

**SECTION 5: CREDIT APPLICATION**

**GENERAL CUSTOMER INFORMATION FORM**

**Customer Information**

Customer Name: \_\_\_\_\_ Dun & Bradstreet No.: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Contact Person: \_\_\_\_\_ Phone: \_\_\_\_\_ E-mail: \_\_\_\_\_  
Amount of Credit Requested: \$  Date(s) of previous business with MISO: \_\_\_\_\_

**Bank Reference**

Bank Name: \_\_\_\_\_ Account No(s): \_\_\_\_\_  
Street Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Contact Person: \_\_\_\_\_ Phone: \_\_\_\_\_ E-mail: \_\_\_\_\_

**Utility References**

1. Utility Name: \_\_\_\_\_  
Contact: \_\_\_\_\_ Phone: \_\_\_\_\_ E-mail: \_\_\_\_\_  
Contract Date: \_\_\_\_\_ Contract Amount: \_\_\_\_\_
2. Utility Name: \_\_\_\_\_  
Contact: \_\_\_\_\_ Phone: \_\_\_\_\_ E-mail: \_\_\_\_\_  
Contract Date: \_\_\_\_\_ Contract Amount: \_\_\_\_\_
3. Utility Name: \_\_\_\_\_  
Contact: \_\_\_\_\_ Phone: \_\_\_\_\_ E-mail: \_\_\_\_\_  
Contract Date: \_\_\_\_\_ Contract Amount: \_\_\_\_\_

**Credit Support (if applicable)**

*Intended form(s) of credit support if found necessary:*

a) Escrow deposit to the MISO	_____
b) Letter of Credit	_____
c) Performance Bond	_____

Authorized Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_



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### ATTACHMENT 5.1: SERVICE WORKSHEET

Please provide the most accurate data available. Please use additional sheets for additional service information.

1. **POD:** \_\_\_\_\_ **Estimated Peak Load Served:** \_\_\_\_\_  
% of load served by Network Service: \_\_\_\_\_  
% of transactions for which losses will be self-supplied: \_\_\_\_\_  
% of transactions for which ancillary services will be self-supplied: \_\_\_\_\_  
% of load served by grandfathered transmission contracts: \_\_\_\_\_  
% of load comprised or retail customers taking transmission service from the incumbent load service entity: \_\_\_\_\_
  
2. **POD:** \_\_\_\_\_ **Estimated Peak Load Served:** \_\_\_\_\_  
% of load served by Network Service: \_\_\_\_\_  
% of transactions for which losses will be self-supplied: \_\_\_\_\_  
% of transactions for which ancillary services will be self-supplied: \_\_\_\_\_  
% of load served by grandfathered transmission contracts: \_\_\_\_\_  
% of load comprised or retail customers taking transmission service from the incumbent load service entity: \_\_\_\_\_
  
3. **POD:** \_\_\_\_\_ **Estimated Peak Load Served:** \_\_\_\_\_  
% of load served by Network Service: \_\_\_\_\_  
% of transactions for which losses will be self-supplied: \_\_\_\_\_  
% of transactions for which ancillary services will be self-supplied: \_\_\_\_\_  
% of load served by grandfathered transmission contracts: \_\_\_\_\_  
% of load comprised or retail customers taking transmission service from the incumbent load service entity: \_\_\_\_\_
  
4. **POD:** \_\_\_\_\_ **Estimated Peak Load Served:** \_\_\_\_\_  
% of load served by Network Service: \_\_\_\_\_  
% of transactions for which losses will be self-supplied: \_\_\_\_\_  
% of transactions for which ancillary services will be self-supplied: \_\_\_\_\_  
% of load served by grandfathered transmission contracts: \_\_\_\_\_  
% of load comprised or retail customers taking transmission service from the incumbent load service entity: \_\_\_\_\_
  
5. **POD:** \_\_\_\_\_ **Estimated Peak Load Served:** \_\_\_\_\_  
% of load served by Network Service: \_\_\_\_\_  
% of transactions for which losses will be self-supplied: \_\_\_\_\_  
% of transactions for which ancillary services will be self-supplied: \_\_\_\_\_  
% of load served by grandfathered transmission contracts: \_\_\_\_\_  
% of load comprised or retail customers taking transmission service from the incumbent load service entity: \_\_\_\_\_
  
