10,000,000,000).

"Receivable" means an Account evidencing Member City's rights to payment for Product, billed in an invoice sent to a Customer by SCE, together with all late fees and other fees which SCE and Member City agree are to be charged in such invoice to the Customer by SCE on behalf of Member City.

"Regular Charges" means, as of any date of determination, amounts then due and owing to such PPA Provider for the Product delivered by such PPA Provider, without giving effect to any Supplemental Payment owing to such PPA Provider.

"Regular Sharing Percentage" means, as of any date of determination, with respect to each PPA Provider as calculated by Member City in a commercially reasonable manner, the percentage equivalent of a fraction, (i) the numerator of which is the amount of the Regular Charges due and owing to such PPA Provider, as of such date, and (ii) the denominator of which is the amount of the Regular Charges due and owing to all PPA Providers, as of such date.

“Required Secured Creditors” has the meaning given to such term in the Intercreditor Agreement.

“Reserve Amount” means an amount of Two Hundred Thousand Dollars (\$200,000.00). If Member City is not subject to an Event of Default, and provides confirmation that it is not subject to an Event of Default to Collateral Agent in writing, the total Reserve Amount shall be reduced by 20% annually, upon the annual anniversary of the date on which this Agreement was entered into (or next Business Day if the anniversary date is not a Business Day).

“Member City” means the party identified as such in the Preamble hereof, and its successors and permitted assigns, and includes Member City in its capacity as a debtor in possession under the Bankruptcy Code.

“Secured Creditors” means each PPA Provider party to the Intercreditor Agreement, CCEA, and their respective successors and assigns.

“Standard & Poor’s” means S&P Global Ratings, or its successor.

“Supplemental Payment” means, as of any date of determination, all Obligations owing by Member City to each PPA Provider, excluding, however, the Regular Charges owed to such PPA Provider. Supplemental Payments include, but are not limited to, all out-of-pocket losses such as indemnity claims arising under the Transaction Agreements to the extent such losses were incurred by such PPA Provider, all late payment charges due under a Power Purchase Agreement, and all Obligations arising upon a default or Termination Event, such as Termination Payments.

“Supplemental Sharing Percentage” means, as of any date of determination, with respect to each PPA Provider, as calculated by Member City in a commercially reasonable manner, the percentage equivalent of a fraction, (y) the numerator of which is the outstanding amount of the Supplemental Payments due and owing to such PPA Provider, as of such date, and (z) the denominator of which is the sum of the outstanding amount of the Supplemental Payments due and owing to all PPA Providers, as of such date.

“Termination Event” means, with respect to any Power Purchase Agreement, the termination of Transactions and/or acceleration of all amounts owing thereunder in accordance with the terms of such Power Purchase Agreement.

“Termination Payment” has the meaning given to such term in the Intercreditor Agreement.

“Transaction Agreements” means the Master Agreements, any other Power Purchase Agreements, the Control Agreements, the Intercreditor Agreement, this Agreement and all other agreements, instruments or documents to which Member City is a party and which are executed and delivered from time to time in connection with or as security for Member City’s obligations under the Master Agreements, any other Power Purchase Agreements and any other Transaction Agreements, as the same may be amended, restated, modified, replaced, extended or supplemented from time to time.

“UCC” means the Uniform Commercial Code in effect in the State of California from time to time.

1.2 Certain Uniform Commercial Code Terms

As used herein, the terms “Account”, “Investment Property”, and “Proceeds” have the respective meanings set forth in Article 9 of the UCC. The terms “Security” and “Security Entitlements” have the respective meanings set forth in Article 8 of the UCC.

1.3 Other Interpretive Provisions

References to “Sections” shall be to Sections of this Agreement unless otherwise specifically provided. For purposes hereof, “including” is not limiting and “or” is not exclusive. All capitalized terms defined in the UCC and not otherwise defined herein or in the Security Agreement shall have the respective meanings provided for by the UCC. Any of the terms defined in this Agreement may, unless the context otherwise requires, be used in the singular or the plural depending on the reference. References to any instrument, agreement or document shall include such instrument, agreement or document as supplemented, modified, amended or restated from time to time to the extent permitted by this Agreement. References to any Person include the successors and permitted assigns of such Person. References to any statute, act or regulation shall include its related current version and all amendments and any successor statutes, acts and regulations. References to any statute or act, without additional reference, shall be deemed to refer to federal statutes and acts of the United States. References to any agreement, instrument or document shall include all schedules, exhibits, annexes and other attachments thereto.

2. GRANT OF SECURITY INTEREST

As collateral security for the payment and performance in full of the Obligations when due, whether at stated maturity, by acceleration or otherwise, Member City hereby assigns, pledges and grants to Collateral Agent, for the benefit of the Secured Creditors, a first priority continuing security interest in and continuing lien on all of Member City’s right, title and interest in and to the Collateral, including the following:

- (a) the prompt and complete payment, when due and payable, of all Obligations; and
- (b) the timely performance and observance by Member City of all covenants, obligations and conditions contained in the Transaction Agreements; and
- (c) without limiting the generality of the foregoing and to the fullest extent permitted under Applicable Law, the payment of all amounts, including interest which constitute part of the Obligations and would be owed by Member City to the Secured Creditors under the Transaction Agreements but for the fact that they are unenforceable or not allowable due to the existence of a bankruptcy, reorganization or similar proceeding involving Member City.

