

DRAFT

WASHINGTON SERVICE TERRITORY

FORM OF  
CONTRIBUTION AND ASSUMPTION  
AGREEMENT

BETWEEN

PACIFICORP

AND

PACIFICORP, WASHINGTON, INC.

Dated as of \_\_\_\_\_, 2001



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## FORM OF CONTRIBUTION AND ASSUMPTION AGREEMENT

THIS CONTRIBUTION AND ASSUMPTION AGREEMENT (this “**Agreement**”) is dated as of \_\_\_\_\_, 2001, between PacifiCorp, an Oregon corporation (the “**Transferor**”), and PacifiCorp, Washington, Inc., an Oregon corporation (the “**Company**”).

### RECITALS

A. The Transferor owns and operates certain electricity distribution facilities and assets in the State of Washington (the “**Business**”).

B. The Transferor has organized the Company as a wholly owned subsidiary to own and operate the Business.

C. The Transferor desires to transfer to the Company, and the Company desires to receive and assume, substantially all of the assets and liabilities associated with the Business on the terms and conditions set forth in this Agreement.

D. The transfers contemplated herein are intended to be treated as tax-free transactions under Section 351 of the Internal Revenue Code of 1986, as amended (the “**Code**”), and by virtue of the anticipated distribution of the stock of the Company to the sole shareholder of the Transferor, Section 368(a)(1)(D) of the Code.

NOW, THEREFORE, in consideration of the respective representations, warranties, covenants, agreements, and conditions contained herein, and for other good and valuable consideration, the parties hereto agree as follows:

### ARTICLE I DEFINITIONS

Whenever used in this Agreement, unless there is something inconsistent in the subject matter or context, the following words and terms shall have the meaning set out below.

**1.01 “Accounts Payable”** means all amounts in connection with the Business due and owing to traders, suppliers and other Persons in the ordinary course of business as of the Effective Time.

**1.02 “Accounts Receivable”** means any and all accounts receivable, bills receivable, trade accounts, book debts, and insurance claims and any other amount due to the Transferor in connection with the Business, including any refunds and rebates



receivable in connection with the Business or the Assets, and the benefit of all security (including cash deposits), guarantees and other collateral held by the Transferor in connection with the Business, all as of the Effective Time.

**1.03 “Accrued Liabilities”** means any and all accrued liabilities of the Business incurred in ordinary course of business which are reflected on the financial statements relating to the Business attached as Schedule 1.03.

**1.04 “Affiliate”** means a Person that directly or indirectly, through one or more intermediaries, controls or is controlled by or is under common control with the other specified Person.

**1.05 “Assets”** means all of the Transferor’s right, title and interest in, to and under the assets and property (other than the Excluded Assets), owned or used or held by the Transferor for use in, or in respect of the operation of, the Business, including, without limitation, the following properties, assets and rights:

(a) Contracts - the Contracts, including, without limitation,

(i) Customer Contracts - all customer contracts relating to the operation of the Business, including, without limitation, those set forth on Schedule 1.05(a);

(ii) Equipment Contracts - all equipment leases, conditional sales contracts, title retention agreements, and other agreements binding upon the Transferor relating to equipment used by the Transferor exclusively in connection with the Business; and the full benefit of all service contracts relating to any equipment Contracts or any equipment or other assets covered by the equipment Contracts and all options, including, without limitation, options to purchase, under the equipment Contracts; and

(iii) Employee Contracts - all contracts relating to employees of the Transferor who are to become employees of the Company.

(b) Facilities - all of the Transferor’s right, title and interest in and to the buildings, structures, fixtures and improvements of whatsoever kind or nature located on the Real Property (the “**Facilities**”) comprising the facilities of the Business;

(c) Machinery and Equipment - the tangible personal property owned or used or held for use by the Transferor primarily in connection with the



Transferor's operation of the Business, including, without limitation, the items described on attached Schedule 1.05(c);

(d) Fixed Assets - the fixed assets, equipment, fixtures, furniture, and furnishings owned or used or held by the Transferor in connection with the Business and located on the Real Property;

(e) Goodwill of Business - the goodwill of the Business and information and documents relevant thereto, including, without limitation, lists of clients and suppliers, credit information, research materials, and the exclusive right of the Company to represent itself as carrying on the Business in succession to the Transferor;