6. **POD:** \_\_\_\_\_ **Estimated Peak Load Served:** \_\_\_\_\_  
% of load served by Network Service: \_\_\_\_\_  
% of transactions for which losses will be self-supplied: \_\_\_\_\_  
% of transactions for which ancillary services will be self-supplied: \_\_\_\_\_  
% of load served by grandfathered transmission contracts: \_\_\_\_\_  
% of load comprised or retail customers taking transmission service from the incumbent load service entity: \_\_\_\_\_



## SECTION 5: CREDIT APPLICATION

### ATTACHMENT 5.2: MIDWEST ISO CREDIT AGREEMENT (pg. 1 of 2)

This Credit Agreement is effective as of the \_\_\_\_ day of \_\_\_\_\_, 2003, by and by between \_\_\_\_\_ ("Customer") and Midwest Independent Transmission System Operator, Inc. ("MISO").

#### Recitals

*WHEREAS, MISO provides certain services to customers, and said customers agree to pay MISO for such services;*

*WHEREAS, MISO maintains a Credit Policy (which is posted on MISO's extranet website at [extranet.midwestiso.org](http://extranet.midwestiso.org), as the same may be amended from time to time in MISO's sole discretion, and which Credit Policy is incorporated herein by reference) in order to determine, on a case by case basis, the form of financial assurance to be required by each customer (i.e. Corporate Guaranty, Irrevocable Letter of Credit, Performance Bond, cash deposit or such other accommodation as MISO deems appropriate in MISO's sole discretion);*

*WHEREAS, as of the date hereof, MISO has made a determination as to the terms upon which MISO will provide services to Customer and the financial accommodations required of Customer to assure prompt payment of all amounts due MISO under their Service Agreement with Customer; and*

*WHEREAS, MISO and Customer acknowledge that the Customer's credit standing may change throughout the term of their business relationship, and it may become necessary for MISO, and MISO shall have the right, to reevaluate the credit standing of Customer at any time in order to assure MISO will be paid by Customer for services provided, or to be provided, to Customer.*

*NOW, THEREFORE, for One Dollar (\$1.00) and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties hereto, Customer hereby agrees to, and accepts, all of the following:*

- (1) All Recitals set forth above shall be incorporated herein as if set forth herein in full, and Customer agrees to and accepts the terms thereof.
- (2) Your credit status is conditional upon your strict compliance with the terms of the MISO Credit Policy and this Credit Agreement.
- (3) MISO shall have the right, at any time, to request such additional financial information, as MISO deems necessary, in its sole discretion, in order to determine the Customer's credit standing at such time. Customer shall deliver the requested information within five (5) days of request. MISO shall have the right, at any time, in MISO's sole discretion, to (i) revoke all extensions of credit to Customer, or (ii) modify customer credit standing based on changes in the financial condition of Customer. MISO shall have the right, at any time, in its sole discretion, to demand additional financial accommodations, such as, without limitation, a corporate guaranty from the Customer's parent company (in the form attached hereto as Attachment 5.3 and incorporated herein by reference), an irrevocable letter of credit (in the form attached hereto as Attachment 5.4 and incorporated herein by reference), a cash deposit, a performance bond (in the form attached hereto as Attachment 5.5 and incorporated herein by reference), or such other accommodation as MISO deems necessary, and MISO may condition the provision of services by MISO to Customer upon receipt of the requested accommodation.



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**ATTACHMENT 5.2: MIDWEST ISO CREDIT AGREEMENT (pg. 2 of 2)**

- (4) Customer will promptly disclose to MISO any material changes in their financial condition. These changes include, but are not limited to:
- a) downgrades to a below investment grade rating of senior long term debt by major rating agencies;
  - b) bankruptcy filings;
  - c) pending lawsuits; or
  - d) any change in the financial condition of Customer which exceeds the lesser of (i) the materiality standard (whereby customer is to notify MISO of the standard for materiality established by the accounting firm performing Customer's annual audit (which materiality standard Customer shall disclose to MISO), or (ii) a five percent (5%) reduction in Customer's tangible net worth from the tangible net worth for the preceding fiscal year of Customer, calculated in accordance with generally accepted accounting principles.