The collateral assignment evidenced by this Agreement is a continuing one and is irrevocable by Member City so long as any of the Obligations are outstanding.

3. REPRESENTATIONS AND WARRANTIES

Member City represents and warrants to Collateral Agent that:

3.1 Title

It is the sole beneficial owner of the Collateral and such Collateral is free and clear of all liens, except liens in favor of Collateral Agent created hereunder.

3.2 Names, Etc.

As of the date hereof, the full and correct legal name, type of organization, jurisdiction of organization, mailing address, and principal place of business is as follows: City of Member City, a California municipal corporation and charter city, 735 Anacapa Street, Member City, CA 93101.

3.3 Changes in Circumstances

Member City has not: (a) within the period of four (4) months prior to the date hereof, changed its location (as defined in Article 9 of the UCC); (b) within the period of five (5) years prior to the date hereof, changed its name; or (c) within the period of four (4) months prior to the date hereof, become a “new debtor” (as defined in Article 9 of the UCC) with respect to a currently effective security agreement previously entered into with any other Person.

3.4 Security Interests

The Liens granted by this Agreement have attached and constitute a perfected first priority continuing security interest in the Collateral. Member City owns good and marketable title to the Collateral free and clear of all Liens other than such Liens established under this Agreement, and neither the Collateral nor any interest in the Collateral has been transferred to any other Person. Member City has full right, power and authority to grant a first-priority security interest in the Collateral to Collateral Agent in the manner provided in this Agreement, free and clear of any other Liens, adverse claims and options and without the consent of any other person or entity or if consent is required, such consent has been obtained. No other Lien, adverse claim or option has been created by Member City or is known by Member City to exist with respect to the Collateral. At the time the security interest in favor of Collateral Agent attaches, good and indefeasible title to all after-acquired property included within the Collateral, free and clear of any other Liens, adverse claims or options shall be vested in Member City. All consents for the assignment of Collateral to Collateral Agent, if any, required to be obtained by Member City have been obtained. This Agreement, the Intercreditor Agreement, and the Lockbox Account Control Agreement constitute legal, valid and binding obligations of Member City enforceable against it in accordance with their terms except as enforceability may be limited by applicable bankruptcy, insolvency, or similar laws affecting the enforcement of creditors’ rights generally or by equitable principles relating to enforceability. Member City will not contest the validity or legality of any Transaction Agreements entered into between CCEA and any PPA Provider for the account of, or on behalf of, Member City and represents and warrants that it has provided CCEA with full power and authority to enter in the Transaction Agreements for Member City’s account.

4. COVENANTS

Member City hereby stipulates and agrees with the Collateral Agent as follows:

4.1 **Perfection by Control**

Member City shall not be permitted to withdraw funds from the Deposit Accounts until the Discharge Date and this Agreement has been terminated. Collateral Agent shall have the exclusive authority to withdraw, or (other than as set forth herein) direct the withdrawal of, funds from the Deposit Accounts. The Control Agreement for each Deposit Account shall give the Collateral Agent the sole power to direct Depository Bank regarding the Deposit Account, and thus Collateral Agent shall Control the Deposit Accounts within the meaning of the UCC. Collateral Agent shall make distributions from the Deposit Accounts only in accordance with Section 6 of this Agreement.

4.2 **Further Assurances**

Upon the request of Collateral Agent or the Required Secured Creditors, Member City shall promptly from time to time give, execute, deliver, file, record, authorize or obtain all such financing statements, continuation statements, notices, documents, agreements or other papers as may be necessary in the judgment of Collateral Agent to create, preserve, perfect, maintain the perfection of or validate the security interest granted pursuant hereto or to enable Collateral Agent to exercise and enforce its rights hereunder with respect to such security interest, and without limiting the foregoing, shall:

(a) take such other action as Collateral Agent may reasonably deem necessary or appropriate to duly record or otherwise perfect the security interest created hereunder in the Collateral;

(b) promptly from time to time enter into such Control Agreements, each in form and substance reasonably acceptable to Collateral Agent, as may be required to perfect the security interest created hereby;

(c) keep full and accurate books and records relating to the Collateral, and stamp or otherwise mark such books and records in such manner as Collateral Agent may reasonably require in order to reflect the security interests granted by this Agreement; and

(d) permit representatives of Collateral Agent or its designees, upon reasonable notice, at any time during normal business hours to inspect and make abstracts from its books and records pertaining to the Collateral, and to be present at Member City's places of business to receive copies of communications and remittances relating to the Collateral, and forward copies of any notices or communications received by Member City with respect to the Collateral, all in such manner as Collateral Agent may reasonably require.