(f) Inventory - all of the Transferor's inventories of materials and supplies (including office supplies) located at the Facilities, together with pre-paid items and deposits pertaining to the Facilities and to the operations thereon;

(g) Prepaid Expenses - all amounts prepaid in connection with the Business or the Assets, including, without limitation, taxes, business taxes and rents;

(h) Insurance - all insurance applicable to the Assets being conveyed hereunder and the Business conducted in connection therewith, including all rights of the Transferor with respect to any proceeds of insurance;

(i) Accounts Receivable - all Accounts Receivable and other amounts due, owing, or accruing to the Transferor in connection with the Business;

(j) Books and Records - all books, records, book of account, sales and purchase records, lists of clients and suppliers, client contracts, formulae, business reports, plans, and projections and all other documents, files, records, correspondence, and other data and information, financial or otherwise, relating to the Business or the Assets, including, without limitation, all data and information stored on computer-related media in digital or analog form;

(k) Government Authorizations - to the extent transferable, all authorizations, approvals, licenses, or permits issued to the Transferor in connection with the Business or any of the Assets by any governmental authorities, including, but not limited to, all state sales, excise, or other permits, licenses, or registrations issued to or held by the Transferor, whether in respect of the Business or otherwise;



- (l) Leases – [list of leases in State to be inserted]
- (m) Employees - all employees of the Transferor who are to become employees of the Company;
- (n) Regulatory Assets – all regulatory assets pertaining or properly allocated to the Business as set forth on Schedule 1.05(n); and
- (o) General - all other rights, properties and assets (other than any Excluded Assets) of the Transferor used or useful in the Business, of whatsoever nature or kind and wherever situated.

**1.06 “Assumed Environmental Obligations”** means all liabilities and obligations with respect to Environmental Claims relating to or otherwise involving the Contributed Assets.

**1.07 “Assumed Liabilities”** means (i) all Accounts Payable and Accrued Liabilities plus the liabilities and obligations of the Transferor relating to the Business accrued on, or accruing subsequent to, the Effective Time under the Contracts, (ii) liabilities relating to employee Contracts and Pension/Benefit Plans, (iii) [\$\_\_\_ million aggregate principal amount of debt secured by the Assets and owed to external lenders or the Transferor as more fully described on Schedule 1.07], and (iv) the Assumed Environmental Obligations, but shall not include the Excluded Liabilities.

**1.08 “Business”** shall have the meaning set forth in the Recitals to this Agreement.

**1.09 “Closing” and “Closing Date”** shall have the meanings set forth in Section 5.01.

**1.10 “Contracts”** means those contracts, licenses, leases, agreements, commitments, entitlements, and engagements of the Transferor relating to the Business or the Assets (other than relating to the Excluded Assets), and including all customer contracts, orders, or tenders for contracts which remain open for acceptance and any manufacturers’ or suppliers’ warranty, guarantee, or commitment (express or implied).

**1.11 “Contributed Assets”** shall have the meaning set forth in Section 2.01.

**1.12 “Effective Time”** shall have the meaning set forth in Section 5.01.

**1.13 “Environmental Claim”** means any notice, claim, act, cause of action or investigation by any person alleging potential liability (including potential liability





for investigatory costs, cleanup costs, governmental response costs, natural resources damages, property damages, personal injuries or penalties) arising out of, based on or resulting from (a) the presence, or release into the environment, of any Hazardous Materials or (b) any violation, or alleged violation, of any Environmental Laws.

**1.14 “Environmental Laws”** means all federal, state, local and foreign laws and regulations relating to pollution or the environment (including ambient air, surface water, ground water, land surface or subsurface strata) or the protection of human health and worker safety, including, without limitation, laws and regulations relating to emissions, discharges, releases or threatened releases of Hazardous Materials, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials.

**1.15 “ERISA”** means the Employee Retirement Income Security Act of 1974, as amended.

**1.16 “Excluded Assets”** means:

- a) all shares, notes, bonds, debentures, or other securities of or issued by corporations or other persons and all certificates or other evidences of ownership thereof owned or held by or for the account of the Transferor;
- (b) the corporate, financial, taxation, and other records of the Transferor not pertaining exclusively or primarily to the Business;
- (c) refundable Taxes;
- (d) any amounts paid in respect of the Pension/Benefit Plans;
- (e) all Contracts relating to the foregoing;
- (f) items listed on Schedule 1.16.