For purposes of this Paragraph 4, "materiality" shall mean any adverse change in the financial condition of Customer which could affect the ability of Customer to pay its debts as they become due including, without limitation, those items specifically listed in Paragraphs 4(a) through (d) above. Customer shall be required, no later than ninety (90) days after the end of each fiscal year, to deliver to MISO its current, audited financial statements prepared in accordance with generally accepted accounting principles, and (ii) no later than forty-five (45) days after the end of each fiscal quarter, to deliver to MISO its current, unaudited quarterly financial statements prepared in accordance with generally accepted account principles. Additionally, upon written request by MISO, Customer shall, within fifteen (15) days of such request, provide MISO with year-to-date financial statements.

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title



## SECTION 5: CREDIT APPLICATION

### ATTACHMENT 5.3: UNCONDITIONAL CORPORATE GUARANTY (pg. 1 of 6)

For and in consideration of the credit advance by The Midwest Independent Transmission System Operator, Inc. ("MISO") to \_\_\_\_\_ ("Customer"), the undersigned guarantor ("Guarantor"), hereby unconditionally and irrevocably guarantees the prompt and complete payment of all amounts that Customer now or hereafter owes to MISO under the Service Agreement(s) \_\_\_\_\_ dated \_\_\_\_\_, \_\_\_\_\_ ("Agreements") and performance by Customer under any other agreements, whether now existing or hereafter arising in strict accordance with their respective terms.

1. If Customer does not perform its obligations in strict accordance with the Agreements, Guarantor shall immediately pay upon demand all amounts now or hereafter due thereunder (including, without limitation, all principal, interest and fees) and otherwise to proceed to complete the same and satisfy all of Customer's obligations under the Agreements. This Guaranty may be satisfied by Guarantor paying and/or performing (as appropriate) Customer's obligations or by the Guarantor causing Customer's obligations to be paid or performed; provided, however, that Guarantor shall at all times remain fully responsible and liable for its obligations hereunder notwithstanding any such payment or performance (or failure thereof) by any third party.

2. This Guaranty is an absolute, unconditional and continuing guaranty of the full and punctual payment and performance by Customer of each of its obligations under the Agreements, and not of collectibility only, and is in no way conditioned upon any requirement that MISO's first attempt to collect payment from Customer or any other guarantor or surety or resort to any security or other means of obtaining payment of all or any part of obligations or upon any other contingency. This is a continuing guaranty and shall be binding upon Guarantor regardless of (i) how long after the date hereof any part of the obligations under the Agreements is incurred by Customer and (ii) the amount of the obligations under the Agreements at any time outstanding. MISO may enforce this Guaranty from time to time and as often as occasion for such enforcement may arise.

3. The obligations hereunder are independent of the obligations of Customer and a separate action or actions may be brought and prosecuted against Guarantor whether action is brought against Customer or whether MISO is joined in any such action or actions. Guarantor's liability under this Guaranty is not conditioned or contingent upon genuineness, validity, regularity or enforceability of the Agreements.

4. Guarantor authorizes MISO, without notice or demand and without affecting its liability hereunder, from time to time to (a) renew, extend, or otherwise change the terms of the Agreements or any part thereof, (b) take and hold security for the payment of this Guaranty or the Agreements, and exchange, enforce, waive and release any such security; and (c) apply such security and direct the order or manner of sale thereof as MISO in their sole discretion may determine. The obligations and liabilities of Guarantor hereunder shall be absolute and unconditional, shall not be subject to any counterclaim, set-off, deduction or defense based upon any claim Guarantor may have against Customer, any other guarantor, or any other person or entity, and shall remain in full force and effect until all of the obligations hereunder and under the Agreements have been fully satisfied, without regard to, or release or discharge by, any event, circumstance or condition (whether or not Guarantor shall have knowledge or notice thereof) which might constitute a legal or equitable defense or discharge of a guarantor or surety or which might in any way limit recourse against Guarantor, including without limitation: (a) any amendment or modification of, or supplement to, the terms of the Agreements; (b) any waiver, consent or indulgence by MISO, or any exercise or non-exercise by MISO of any right, power or remedy, under or in respect of this Guaranty or the Agreements (whether or not Guarantor or Customer has or have notice or knowledge of any such action or inaction); (c) the invalidity or unenforceability, in whole or in part, of the Agreements, or the termination (except pursuant to its terms or by written agreement between MISO and Customer), cancellation or frustration of any thereof, or any limitation or cessation of Customer's liability under any thereof (other than any limitation or cessation expressly provided for therein), including without limitation any invalidity, unenforceability or impaired liability resulting from Customer's lack of capacity, power and/or authority to enter into the Agreements and/or to incur any or all of the obligations thereunder, or from the execution and

