

1 Indemnification

The undersigned, a WREGIS Customer, (as "Indemnifying Party") shall indemnify and hold harmless the Western Electricity Coordinating Council (WECC) and its officers, directors, employees, agents, affiliates, successors and permitted assigns (collectively, "Indemnified Party") against any and all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind, including reasonable attorneys' fees, that are incurred by Indemnified Party or awarded against Indemnified Party (collectively, "Losses"), arising out of any direct claim or any third-party claim related to the Customer including and/or using E-tag information in WREGIS ("Indemnified Claim"). Nothing herein waives or releases any claim that any Customer may have against any other Customer with respect to Indemnified Claims.

2 Exceptions and Limitations on Indemnification

2.1 Exceptions

Indemnifying Party is not obligated to indemnify and hold harmless Indemnified Party against any claim (whether direct or indirect) if such claim or corresponding Losses arise out of or result from Indemnified Party's gross negligence or more culpable act or omission (including recklessness or willful misconduct).

2.2 Liability Basket Threshold

Indemnifying Party shall not be obligated to pay for any Losses under Section 1. (Indemnification) until the amount of all such Losses exceeds, in the aggregate, \$5,000 in the one year period preceding the event giving rise to the indemnification claim (the "Threshold"), in which event Indemnifying Party shall pay or be liable for all such Losses from the first dollar. Losses that arise out of or result from any claim (whether direct or indirect) based on any of the circumstances set forth in Section 2.1 (Exceptions and Limitations on Indemnification, Exceptions) are excluded from the Threshold calculation.

2.3 Payment Adjustments for Insurance Proceeds

Payments by Indemnifying Party under Section 1. (Indemnification) in respect of any Losses are limited to the amount of any liability or damage that remains after deducting there from any insurance proceeds and any indemnity, contribution or other similar payment actually received by Indemnified Party in respect of any such indemnity claim, less any related costs and expenses,

including the aggregate cost of pursuing any related insurance claims and any related increases in insurance premiums or other charge-backs. Indemnified Party shall use its commercially reasonable efforts to seek to recover any insurance proceeds in connection with making a claim under this Section 2.3 (Payment Adjustments for Insurance Proceeds). Promptly after the realization of any insurance proceeds, indemnity, contribution or other similar payment, Indemnified Party shall reimburse Indemnifying Party for such reduction in Losses for which Indemnified Party was paid under Section 1. (Indemnification) before the realization of reduction of such Losses.

3 Indemnification Procedures

3.1 Notice of Third-party Claims

Indemnified Party shall give Indemnifying Party prompt written notice ("Claim Notice") of any Losses or discovery of facts on which Indemnified Party intends to base a request for indemnification under Section 1. (Indemnification). Indemnified Party's failure to provide a Claim Notice to Indemnifying Party under this Section 3.1 does not relieve Indemnifying Party of any liability that Indemnifying Party may have to Indemnified Party, but in no event shall Indemnifying Party be liable for any costs of Losses that result directly from a delay in providing a Claim Notice, which delay materially prejudices the defense of the related third-party claim. Each Claim Notice must contain a description of the third-party claim and the nature and amount of the related Losses (to the extent that the nature and amount of the Losses are known at the time). Indemnified Party shall furnish promptly to Indemnifying Party copies of all papers and official documents received in respect of any Losses.

3.2 Settlement of Indemnification Claims by Indemnifying Party

Indemnifying Party shall give prompt written notice to Indemnified Party of any proposed settlement of an Indemnified Claim. Indemnifying Party may not, without Indemnified Party's prior written consent, which Indemnified Party shall not unreasonably withhold, condition or delay, settle or compromise any claim or consent to the entry of any judgment regarding which indemnification is being sought hereunder unless such settlement, compromise or consent:

- (a) includes an unconditional release of Indemnified Party from all liability arising out of such claim;
- (b) does not contain any admission or statement suggesting any wrongdoing or liability on behalf of Indemnified Party; and
- (c) does not contain any equitable order, judgment or term (other than the fact of payment or the amount of such payment) that in any manner affects, restrains or interferes with the business of Indemnified Party;



WREGIS Indemnification Agreement for E-Tag Information

(d) or is otherwise mutually agreed upon by the Indemnified Party and Indemnifying Party.

3.3 Settlement of Indemnified Claims by Indemnified Party

Indemnified Party may not settle or compromise any claim or consent to the entry of any judgment regarding which it is seeking indemnification hereunder without the prior written consent of Indemnifying Party, which Indemnifying Party shall not unreasonably withhold, condition or delay, unless such settlement, compromise or consent:

- (a) includes an unconditional release of Indemnifying Party from all liability arising out of such claim;
- (b) does not contain any admission or statement suggesting any wrongdoing or liability on behalf of Indemnifying Party; and
- (c) does not contain any equitable order, judgment or term (other than the fact of payment or the amount of such payment) that in any manner affects, restrains or interferes with the business of Indemnifying Party;
- (d) or is otherwise mutually agreed upon by the Indemnified Party and Indemnifying Party.

By (Signature): _____

Name (Print): _____

Organization Name: _____

Organization ID: _____

Date: _____