**1.17 “Excluded Liabilities”** means the items listed on Schedule 1.17.

**1.18 “Facilities”** shall have the meaning set forth in Section 1.05(b).

**1.19 “Governmental or Regulatory Authority”** means any court, tribunal, arbitrator, authority, agency, commission, official or other instrumentality of the United States, any foreign country or any domestic or foreign state, county, city or other political subdivision.



**1.20 “Hazardous Materials”** means chemicals, pollutants, contaminants, wastes, toxic substances, radioactive and biological materials, asbestos-containing materials (ACM), hazardous substances, petroleum and petroleum products or any fraction thereof, excluding, however, Hazardous Materials contained in products typically used for office and janitorial purposes properly and safely maintained in accordance with Environmental Laws.

**1.21 “PacifiCorp Mortgage”** means the Mortgage and Deed of Trust from PacifiCorp to The Chase Manhattan Bank (as Successor Trustee to Morgan Guaranty Trust Company of New York) dated January 9, 1989, as amended and supplemented.

**1.22 “Pension/Benefit Plans”** means all plans, arrangements, agreements, programs, policies or practices, whether oral or written, formal or informal, funded or unfunded, for the benefit of the Transferor’s employees in the Service Territory who are to become employees of the Company and to which the Transferor is a party or bound or under which the Transferor has any liability or contingent liability, relating to:

(a) Retirement savings or pensions, including, without limitation, any defined benefit pension plan, defined contribution pension plan, group registered retirement savings plan, or supplemental pension or retirement plan; or

(b) Any bonus, stock purchase, profit sharing, deferred compensation, incentive compensation, hospitalization, health, dental, disability, life insurance, unemployment insurance, vacation pay, severance pay, payroll practice, fringe benefits, vacation policy, or other benefit plan with respect to any of its employees or former employees, individuals working on contract with it, or other individuals providing services to it of a kind normally provided by employees (including, but not limited to, any employee benefit plan as defined in section 3(3) of ERISA).

**1.23 “Permitted Liens”** shall mean (a) those items set forth in Schedule 1.23; and (b) imperfections of title and/or encumbrances which, individually and in the aggregate, do not materially detract from the value or marketability of the Assets or interfere with their present or contemplated use by the Company.

**1.24 “Person”** means any individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, corporation, limited liability company, governmental authority, and a natural person in such person’s capacity as trustee, executor, administrator, or other legal representative.



1.25 “Real Property” means the real property described on attached Exhibit A.

1.26 “Service Territory” shall mean the Transferor’s service territory for the distribution of electricity to retail customers in the State of Washington.

1.27 “Taxes” includes, without limitation, all taxes, duties, fees, premiums, assessments, imposts, levies, and other charges of any kind whatsoever imposed by any Governmental or Regulatory Authority, together with all interest, penalties, fines, additions to tax, or other additional amounts imposed in respect thereof, including, without limitation, those levied on, or measured by, or referred to as income, gross receipts, profits, capital, transfer, ad valorem, land transfer, sales, goods and services, use, excise, stamp, withholding, business, franchising, real and personal property, payroll and employee withholding taxes, health, social services, education and social security taxes, workers compensation, all surtaxes, all customs duties and import and export taxes, environmental taxes, all license, franchise, and registration fees, and all unemployment insurance, and other obligations of the same or of a similar nature to any of the foregoing which the Transferor is required to pay, withhold, or collect.

## ARTICLE II CONTRIBUTION OF ASSETS AND ASSUMPTION OF LIABILITIES

**Section 2.01 Contribution.** As of the Effective Time, and on the terms and subject to the conditions herein stated, the Transferor shall assign, transfer, convey, and deliver to the Company, and the Company shall accept, all of the Assets (the “Contributed Assets”). The Transferor shall retain, and the Company shall not acquire, the Excluded Assets.

**Section 2.02 Assumption of Liabilities.** As of the Effective Time, and on the terms and subject to the conditions herein stated, the Company shall assume the Assumed Liabilities. [Debt owed to the Transferor shall be secured by the Assets pursuant to security documents reasonably satisfactory to the Transferor.]

**Section 2.03 Consideration.** As consideration for the transfer to the Company of the Contributed Assets and the assumption by the Company of the Assumed Liabilities, the Transferor shall receive 1,000 shares of Common Stock of the Company at the Effective Time.