## SECTION 5: CREDIT APPLICATION

### **ATTACHMENT 5.3: UNCONDITIONAL CORPORATE GUARANTY (pg. 2 of 6)**

delivery of any Agreement by any person acting for Customer without or in excess of authority; (d) any actual, purported or attempted sale, assignment or other transfer by MISO of any Agreement or of any of its rights, interests or obligations thereunder; (e) the taking or holding by MISO of a security interest, lien or other encumbrance in or on any property as security for any or all of the obligations of Customer under the Agreements, the posting of a cash deposit, letter of credit, performance bond or other financial accommodation, or any exchange, release, non-perfection, loss or alteration of, or any other dealing with, any such security; (f) the addition of any party as a guarantor or surety of all or any part of the obligations of Customer under the Agreements; (g) any merger, amalgamation or consolidation of Customer into or with any other entity, or any sale, lease, transfer or other disposition of any or all of Customer's assets or any sale, transfer or other disposition of any or all of the shares of capital stock or other securities of Customer to any other person or entity; or (h) any change in the financial condition of Customer or (as applicable) of any subsidiary, affiliate, partner or controlling shareholder thereof, or Customer's entry into an assignment for the benefit of creditors, an arrangement or any other agreement or procedure for the restructuring of its liabilities, or Customer's insolvency, bankruptcy, reorganization, dissolution, liquidation or any similar action by or occurrence with respect to Customer.

5. Guarantor unconditionally waives, to the fullest extent permitted by law: (a) notice of any of the matters referred to in Section 4 hereof; (b) any right to the enforcement, assertion or exercise by MISO of any of its rights, powers or remedies under, against or with respect to (i) any of the Agreements, (ii) any other guarantor or surety, or (iii) any security for all or any part of the obligations of Customer under the Agreements or obligations of Guarantor hereunder; (c) any requirement of diligence and any defense based on a claim of laches; (d) all defenses which may now or hereafter exist by virtue of any statute of limitations, or of any stay, valuation, exemption, moratorium or similar law, except the sole defense of full and indefeasible payment; (e) any requirement that Guarantor be joined as a party in any action or proceeding against Customer to enforce any of the provisions of the Agreements; (f) any requirement that Customer mitigate or attempt to mitigate damages resulting from a default by Guarantor hereunder or from a default by Customer under any of the Agreements; (g) acceptance of this Guaranty by MISO; and (h) all presentments, protests, notices of dishonor, demands for performance and any and all other demands upon and notices to Customer, and any and all other formalities of any kind, the omission of or delay in performance of which might but for the provisions of this Section constitute legal or equitable grounds for relieving or discharging Guarantor in whole or in part from its irrevocable, absolute and continuing obligations hereunder, it being the intention of Guarantor that its obligations hereunder shall not be discharged except by payment and performance and then only to the extent thereof.

6. Guarantor waives any right to require MISO to (a) proceed against Customer; (b) proceed against or exhaust any security held from Customer; or (c) pursue any other remedy in MISO's power whatsoever. So long as any obligations remain outstanding under this Guaranty or the Agreements, Guarantor shall not exercise any rights against Customer arising as a result of payment by Guarantor hereunder, by way of subrogation or otherwise, and will not prove any claim in competition with MISO or its affiliates in respect of any payment under the Agreements in bankruptcy or insolvency proceedings of any nature. Guarantor will not claim any set-off or counterclaim against Customer in respect of any liability of Guarantor to Customer and Guarantor waives any benefit of any right to participate in any collateral which may be held by MISO or any of its affiliates.