4.3 **No Other Liens**

Member City is and shall be the owner of or have other transferable rights in the Collateral free from any right or claim of any other Person or any other Lien and Member City shall defend

the same against all claims and demands of all Persons at any time claiming the same or any interest therein adverse to Collateral Agent. Member City shall not (a) grant, or permit to be granted, any Lien with respect to any of the Collateral in which Collateral Agent is not named as the sole secured party, (b) file or suffer to be on file, or authorize or permit to be filed or to be on file, in any jurisdiction, any financing statement or like instrument with respect to any of the Collateral in which Collateral Agent is not named as the sole secured party, or (c) cause or permit any Person other than Collateral Agent to have Control of any Deposit Account constituting part of the Collateral.

4.4 Locations; Names; Etc.

Without at least thirty (30) days' prior written notice to the Collateral Agent, Member City shall not: (a) change its location (as defined in Article 9 of the UCC), (b) change its name from the name shown as its current legal name in Section 3 of this Agreement, or (c) agree to or authorize any modification of the terms of any item of the Collateral if the effect thereof would be to result in a loss of perfection of, or diminution of priority for, the security interests created hereunder in such item of Collateral, or the loss of control (within the meaning of Article 9 of the UCC) by Collateral Agent over such item of Collateral.

4.5 Perfection and Recordation

Member City authorizes Collateral Agent to file, from time to time and at Member City's cost, Uniform Commercial Code financing statements describing the Collateral (provided that no such description shall be deemed to modify the description of Collateral set forth in Section 2) and continuation statements describing the Collateral as may be necessary to perfect and continue the security interest granted herein.

5. REMITTANCE OF COLLECTIONS TO COLLATERAL AGENT

5.1 Irrevocable Direction

Member City has, pursuant to the Direction Letter, irrevocably instructed SCE to remit to Collateral Agent all payments due or to become due in respect of the Receivables unless and until both Collateral Agent, at the direction of the Required Secured Creditors, and Member City direct otherwise in writing. The Collateral shall be collected by Collateral Agent from SCE pursuant to the Direction Letter. Member City shall periodically take such additional measures as may be commercially reasonable to cause SCE or Customers to make all payments due to Member City into the Lockbox Account designated in the Direction Letter. All invoices issued by or on behalf of Member City shall direct payment into the Lockbox Account designated in the Direction Letter. Member City shall provide Collateral Agent with such proof of compliance with this Section 5.1 as Collateral Agent may reasonably request from time to time. Without the prior written consent of Collateral Agent (acting at the written direction of the Required Secured Creditors), Member City shall not (a) terminate, amend, revoke or modify such payment instructions to SCE or Customers or (b) direct or cause, directly or indirectly, SCE or any Customer to make any payments except in accordance with such payment instructions. The parties agree that if any such payments, or any other Proceeds of Collateral, are received by Member City, (i) they shall be held in trust by Member City for the benefit of the Collateral Agent, (ii) Member City shall as

promptly as possible remit or deliver same to Collateral Agent for application as provided herein, (iii) Member City shall take such commercially reasonable steps as necessary to require such Customer or SCE to make any future remittances into the Lockbox Account designated in the Direction Letter and (iv) such activity shall be reported promptly to Collateral Agent following Member City's receipt of such funds. Collateral Agent thus has the right to all collections on the Collateral remitted to it by SCE until the Discharge Date.

5.2 Application of Proceeds

The Proceeds of any collection or realization of all or any part of the Collateral shall be applied by Collateral Agent as provided for in Section 6 below.

5.3 Deficiency

If the Proceeds of the collection of the Collateral are insufficient to pay in full the Obligations, Member City remains liable to Collateral Agent and Secured Creditors for any deficiency.

5.4 Attorney-in-Fact

Collateral Agent is hereby appointed the attorney-in-fact of Member City to receive, endorse and collect all checks made payable to the order of Member City representing any payment or other distribution in respect of the Collateral.

6. ESTABLISHMENT OF AND DISTRIBUTIONS FROM DEPOSIT ACCOUNTS

6.1 Establishment of Deposit Accounts

Member City shall establish the Deposit Accounts in Member City's name at Depository Bank and shall fund the Reserve Amount into the Lockbox Account. The deposits into the Deposit Accounts and all interest accumulated thereon shall be held and disbursed by the Depository Bank in accordance with the terms and conditions of the Control Agreements and this Agreement. The Deposit Accounts are subject to the sole dominion, control and discretion of Collateral Agent until the Discharge Date. Until the Discharge Date, neither Member City nor any person or entity claiming on behalf of or through Member City shall have any right or authority, whether express or implied, to make use of, withdraw or transfer any funds or to give instructions with respect to disbursement of the Accounts other than Collateral Agent. Until the Discharge Date, subject to Section 6.2, Collateral Agent shall be entitled to exercise any and all rights in respect of or in connection with the Deposit Accounts including (i) the right to specify the amount of payments to be made from the Deposit Accounts, (ii) when such payments are to be made out of the Deposit Accounts and (iii) the right to withdraw funds for the payment of Obligations which are due and payable from the Deposit Accounts. Collateral Agent shall accept all funds remitted to the Deposit Accounts under this Agreement, and credit such funds as provided for in Section 6.2 below.