## ARTICLE III REPRESENTATIONS AND WARRANTIES OF THE TRANSFEROR

The Transferor represents and warrants to the Company as follows:



**Section 3.01 Authority Relative to Agreement.** The Transferor has the corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. This Agreement has been duly and validly authorized and constitutes the valid and binding obligation of the Transferor enforceable in accordance with its terms, except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and except that the availability of the equitable remedies of specific performance and injunctive relief are subject to the discretion of the court before which any proceeding may be brought.

**Section 3.02 Title to the Assets.** Except as set forth in Schedule 3.02 and the Permitted Liens, the Transferor has good and marketable title to the Assets free and clear of all liens, mortgages, pledges, claims, charges, security interests or other encumbrances, including, without limitation, any leases, subleases, rights of way, licenses, easements, options to purchase, encumbrances, covenants, building or use restrictions, exceptions, variances, reservations or limitations.

**Section 3.03 Property Used.** All the property that is primarily dedicated to and necessary for the conduct of the Business, not including any generation assets or transmission assets of the Transferor inside or outside of the Service Territory, is included in the Assets, except as specifically provided herein, or in Schedule 3.03. None of the Assets is owned by a subsidiary or other affiliate of the Transferor.

**Section 3.04 Status.** The Transferor is not a "foreign person" as defined in Section 1445 of the Internal Revenue Code of 1986, as amended.

#### ARTICLE IV REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company hereby represents and warrants to Transferor as follows:

**Section 4.01 Authority Relative to Agreement.** The Company has the corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. This Agreement has been duly and validly authorized and constitutes the valid and binding obligation of the Company enforceable in accordance with its terms, except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and except that the availability of the equitable remedies of specific performance and injunctive relief are subject to the discretion of the court before which any proceeding may be brought.

**Section 4.02 Non-Contravention; Approvals.** The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby will not violate, conflict with or result in a breach of any provision of, or constitute a default under, or result in





the termination of any note, bond, mortgage, indenture, deed of trust, contract, lease or other instrument, obligation or agreement of any kind to which the Company is now a party or by which any of its assets may be bound or affected.

## ARTICLE V CLOSING AND EFFECTIVE TIME

**Section 5.01 Time and Place.** The closing of the transactions contemplated by this Agreement (the “**Closing**”) shall take place at 10:00 a.m. on \_\_\_\_\_ or on such other date as may be mutually agreed upon by the parties (the “**Closing Date**”). The transfer of the Assets shall be effective as of 11:59:59 p.m., Portland, Oregon Time, on the Closing Date (the “**Effective Time**”). The Closing shall be held at the offices of Stoel Rives LLP, 900 SW Fifth Avenue, Portland, Oregon, or at such other place as the parties may mutually agree.

**Section 5.02 Conditions Precedent to Transferor’s Obligations.** The obligation of the Transferor to effect the transfers and other transactions contemplated by this Agreement shall be subject to the satisfaction at or prior to the Closing of the following conditions, any of which may be waived exclusively by the Transferor:

- (a) **Representations, Warranties and Covenants of the Company.** All representations and warranties made in this Agreement by the Company shall be true and correct in all material respects as of the Closing Date as fully as though such representations and warranties had been made on and as of the Closing Date. As of the Closing Date, the Company shall have complied in all material respects with all covenants made by it in this Agreement.
- (b) **Necessary Regulatory Approvals.** All necessary approvals of Governmental or Regulatory Authorities shall have been obtained and be in effect at the Closing Date, all on terms acceptable to the Transferor, in its sole discretion.
- (c) **Power Sales Agreement.** The Transferor and the Company shall have executed a Power Sales Agreement in substantially the form attached as **Exhibit B.**
- (d) **Litigation.** At the Closing Date, there shall not be in effect any order, decree, or injunction of a court of competent jurisdiction restraining, enjoining, or prohibiting the consummation of the transactions contemplated by this Agreement (each party agreeing to use its reasonable best efforts, including appeals to higher courts, to have any such order, decree or injunction set aside or lifted), and no action shall have been taken, and no statute, rule, or regulation shall have been enacted, by any state or federal government or governmental agency in the United States which would prevent the consummation of such transactions.