7. If after receipt of any payment of, or the proceeds of any collateral for, all or any part of the obligations of Customer under the Agreements, MISO is compelled to surrender or voluntarily surrender such payment or proceeds to any person because such payment or application of proceeds is or may be avoided, invalidated, recaptured, or set aside as a preference, fraudulent conveyance, impermissible set-off or for any other reason, whether or not such surrender is the result of (i) any judgment, decree or order of any court or administrative body having jurisdiction over MISO, or (ii) any settlement or compromise by MISO of any claim as to any of the foregoing with any person (including Customer), then the obligations of Customer under the Agreements, or part thereof affected, shall be reinstated and continue and this Guaranty shall be reinstated and continue in full force as to such obligations or part thereof as if such payment or proceeds had not been received, notwithstanding any previous cancellation of any instrument evidencing any such obligation or any previous instrument delivered

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### ATTACHMENT 5.3: UNCONDITIONAL CORPORATE GUARANTY (pg. 3 of 6)

to evidence the satisfaction thereof. The provisions of this Section shall survive the termination of this Guaranty and any satisfaction and discharge of Customer by virtue of any payment, court order or any federal or state law.

8. Any indebtedness of Customer now or hereafter held by Guarantor is hereby subordinated to any indebtedness of Customer to MISO; and such indebtedness of Customer to Guarantor shall be collected, enforced and received by Guarantor as trustee for MISO and be paid over to MISO on account of the indebtedness of MISO to MISO but without reducing or affecting in any manner the liability of Guarantor under the other provisions of this Guaranty.

9. Guarantor represents and warrants to MISO, as an inducement to MISO to make the credit advances to Customer, that: (a) the execution, delivery and performance by Guarantor of this Guaranty (i) are within Guarantor's powers and have been duly authorized by all necessary action; (ii) do not contravene Guarantor's charter documents or any law or any contractual restrictions binding on or affecting Guarantor or by which Guarantor's property may be affected; and (iii) do not require any authorization or approval or other action by, or any notice to or filing with, any public authority or any other person except such as have been obtained or made; (b) this Guaranty constitutes the legal, valid and binding obligation of Guarantor, enforceable in accordance with its terms, except as the enforceability thereof may be subject to or limited by bankruptcy, insolvency, reorganization, arrangement, moratorium or other similar laws relating to or affecting the rights of creditors generally and by general principles of equity; and (c) there is no action, suit or proceeding affecting Guarantor pending or threatened before any court, arbitrator, or public authority that may materially adversely affect Guarantor's ability to perform its obligations under this Guaranty.

10. The Guarantor must submit (i) at least annually a debt rating report from the major rating agencies applicable promptly upon its issuance, (ii) United States Securities and Exchange Commission Form 8K Reports promptly upon their issuance, and (iii) financial reports promptly upon their issuance. Further, Guarantor must inform MISO in writing within ten (10) business days of any material change in its financial status. A material change in financial status includes, but is not limited to, the following: a downgrade of long or short-term debt by a major rating agency, being placed on credit watch with negative implication by a major rating agency, a bankruptcy filing, insolvency, a report of a significant quarterly loss or decline of earnings, the resignation of key officer(s), and/or the filing of a material lawsuit that could materially adversely impact current or future financial results. A Guarantor's failure to provide this information may result in proceedings by the MISO to terminate the Agreements with the Customer.

11. Guarantor agrees to pay on demand reasonable attorneys' fees and all other costs and expenses which the MISO may incur in the enforcement of this Guaranty. No terms or provisions of this Guaranty may be changed, waived, revoked or amended without MISO's prior written consent. Should any provision of this Guaranty be determined by a court of competent jurisdiction to be unenforceable, all of the other provisions shall remain effective. This Guaranty embodies the entire agreement among the parties hereto with respect to the matters set forth herein, and supersedes all prior agreements among the parties with respect to the matters set forth herein. No course of prior dealing among the parties, no usage of trade, and no parole or extrinsic evidence of any nature shall be used to supplement, modify or vary any of the terms hereof. There are no conditions to the full effectiveness of this Guaranty. MISO may assign this Guaranty without in any way affecting Guarantor's liability under it. This Guaranty shall inure to the benefit of Company and its successors and assigns. This Guaranty is in addition to the guaranties of any other guarantors and any and all other guaranties of Customer's indebtedness or liabilities to the MISO.