6.2 Priority of Distributions of Collateral

Proceeds of Collateral shall be allocated in accordance with this Section 6.2. On each Distribution Date, Collateral Agent shall distribute all funds in the Lockbox Account or otherwise received on the Collateral in accordance with the following priority:

(i) *first*, to the Collateral Agent (as such and in its individual capacity) in respect of its reasonable and documented out-of-pocket fees and expenses incurred under this Agreement, the Intercreditor Agreement or the Control Agreements that have been invoiced to Member City, including, without limitation, payment of expenses incurred by the Collateral Agent which indemnity shall include the reasonable and documented out of pocket attorneys' fees of outside counsel to the Collateral Agent;

(ii) *second*, to each PPA Provider in payment of any Regular Charges, according to its Regular Sharing Percentage;

(iii) *third*, to each PPA Provider in payment of any Supplemental Payment owing to it according to its Supplemental Sharing Percentage;

(iv) *fourth*, to CCEA in payment of any amounts owing to CCEA under that certain Administrative Services Agreement between CCEA and Member City; and

(v) *fifth*, unless an Event of Default shall exist as to Member City, the balance, if any, after retention in the Lockbox Account of the Reserve Amount, shall be returned to Member City free and clear of the lien of this Agreement, provided, however, that if the Collateral Agent has been notified of a dispute in accordance with Section 6.6, the portion of the balance, if any, up to such disputed amount shall be retained in the Lockbox Account and Member City shall only receive the amount of the balance, if any, that is in excess of such disputed amount until such time as the Collateral Agent receives written notice from the relevant PPA Provider and Member City that the dispute pursuant to Section 6.6 has been resolved.

Collateral Agent shall rely, and shall be fully protected in relying on a Distribution Date Certificate in making the above calculations, without any requirement that Collateral Agent verify the accuracy of such Distribution Date Certificate, subject to revision in the event of disputes resolved under Section 6.6.

6.3 Distribution Date Certificate

On or before three (3) Business Days before each Distribution Date, Member City shall remit, or cause to be remitted, to Collateral Agent and each PPA Provider a certificate in substantially the form of Exhibit A hereto (the "Distribution Date Certificate") prepared by CCEA itemizing each of the payments to be remitted under Section 6.2 above. The PPA Providers may share such Distribution Date Certificates with their respective accountants, legal counsel and other advisors.

6.4 Replenishing the Reserve Amount: No Waiver

Subject to Section 6.5, if at any time the balance in the Deposit Accounts is less than the Reserve Amount, then (a) the Collateral Agent shall within two (2) Business Days thereafter provide Member City with written notice thereof, with a copy to the Secured Creditors and (b) Member City shall deposit such shortfall amount into the Deposit Accounts not later than ten (10) Business Days after its receipt of such notice from Collateral Agent. The Collateral Agent shall have no duty or obligation to monitor or oversee Member City's replenishment of the Reserve Amount, and shall have no duty or obligation under this Section 6.4 other than to deliver the required written notice to each Secured Creditor in accordance with Section 6.10 of the Intercreditor Agreement. Nothing contained herein shall impair or otherwise limit Member City's obligations to timely make the payments required pursuant to any of the Transaction Agreements. It is expressly understood and agreed that the Collateral Agent shall have no liability for its failure to deliver any amounts required to be delivered by it pursuant to this Agreement or any other Transaction Agreement to the extent that such amounts are not then available in the Deposit Accounts.

6.5 Release of Reserve Amount

Except following and during the continuance of an Event of Default, if Member City provides the Collateral Agent with a Letter of Credit for the benefit of the PPA Providers in an amount equal to the Reserve Amount, and all Secured Creditors confirm in writing to Collateral Agent that no such Event of Default exists or is continuing Member City may request in writing and, upon receipt of such request, Collateral Agent shall instruct the Depository Bank to release and distribute the Reserve Amount to Member City. All of the fees, costs and expenses associated with the Letter of Credit shall be borne by Member City. Member City shall thereafter cause the Letter of Credit to be maintained in full force and effect through the Discharge Date. If at any time the issuer of the Letter of Credit is no longer a Qualified Institution, then Member City shall, within five (5) Business Days of such occurrence, either (a) provide Collateral Agent with a replacement Letter of Credit for the benefit of the PPA Providers issued by a Qualified Institution in an amount equal to the Reserve Amount or (b) fund the applicable Reserve Amount into the Lockbox Account.

