

## PAYMENT GUARANTEE

[date]

To: City of Stamford  
888 Washington Boulevard  
Stamford, CT 06904

Ladies and Gentlemen:

**Consolidated Edison Solutions, Inc.** (“CES”) is a party to an Energy Savings Performance Contract (the “Agreement”) with the City of Stamford, Connecticut (“Counterparty”), pursuant to which CES will design, procure, and install energy conservation measures (“ECMs”) at certain facilities of the Counterparty, which ECMs are designed to result in conservation of energy by Counterparty. In consideration of Counterparty entering into the Agreement with CES, Consolidated Edison, Inc. (“Guarantor”), to the extent of \$3,000,000 (THREE MILLION DOLLARS) (the “Guarantee Limit”), and subject to the terms and conditions hereof, hereby irrevocably and unconditionally guarantees to Counterparty, with effect from the date hereof, the due and punctual payment of all amounts payable by CES under the Agreement when the same shall become due and payable, whether on scheduled payment dates, upon oral or written demand, upon declaration of termination or otherwise, in accordance with the terms of the Agreement and giving effect to any applicable grace or cure period. Upon failure of CES punctually to pay any such amounts, and upon written demand by Counterparty to Guarantor to the address set forth herein (or to such other address as Guarantor may specify in writing to Counterparty), Guarantor, subject to the Guarantee Limit, agrees promptly to pay or cause to be paid such amounts; provided that delay by Counterparty in giving such demand shall in no event affect Guarantor’s obligations under this Guarantee. This is a guarantee of payment and not of collection.

Guarantor hereby agrees that its obligations hereunder shall not be affected by the Agreement's validity, enforceability or the lack of authority of CES to execute or deliver the Agreement, or any change in or amendment to the Agreement.

Guarantor hereby waives diligence, presentment, and demand on CES for payment or otherwise (except as provided hereinabove), filing of claims, requirement of a prior proceeding against CES and protest or notice, except as provided for in the Agreement with respect to amounts payable by CES. If at any time payment by CES to Counterparty under the Agreement is rescinded or must be otherwise restored or returned by Counterparty to CES due to the insolvency, bankruptcy or reorganization of CES or otherwise, Guarantor's obligations hereunder with respect to such payment shall be reinstated upon such restoration or return to CES being made by Counterparty.

Guarantor represents to Counterparty as of the date hereof, that:

1. it is duly organized and validly existing under the laws of the jurisdiction of its incorporation and has full power and legal right to execute and deliver this Guarantee and to perform the provisions of this Guarantee on its part to be performed;
2. its execution, delivery and performance of this Guarantee have been and remain duly authorized by all necessary corporate action and do not contravene any provision of its certificate of incorporation or by-laws or any law, regulation or contractual restriction binding on it or its assets;
3. all consents, authorizations, approvals and clearances (including, without limitation, any necessary exchange control approval) and notifications, reports and registrations requisite for its due execution, delivery and performance of this Guarantee have been obtained from or, as the case may be, filed with the relevant governmental authorities having jurisdiction and remain in full force and effect and all conditions thereof have been duly complied with and no other action by, and no notice to or filing with, any governmental authority having jurisdiction is required for such execution, delivery or performance; and
4. this Guarantee is its legal, valid and binding obligation enforceable against it in accordance with its terms except as enforcement hereof may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights or by general equity principles.

In the event of any default by CES, Counterparty shall have the right to proceed first and directly against Guarantor under this Guarantee without proceeding against any other person or entity or exhausting any other remedies which it may have and without resorting to any other security held by it.

By accepting this Guarantee and entering into the Agreement, Counterparty agrees that Guarantor shall be subrogated to all rights of Counterparty against CES in respect of any amounts paid by Guarantor pursuant to this Guarantee, provided that Guarantor shall be entitled to enforce or to receive any payment arising out of or based upon such right of subrogation only to the extent that it has paid all amounts payable by CES under the Agreement that are payable pursuant to this Guarantee.

All notices or other communications to the Guarantor and Counterparty shall be in writing and shall be sent by hand delivery, mail (return receipt requested), facsimile (provided a copy is also sent by overnight courier) or overnight courier. Notices sent by hand-delivery shall be deemed received on the date delivered, provided that if is delivered after the close of the business day, it shall be deemed received on the next business day, notices sent by mail shall be deemed received on the date stamped on the return receipt, notices sent by facsimile (provided a copy is also sent by overnight courier) shall be deemed received on the date stated on the facsimile confirmation unless sent or transmitted after the close of the business day, in which case it shall be deemed received on the next business day), and notices sent by overnight courier shall be deemed received on the next business day. Notices shall be sent to:

**If to Guarantor:**

Consolidated Edison, Inc.  
4 Irving Place, 2nd Floor West,  
New York, NY 10003  
Attention: Vice President and Treasurer

**If to Counterparty:**

Corporation Counsel  
City of Stamford  
Legal Department – 9<sup>th</sup> Floor  
Government Center  
888 Washington Boulevard  
Stamford, CT 06904

This Guarantee shall be binding upon Guarantor and upon its successors and assigns and shall be for the benefit of Counterparty and its successors and assigns.

This Guarantee shall expire on December 31, 2020 (the “Expiration Date”). However this Guarantee may be terminated prior to the Expiration Date upon at least 15 days’ prior written notice to that effect being actually received by Counterparty. Such expiration or termination shall not, however, affect or reduce Guarantor's obligation hereunder for any liability of CES pursuant to the Agreement incurred prior to such expiration or termination.

In case any clause, provision, or section of this Guarantee, or any application thereof, is for any reason held to be illegal, invalid or inoperable, such illegality, invalidity or inoperability shall not affect the remainder thereof or any other clause, provision, or section, and each such clause, provision, or section shall be deemed to be effective and operative in the manner and to the full extent permitted by law.

Without limiting the Guarantor's own defenses and rights hereunder, the Guarantor hereby reserves to itself all rights, setoffs, counterclaims and other defenses to which CES is or may be entitled arising from or out of the Agreement, except for defenses arising out of the bankruptcy, insolvency, dissolution or liquidation of CES.

This Guarantee shall not be binding and shall be null and void and without any force and effect unless and until it is fully executed and delivered by each of Guarantor and Counterparty.

This Guarantee may not be modified or amended except in a writing signed by all the parties, provided, however that the Guarantor may increase the Guarantee Limit and/or extend the Expiration Date in writing without the consent or signature of Counterparty.

This Guarantee shall be governed by and construed in accordance with the laws of the State of Connecticut, without reference to its choice of law doctrine. In respect of any suit, action, or proceeding relating to this Guarantee, each of Guarantor and Counterparty hereby consents to the exclusive jurisdiction of the State Superior Court in Stamford, Connecticut, or the Federal District Court in Bridgeport, Connecticut, and waives any right it may have to a trial by jury. Guarantor and Counterparty agree that any service of process mailed to it at its respective address set forth above, or at any address it may hereafter provide, shall be deemed a proper service of process.

**CONSOLIDATED EDISON, INC.**

**Accepted and Agreed:  
CITY OF STAMFORD**

By: \_\_\_\_\_  
Name: Yukari Saegusa  
Title: Vice President and Treasurer

By: \_\_\_\_\_  
Name: David R. Martin  
Title: Mayor