12. This Guaranty shall be governed by the laws of the State of Indiana, without regard to conflicts of law principles. Guarantor hereby irrevocably submits to the jurisdiction of any Indiana or United States Federal court sitting in Indiana over any action or proceeding arising out of or relating to this Guaranty or any of the Agreements, and Guarantor hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such Indiana state or federal court. Guarantor irrevocably consents to the service of any and all process in any such action or proceeding by the mailing of copies of such process to



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**ATTACHMENT 5.3: UNCONDITIONAL CORPORATE GUARANTY (pg. 4 of 6)**

Guarantor at its address set forth below its signature. Guarantor agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Guarantor further waives any objection to venue in such State and any objection to an action or proceeding in such State on the basis of forum non-conveniens. Guarantor further agrees that any action or proceeding brought against MISO shall be brought only in Indiana or the United States Federal courts sitting in Indiana. Nothing herein shall affect the right of MISO to bring any action or proceeding against the Guarantor or its property in the courts of any other jurisdictions.

13. GUARANTOR ACKNOWLEDGES THAT IT HAS BEEN ADVISED BY COUNSEL OF ITS CHOICE WITH RESPECT TO THIS GUARANTY AND THAT IT MAKES THE FOLLOWING WAIVER KNOWINGLY AND VOLUNTARILY. GUARANTOR IRREVOCABLY WAIVES TRIAL BY JURY IN ANY COURT AND IN ANY SUIT, ACTION OR PROCEEDING OR ANY MATTER ARISING IN CONNECTION WITH OR IN ANY WAY RELATED TO THE TRANSACTIONS CONTEMPLATED BY THIS GUARANTY, THE AGREEMENTS OR ANY DOCUMENTS RELATED THERETO (INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS) AND THE ENFORCEMENT OF ANY OF COMPANY'S RIGHTS AND REMEDIES.

IN WITNESS WHEREOF, the undersigned Guarantor has executed this Guaranty as of this \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

[GUARANTOR]

By: \_\_\_\_\_

Title: \_\_\_\_\_  
Corporate Officer

Address: \_\_\_\_\_

\_\_\_\_\_

Tax I.D. No. \_\_\_\_\_



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**ATTACHMENT 5.3: UNCONDITIONAL CORPORATE GUARANTY (pg. 5 of 6)**

**SECRETARY’S CERTIFICATE OF DIRECTORS’ RESOLUTIONS**

I, \_\_\_\_\_, do hereby certify that I am the Secretary of \_\_\_\_\_, a \_\_\_\_\_ corporation; that I am the keeper of the corporate records and the seal of said Corporation; that the foregoing is true and correct copy of resolutions duly adopted and ratified by the Board of Directors of said Corporation in accordance with its bylaws and the laws of the said State on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ as compared by me with the original of said resolutions recorded in the minutes of said Corporation which resolutions authorize the Corporation to execute that certain Unconditional Corporate Guaranty in favor of The Midwest Independent Transmission System Operator, Inc.; and the same have not in any way been modified, repealed or rescinded but are in full force and effect; that the foregoing resolutions are not inconsistent with the Certificate of Incorporation and the bylaws of this Corporation.

WITNESS, my hand and the seal of said corporation this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_

Secretary

[CORPORATE SEAL]



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### ATTACHMENT 5.3: UNCONDITIONAL CORPORATE GUARANTY (pg. 6 of 6)

#### RESOLUTION TO THE BOARD OF DIRECTORS

WHEREAS, \_\_\_\_\_ (the "Subsidiary") desires to become a customer of the Midwest Independent Transmission System Operator, Inc. (the "Company"); and

WHEREAS, this Corporation deems it to be in its direct benefit and in its best interests to guaranty all present and future obligation of the Subsidiary to the Company as an inducement to the Company to allow the Subsidiary to become a customer;

NOW THEREFORE, it is hereby:

RESOLVED, that any of the officers or agents of this Corporation, and each of them, are hereby authorized, directed and empowered to make, execute and deliver, either jointly or severally, for and on behalf of and in the name of this Corporation, a guaranty with respect to the obligations of the Subsidiary to the Company and any and all amendments and supplements thereto; and it is further

RESOLVED, that said document shall be substantially in the form presented to this meeting; and it is further