6.6 Disputes

If a PPA Provider advises CCEA, Member City and Collateral Agent in writing that the calculations in any Distribution Date Certificate are in its opinion materially incorrect, then CCEA, Member City and such PPA Provider shall attempt to resolve the discrepancy in good faith. If such parties are able to reach an agreement with respect to such discrepancy in advance of the relevant Distribution Date, Member City shall remit to Collateral Agent and each PPA Provider a revised Distribution Date Certificate reflecting the agreed upon amounts, and the Collateral Agent shall disburse funds in accordance with such revised Distribution Date Certificate on the applicable Distribution Date, provided, however, that the Collateral Agent shall have no liability whatsoever for any failure to disburse funds in accordance with a revised Distribution Date Certificate to the extent that it has not received such revised Distribution Date Certificate sufficiently in advance of the scheduled distribution. If such parties are unable to agree, they shall resolve such dispute in accordance with the dispute resolution provision of the Power Purchase Agreement between such

PPA Provider and CCEA or between such PPA Provider and Member City, as applicable. In the interim, the Distribution Date Certificate originally submitted by Member City shall be relied upon by Collateral Agent for purposes of making distributions from the Lockbox Account or any other Deposit Account of all undisputed amounts in accordance with Section 6.2, and the Collateral Agent shall make no distribution in respect of any disputed amount until such time as it has received a revised Distribution Date Certificate. Notwithstanding the above, no dispute shall prevent any other PPA Provider from receiving its distributions from the Lockbox Account, even if such distributions would result in a shortfall of the disputed amount. However, Member City shall not be entitled to receive any funds if such distribution to Member City would result in a shortfall of the disputed amount.

6.7 Earnings on Deposit Accounts

Member City shall establish the Deposit Accounts as non-interest bearing accounts.

6.8 Rights and Remedies

If an Event of Default shall have occurred and is continuing, Collateral Agent, without any other notice to or demand upon Member City, shall have in any jurisdiction in which enforcement hereof is sought, in addition to all other rights and remedies, the rights and remedies of a secured party under the UCC and any additional rights and remedies as may be provided to a secured party in any jurisdiction in which Collateral is located; it being understood and agreed that the Collateral Agent would be exercising any such rights and remedies in its capacity as collateral agent for the benefit of the PPA Providers, as Secured Creditors. In addition, **MEMBER CITY HEREBY WAIVES ANY AND ALL RIGHTS THAT IT MAY HAVE TO A JUDICIAL HEARING IN ADVANCE OF THE ENFORCEMENT OF COLLATERAL AGENT'S RIGHTS AND REMEDIES HEREUNDER, INCLUDING ITS RIGHT FOLLOWING AN EVENT OF DEFAULT TO TAKE IMMEDIATE POSSESSION OF THE COLLATERAL AND TO EXERCISE ITS RIGHTS AND REMEDIES WITH RESPECT THERETO.** Collateral Agent shall only act at the written instruction of the Required Secured Creditors in (a) taking any action under this Agreement, the Intercreditor Agreement or any Control Agreements with respect to the Collateral following an Event of Default and (b) asserting any claim under this Agreement, the Intercreditor Agreement or any Control Agreements. Notwithstanding the foregoing, if Collateral Agent deems it prudent to take reasonable actions, without the instruction of a Secured Creditor, to protect the Collateral, it may (but shall be under no obligation to) do so and thereafter provide written notice to all the Secured Creditors of such actions, and no provision of this Agreement shall restrict Collateral Agent from exercising such rights and no liability shall be imposed on Collateral Agent for omitting to exercise such rights.

6.9 No Waiver by Collateral Agent

Collateral Agent shall not be deemed to have waived any of its rights and remedies in respect of the Obligations or the Collateral unless such waiver shall be made in writing and signed by Collateral Agent (acting at the written direction of the Required Secured Creditors). No delay or omission on the part of Collateral Agent in exercising any right or remedy shall operate as a waiver of such right or remedy or any other right or remedy. A waiver on any occasion shall not be construed as a bar to or a waiver of any right or remedy on any future occasion. All rights and

remedies of Collateral Agent with respect to the Obligations or the Collateral, whether evidenced hereby or by any other instrument or papers, may be exercised by Collateral Agent (acting at the written direction of the Required Secured Creditors), shall be cumulative and may be exercised singularly, alternatively, successively or concurrently at such time or at such times as Collateral Agent (acting at the written direction of the Required Secured Creditors) deems expedient.

6.10 Waivers by Member City

To the extent permitted by applicable law, Member City hereby waives demand, notice, protest, notice of acceptance of this Agreement, notice of loans made, credit extended, collateral received or delivered or other action taken in reliance hereon and all other demands and notices of any description.

6.11 Marshalling

TO THE EXTENT THAT IT LAWFULLY MAY, MEMBER CITY HEREBY AGREES THAT IT WILL NOT INVOKE ANY LAW RELATING TO THE MARSHALLING OF COLLATERAL WHICH MIGHT CAUSE DELAY IN OR IMPEDE THE ENFORCEMENT OF COLLATERAL AGENT'S RIGHTS AND REMEDIES UNDER THIS AGREEMENT OR UNDER ANY OTHER INSTRUMENT CREATING OR EVIDENCING ANY OF THE OBLIGATIONS OR UNDER WHICH ANY OF THE OBLIGATIONS IS OUTSTANDING OR BY WHICH ANY OF THE OBLIGATIONS IS SECURED OR PAYMENT THEREOF IS OTHERWISE ASSURED, AND, TO THE EXTENT THAT IT LAWFULLY MAY, MEMBER CITY HEREBY IRREVOCABLY WAIVES THE BENEFITS OF ALL SUCH LAWS.