RESOLVED, that said officers and agents, and each of them, are hereby authorized, directed and empowered to execute and deliver any and all instruments, papers and documents and to do all other acts that they may deem convenient or proper to effectuate the purpose and intent hereof from time to time or otherwise; and it is further

RESOLVED, that all action heretofore taken and all documentation heretofore delivered by any of said officers, or by any individual who currently holds or has held any of said offices, in furtherance of the foregoing is hereby ratified, adopted, approved and confirmed and declared to be binding and enforceable obligations of this Corporation in accordance with the respective terms and provisions thereof, and it is further

RESOLVED, that the authorization herein set forth shall remain in full force and effect until written notice of their modification or discontinuance shall be given to and actually received by the Company, but no such modification or discontinuance shall affect the validity of the acts of any person, authorized to so act by these resolutions performed prior to the receipt of such notice by the Company.



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**ATTACHMENT 5.4: LETTER OF CREDIT (pg. 1 of 4)**

**IRREVOCABLE STANDBY LETTER OF CREDIT**

Irrevocable Standby Letter of Credit No. \_\_\_\_\_

Issued: [Date]

Expires at our counter (unless evergreen): [Date]

Midwest Independent System Operator, Inc.  
701 City Center Drive  
Carmel, IN 46032  
Attn: Anastasia Heinzelman, Credit

Gentlemen:

We do hereby issue this Irrevocable Non-Transferable Standby Letter of Credit No. \_\_\_\_\_ by order of, for the account of and on behalf of \_\_\_\_\_ [Account Party] and in favor of the Midwest Independent Transmission System Operator, Inc. ("Beneficiary" or "MISO"). The term "Beneficiary" includes any successor by operation of law of the named beneficiary including without limitation any liquidator, receiver or conservator.

This Letter of Credit is issued, presentable and payable and we guaranty to the drawers, endorsers and bona fide holders of this Letter of Credit that drafts under and in compliance with the terms of this Letter of Credit will be honored on presentation and surrender of certain documents pursuant to the terms of this Letter of Credit.

This Letter of Credit is available in one or more drafts and may be drawn hereunder for the account of \_\_\_\_\_ up to an aggregate amount not exceeding \$ \_\_\_\_\_ .00 (United States Dollars \_\_\_\_\_ and 00/100).

This Letter of Credit is drawn against by presentation to us at our office located at \_\_\_\_\_ of a drawing certificate: (i) Signed by an officer or authorized agent of the Beneficiary; (ii) dated the date of presentation; and (iii) containing one (1) of the following statements:

1. "The undersigned hereby certifies to \_\_\_\_\_ ("Issuer"), with reference to its Irrevocable Non-Transferable Standby Letter of Credit No. \_\_\_\_\_, dated \_\_\_\_\_, issued on behalf of \_\_\_\_\_ ("Account Party") and in favor of the Midwest Independent Transmission System Operator, Inc. ("Beneficiary") that said Account Party has failed to pay the Beneficiary in accordance with the terms and provisions of Service Agreement, dated \_\_\_\_\_. The Beneficiary hereby draws upon the Letter of Credit in an amount equal to \$ \_\_\_\_\_ (United States Dollars \_\_\_\_\_ and 00/100)"; or
2. "As of the close of business on \_\_\_\_\_, 20\_\_ (fill in date which is less than one hundred- ten (110) days before the expiration date of the Letter of Credit), Account Party has failed to renew, replace or amend the Letter of Credit in a manner acceptable to Beneficiary."

Beneficiary shall have the right, in the event of a draw pursuant to subparagraph (2) of the immediately preceding paragraph, to draw down the entire face value of the Letter of Credit and to hold the



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### ATTACHMENT 5.4: LETTER OF CREDIT (pg. 2 of 4)

proceeds in escrow exclusively for the benefit of Account Party, and to apply such funds against any amounts owed by Account Party to Beneficiary from time to time.

If presentation of any drawing certificate is made on a business day and such presentations made on or before 10:00 a.m. \_\_\_\_\_ Time, ("Issuer") shall satisfy such drawing request on the same business day. If the drawing certificate is received after 10:00 a.m. \_\_\_\_\_ Time, ("Issuer") will satisfy such drawing request on the next business day.