7. MISCELLANEOUS

7.1 Notices

Except as otherwise expressly provided herein, all notices, consents and waivers and other communications made or required to be given pursuant to this Agreement shall be in writing and shall be delivered by hand, mailed by registered or certified mail or prepaid overnight air courier, or by email, addressed to the relevant party as provided below their signatures to this Agreement or at such other address for notice as Member City or Collateral Agent shall last have furnished in writing to the Person giving the notice. A notice addressed as provided herein that (i) is delivered by hand or overnight courier is effective upon delivery, (ii) that is sent by email is effective upon actual receipt if received during the recipient's normal business hours, or at the beginning of the recipient's next business day after receipt if not received during the recipient's normal business hours, and (iii) that is sent by registered or certified mail is effective on the earlier of acknowledgement of receipt as shown on the return receipt or three (3) Business Days after mailing.

7.2 No Waiver

No failure on the part of the Collateral Agent to exercise, and no course of dealing with respect to, and no delay in exercising, any right or power hereunder shall operate as a waiver thereof.

7.3 Amendments

The terms of this Agreement may be waived, altered or amended only by an instrument in writing duly executed by Member City and Collateral Agent.

7.4 Expenses

If Member City fails to do so, Collateral Agent may, upon receipt from the Required Secured Creditors of written direction and such sums as may be necessary in connection therewith, discharge taxes and any other Liens or encumbrance at any time levied or placed on any of the Collateral. Member City agrees to reimburse Collateral Agent on demand for any such expenditures made by Collateral Agent, and the Collateral Agent promptly upon receipt thereof shall remit such reimbursed sums to the Required Secured Creditors. For the avoidance of doubt, it is expressly understood and agreed that the Collateral Agent shall not use or expend its own funds in connection with such taxes, Liens or encumbrances. Collateral Agent shall have no obligation to make any such expenditure nor shall the making thereof be construed as a waiver or cure of any Event of Default. Member City agrees to reimburse Collateral Agent (as such and in its individual capacity) for all reasonable costs and expenses incurred by it (including the reasonable fees and expenses of legal counsel) in connection with (i) the performance by Collateral Agent of its duties under this Agreement, the Intercreditor Agreement or the Control Agreements, (x) protecting, defending or asserting rights and claims of the Collateral Agent in respect of the Collateral, (y) litigation relating to the Collateral, and (z) workout, restructuring or other negotiations or proceedings, and (ii) the enforcement of this Section 7.4, and all such reasonable costs and expenses shall be Obligations entitled to the benefits of the collateral security provided pursuant to Section 2.

7.5 Duty of Care; Earnings

Collateral Agent shall have no duty or obligation with respect to the Collateral except for its contractual obligations under this Agreement, the Intercreditor Agreement or the Control Agreements. The Collateral Agent shall have no duty or obligation as to the collection or protection of the Collateral or any income thereon, nor as to the preservation of rights against any Person, beyond the safe custody of any Collateral in the Collateral Agent's possession or control. Without limiting the generality of the foregoing, Collateral Agent shall have no duty (a) other than to instruct Member City as set forth in Section 4.5 hereof, to see to any recording or filing of any financing statement evidencing a security interest in the Collateral, or to see to the maintenance of any such recording or filing, (b) to see to the payment or discharge of any tax, assessment or other governmental charge or any lien or encumbrance of any kind owing with respect to, assessed or levied against any part of the Collateral, (c) to confirm or verify the contents of any reports or certificates delivered to Collateral Agent believed by it to be genuine and to have been signed or presented by the proper party or parties, or (d) to ascertain or inquire as to the performance of observance by any other Person of any representations, warranties or covenants. Collateral Agent may require an officer's certificate or an opinion of counsel before acting or refraining from acting, and Collateral Agent shall not be liable for any action it takes or omits to take in good faith in reliance on an officer's certificate or an opinion of counsel.

7.6 Successors and Assigns

This Agreement shall be binding upon and inure to the benefit of the respective successors and permitted assigns of Member City, the Secured Creditors, and the Collateral Agent (provided that Member City shall not assign, transfer or delegate its rights or obligations hereunder without the prior written consent of Collateral Agent) and Collateral Agent shall only transfer or assign its rights hereunder in connection with a resignation or removal from its capacity as Collateral Agent in accordance with the terms of the Intercreditor Agreement). This Agreement shall create a continuing security interest in the Collateral and shall remain in full force and effect in accordance with Section 7.12, and be binding upon Member City, its successors and permitted assigns, and inure, together with the rights of Collateral Agent hereunder, to the benefit of the Collateral Agent and its successors, transferees and assigns.

7.7 Counterparts

This Agreement and any related amendment or waiver may be executed in several counterparts and by each party on a separate counterpart, each of which when so executed and delivered shall be an original, but all of which together shall constitute one instrument. In proving this Agreement it shall not be necessary to produce or account for more than one such counterpart signed by the party against whom enforcement is sought. A facsimile, "pdf" or electronic signature of a signature page hereto shall be as effective as an original signature.

7.8 GOVERNING LAW; JURISDICTION

THIS AGREEMENT SHALL BE GOVERNED BY, CONSTRUED IN ACCORDANCE WITH, AND ENFORCED UNDER, THE LAWS OF THE STATE OF CALIFORNIA, WITHOUT REGARD TO THE PRINCIPLES OF CONFLICTS OF LAW OF SUCH STATE.

7.9 WAIVER OF JURY TRIAL

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, EACH PARTY TO THIS AGREEMENT HEREBY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT, ANY RIGHTS OR OBLIGATIONS HEREUNDER, OR THE PERFORMANCE OF SUCH RIGHTS AND OBLIGATIONS.

7.10 CONSENT TO INJUNCTIVE RELIEF

WITHOUT LIMITING ANY OTHER RIGHTS OR REMEDIES THAT COLLATERAL AGENT MAY HAVE, MEMBER CITY ACKNOWLEDGES THAT ITS VIOLATION OF SECTION 5.1 WOULD RESULT IN IRREPARABLE INJURY TO COLLATERAL AGENT AND SECURED CREDITORS FOR WHICH NO ADEQUATE REMEDY AT LAW WOULD BE AVAILABLE. ACCORDINGLY, MEMBER CITY HEREBY (I) CONSENTS TO THE ENTRY OF AN IMMEDIATE EX-PARTE INJUNCTION, TEMPORARY RESTRAINING ORDER, AND/OR PERMANENT INJUNCTION TO ENFORCE THE PROVISIONS OF SECTION 5.1, IN ADDITION TO ANY OTHER REMEDIES AVAILABLE AT LAW OR IN EQUITY AND (II) WAIVES ANY DEFENSE THAT ADEQUATE REMEDIES ARE AVAILABLE AT LAW AND ANY

REQUIREMENT THAT A BOND OR ANY OTHER SECURITY BE POSTED IN CONNECTION WITH THE ENTRY OF ANY RESTRAINING ORDER OR INJUNCTION.

7.11 Captions

The captions and section headings appearing herein are included solely for convenience of reference and are not intended to affect the interpretation of any provision of this Agreement.

7.12 Termination

Unless earlier terminated in writing by the parties hereto, this is a continuing security agreement and the grant of a security interest under this Agreement shall remain in full force and effect and all the rights, powers and remedies of Collateral Agent hereunder shall continue to exist until: (a) the Obligations are paid in full as the same becomes due and payable; (b) the PPA Providers have no further obligation to deliver products or render services (including credit support services) to, or on behalf of, Member City; (c) Member City has no further obligations to the PPA Providers under any of the Transaction Agreements; and (d) the PPA Providers, upon request of Member City, have executed and delivered to each of Member City and the Collateral Agent a written termination statement, and Collateral Agent has reassigned to Member City, without recourse, the Collateral and all rights conveyed hereby and returned possession of the Collateral to Member City. Furthermore, it is contemplated by the parties hereto that there may be times when no Obligations are owing; but notwithstanding such occurrences, unless the PPA Providers have executed a written termination under clause (d) above, this Agreement shall remain valid and shall be in full force and effect as to subsequent Obligations, provided Collateral Agent has not executed a written agreement terminating this Agreement in accordance herewith. This Agreement shall continue irrespective of the fact that the liability of any other obligor may have ceased, or irrespective of the validity or enforceability of the Transaction Agreements, to which any other obligor may be a party, and notwithstanding the reorganization or bankruptcy of Member City, or any other event or proceeding affecting Member City or any other obligor. At Member City’s request after the PPA Providers have executed and delivered a written termination under clause (d) above, Collateral Agent shall, at Member City’s reasonable expense, instruct Depository Bank to release all assets credited to the Deposit Accounts to Member City, and Collateral Agent shall also execute such other documentation as shall be reasonably requested by Member City to effect the termination and release of the liens on the Collateral, including notice to SCE that the Direction Letter is terminated.

7.13 Severability

The provisions of this Agreement are intended to be severable. If for any reason any of the provisions of this Agreement shall be held invalid or unenforceable in whole or in part in any jurisdiction, such provision shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without in any manner affecting the validity or enforceability thereof in any other jurisdiction or the remaining provisions thereof in any jurisdiction.