It is a condition of this Letter of Credit that it will be automatically extended without amendment for one year from the expiration date hereof, or any future expiration date, unless one hundred twenty (120) days prior to any expiration date we notify you at the above address by registered mail that we elect not to consider this Letter of Credit renewed for any such period.

In connection with any draw on this Letter of Credit, if you have not received from us within five (5) calendar days from the date of your draw, a notice from us in the form of the certificate attached hereto as Exhibit A appropriately completed, indicating we have not reinstated the Letter of Credit for all amounts drawn on this Letter of Credit, your right to draw on us for the full face amount of this Letter of Credit shall be automatically reinstated and this automatic reinstatement of your right to make a draw for the full face amount of this Letter of Credit shall be applicable to successive draws so long as this Letter of Credit shall have not terminated as set forth herein.

This Letter of Credit may be terminated upon Beneficiary's receipt of full payment from the Account Party and Issuer's receipt of a written release from the Beneficiary releasing the Issuer from its obligations under this Letter of Credit.

Disbursements under the Letter of Credit shall be in accordance with the following terms and conditions:

1. The amount, which may be drawn by the Beneficiary under this Letter of Credit, shall be automatically reinstated by the amount of any drawings hereunder unless Issuer timely delivers the Certificate of Non reinstatement of Amounts Available under the Irrevocable Standby Letter of Credit attached as Exhibit A hereto as provided above.
2. All commissions and charges will be borne by the Account Party.
3. This Letter of Credit may not be transferred or assigned by the Issuer.
4. This Letter of Credit is irrevocable.
5. This Letter of Credit shall be governed by the Uniform Customs and Practice for Documentary Credits, 1993 Revision, International Chamber of Commerce Publication No. 500, including any amendments, modifications or revisions thereof (the "UCP"), except to the extent that terms hereof are inconsistent with the provisions of the UCP, in which case the terms of the Letter of Credit shall govern. This Letter of Credit shall be governed by the internal laws of the State of Indiana to the extent that the terms of the UCP are not applicable; provided that, in the event of any conflict between the UCP and such Indiana laws, the UCP shall control.
6. This Letter of Credit may not be amended, changed or modified without the express written consent of the Beneficiary and the Issuer.



**SECTION 5: CREDIT APPLICATION**

**ATTACHMENT 5.4: LETTER OF CREDIT (pg. 3 of 4)**

7. The Beneficiary shall not be deemed to have waived any rights under this Letter of Credit, unless a beneficiary or an authorized agent of a Beneficiary shall have signed a written waiver. No such waiver, unless expressly so stated therein, shall be effective as to any transaction that occurs subsequent to the date of the waiver, nor as to any continuance of a breach after the waiver.

8. A failure to make any partial drawings at any time shall not impair or reduce the availability of this Letter of Credit in any subsequent period or our obligation to honor your subsequent demands for payment made in accordance with the terms of this Letter of Credit.

\_\_\_\_\_  
\_\_\_\_\_  
[Authorized Signature]

[Date]

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**SECTION 5: CREDIT APPLICATION**

**ATTACHMENT 5.4: LETTER OF CREDIT (pg. 4 of 4)**

**EXHIBIT A**

**CERTIFICATE OF NONREINSTATEMENT  
OF AMOUNTS AVAILABLE UNDER IRREVOCABLE  
LETTER OF CREDIT NO. \_\_\_\_\_**

The undersigned, a duly authorized officer of \_\_\_\_\_ (the "Bank"), hereby certifies to Midwest Independent Transmission Service Operator, Inc. ("MISO") with reference to Bank's Irrevocable Letter of Credit No. \_\_\_\_\_ (the "Letter of Credit") issued by the Bank in favor of MISO that the amount drawn by MISO pursuant to its most recent drawing dated as of \_\_\_\_\_ has not been reinstated either (a) because the Bank has not been reimbursed for such drawing, or (b) a Default has occurred under the Reimbursement and Pledge Agreement dated as of \_\_\_\_\_, 2003, between the Bank and the Account Party, as defined in the Letter of Credit, and in continuing.

Except as herein expressly set forth, all other terms and conditions of the Letter of Credit remain unchanged.

IN WITNESS WHEREOF, the Bank has executed and delivered this certificate this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
[Name of Bank]

By:

\_\_\_\_\_

Its:

\_\_\_\_\_