7.14 Waiver of Immunities

Member City warrants and covenants that with respect to its contractual obligations hereunder and performance thereof, it will not claim immunity on the grounds of sovereignty or similar grounds with respect to itself or its revenues or assets from (a) suit, (b) jurisdiction of court (including a court located outside the jurisdiction of its organization), (c) relief by way of injunction, order for specific performance or recovery of property, (d) attachment of assets, or (e) execution or enforcement of any judgment. To the extent that Member City may be or becomes entitled to claim, with respect to itself and/or its revenues and assets (irrespective of their use or intended use), any immunity on the grounds of sovereignty or other similar grounds from (i) suit, (ii) jurisdiction of any court, (iii) relief by way of injunction or order for specific performance or recovery of property, (iv) attachment of its assets (whether before or after judgment) and/or (v) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any legal proceedings in the courts of any jurisdiction, MEMBER CITY IRREVOCABLY WAIVES, TO THE EXTENT PERMITTED BY APPLICABLE LAW, SUCH IMMUNITY WITH RESPECT TO ITS OBLIGATIONS UNDER THIS AGREEMENT AND THE OTHER TRANSACTION DOCUMENTS AND IRREVOCABLY AGREES, TO THE EXTENT PERMITTED BY APPLICABLE LAW, THAT IT WILL NOT CLAIM ANY SUCH IMMUNITY IN ANY PROCEEDINGS; PROVIDED, HOWEVER THAT NOTHING IN THIS AGREEMENT SHALL WAIVE THE OBLIGATIONS AND/OR RIGHTS SET FORTH IN THE CALIFORNIA TORT CLAIMS ACT (GOVERNMENT CODE SECTION 810 ET SEQ.).

7.15 Disclosure of Information

Member City hereby consents to the disclosure by any PPA Provider or Collateral Agent of any information provided by or relating to Member City as may be required or reasonably necessary for the administration of this Agreement, the Intercreditor Agreement or the Control Agreements, or the enforcement or protection of any of the rights of the Collateral Agent or the PPA Providers hereunder.

[Signatures on following page]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their authorized representative as of the Effective Date.

CITY OF MEMBER CITY, California as
Pledgor

By: _____

Name: _____

Title: _____

Notice Address:

City of Member City

California Choice Energy Authority

Attn: Cathy DeFalco

Email: cdefalco@calchoice.org

[Signatures continue on following page(s)]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their authorized representative as of the Effective Date.

CITY OF MEMBER CITY, California

SAMPLE

Notice Address:

River City Bank
2485 Natomas Park Dr.
Sacramento, CA 95833
Attention: Cash Management
Email: cashmgmt@rivercitybank.com

SAMPLE

EXHIBIT A

FORM OF DISTRIBUTION DATE CERTIFICATE

The undersigned, [INSERT NAME], the [INSERT NAME OF OFFICE HELD] of City of Member City (“Member City”), hereby certifies, on behalf of Member City in such capacity and not in its individual capacity, with reference to that certain Security Agreement dated as of August 24, 2021 (capitalized terms used herein shall have the same meaning as set forth in the Security Agreement) between Member City and River City Bank, as collateral agent (“Collateral Agent”), to Collateral Agent as follows:

This certificate is being delivered to Collateral Agent on or before the date that is three (3) Business Days before the Distribution Date of [_____, 20__].

No Event of Default exists as of the date of this certificate and Member City does not anticipate that an Event of Default will exist as of the Distribution Date set forth in paragraph 1 above.

The funds that are on deposit in the Lockbox Account shall be disbursed on the Distribution Date as follows:

1. To Collateral Agent, in respect of Collateral Agent’s reasonable and documented out-of-pocket fees and expenses incurred under the Security Agreement or the Intercreditor Agreement that have been invoiced to Member City, an aggregate amount equal to [_____] Dollars (\$_____);
2. [To [INSERT NAME OF APPLICABLE PPA PROVIDER], for payment of its Regular Charges, an aggregate amount equal to [_____] Dollars (\$_____); *[Include this paragraph for each PPA Provider]*
3. [To [INSERT NAME OF APPLICABLE PPA PROVIDER], for payment of any Supplemental Payment owing in an aggregate amount equal to [_____] Dollars (\$_____); *[Include this paragraph for each PPA Provider]*
4. To CCEA in payment of any amounts owing to CCEA under that certain Administrative Services Agreement between CCEA and Member City; and
5. The remaining funds, if any, that are on deposit, after retention of the Reserve Amount are to be disbursed to Member City into the account designated by Member City.

[Signatures on following page]

I hereby certify, on behalf of _____ and not in my individual capacity, that this Distribution Date Certificate is true and complete in all material respects.

By: _____

Name: _____

Title: _____

Date: _____

SAMPLE

EXHIBIT B

FORM OF DIRECTION LETTER

City of Member City, California

VIA EMAIL AND U.S. MAIL

Southern California Edison Company
2244 Walnut Grove Avenue
Rosemead, CA 91770
Email: ccasvcs@sce.com

_____, 2021

RE: Member City Direction Letter

Attached please find the Accounts Payable Electronic Funds Transfer Enrollment Form, dated as of _____, 2021 (the "Payment Instruction"), executed by the City of Member City ("Member City") as respecting its energy program and instructing SCE to initiate credit entries to account number XXXXXXXX, which account is held at River City Bank, a California corporation.

By the Payment Instruction and this Direction Letter, we are hereby providing SCE with written notice that we wish SCE to initiate credit entries to the above-referenced account. The payment instructions set forth in this letter may only be amended upon the joint instruction of Member City and River City Bank, not in its individual capacity, but solely as collateral agent.

If you have any questions regarding the Payment Instruction or this Direction Letter, please contact me, _____, at (____) ____-____.

Very truly yours,

CITY OF MEMBER CITY, California

By: _____

Name: _____

Title: _____

cc: Stephen Hall, Hall Energy Law PC