(e) Third Party Consents. The Transferor shall have obtained (1) any required release of the Assets from the PacifiCorp Mortgage, and (2) the written consent of third parties, including government agencies, necessary for consummation of the transactions contemplated by this Agreement, other than (i) those which, if not obtained, would not, in the aggregate, have an adverse effect on the value of the Assets, and (ii) consent from railroads, the United States Forest Service and similar agencies that are routinely processed in the ordinary course.

(f) Pension/Benefit Plans. The Company shall have become a party to the Pension/Benefit Plans, all on terms acceptable to the Transferor, in its sole discretion.

(g) Union Agreement. The Company shall have assumed the obligations and liabilities of the Transferor under [list of union agreements to be inserted], all on terms acceptable to the Transferor, in its sole discretion.

**Section 5.03 Conditions Precedent to the Company's Obligations**. The obligation of the Company to effect the transfers and other transactions contemplated by this Agreement shall be subject to the satisfaction at or prior to the Closing of the following conditions, any of which may be waived exclusively by the Company:

(a) Representations, Warranties and Covenants of the Transferor. All representations and warranties made in this Agreement by the Transferor shall be true and correct in all material respects as of the Closing Date as fully as though such representations and warranties had been made on and as of the Closing Date. As of the Closing Date, the Transferor shall have complied in all material respects with all covenants made by it in this Agreement.

(b) Power Sales Agreement. The Transferor and the Company shall have executed a Power Sales Agreement in substantially the form attached as Exhibit B.

(c) Litigation. At the Closing Date, there shall not be in effect any order, decree, or injunction of a court of competent jurisdiction restraining, enjoining, or prohibiting the consummation of the transactions contemplated by this Agreement (each party agreeing to use its reasonable best efforts, including appeals to higher courts, to have any such order, decree or injunction set aside or lifted), and no action shall have been taken, and no statute, rule, or regulation shall have been enacted, by any state or federal government or governmental agency in the United States which would prevent the consummation of such transactions.

(d) Third Party Consents. The Transferor shall have obtained (1) any required release of the Assets from the PacifiCorp Mortgage, and (2) the written consent of third parties, including government agencies, necessary for consummation of



the transactions contemplated by this Agreement, other than (i) those which, if not obtained, would not, in the aggregate, have an adverse effect on the value of the Assets, and (ii) consent from railroads, the United States Forest Service and similar agencies that are routinely processed in the ordinary course.

## ARTICLE VI SURVIVAL; INDEMNITY

**Section 6.01 Survival of Representations, Warranties and Covenants.** All of the Company's representations, warranties and covenants shall survive the Closing and continue until 5:00 pm, Portland, Oregon time, on the date which is the second anniversary of the Closing Date, except that the environmental indemnities of the Company set forth in Section 6.03 shall survive the Closing and be continuing. All of the representations, warranties and covenants of the Transferor shall terminate at the Closing, except that the covenants of the Transferor set forth in Section 7.10 shall survive the Closing and be continuing.

**Section 6.02 Indemnification by Company.** The Company shall indemnify and hold harmless the Transferor and its successors and assigns from and against any claim, demand, obligation, liability, loss, cost, damage, or expense, including interest, penalties, and reasonable attorneys' fees, but specifically excluding consequential or indirect damages or lost profits, caused by or arising out of:

- (a) The liabilities assumed by the Company under Section 2.02 and liabilities arising after the Closing Date with respect to its ownership and operation of the Assets or the Business;
- (b) Any breach or default in the performance by the Company of any covenant or agreement of the Company contained in this Agreement;
- (c) Any breach of warranty or representation made by the Company herein or in any schedule or exhibit hereto, or in any certificate or other instrument delivered by or on behalf of the Company pursuant hereto; and
- (d) Any liability arising out of any and all actions, suits, proceedings, claims, demands, judgments, costs and expenses incident to any of the foregoing.

The Transferor and its successors and assigns shall promptly notify the Company in writing of any matter arising under the foregoing indemnification provision. The Company may contest and defend in good faith any claim of third parties covered by this Section 6.02, provided such contest is made without cost or prejudice to the Transferor, and provided that within 10 days of the Company's receipt of notice of such claim, the Company notifies the Transferor of its desire to defend and contest such claim.



If the Company does not notify the Transferor of its desire to contest the claim, the Company shall reimburse the Transferor on demand for any payment actually made by the Transferor at any time after the Closing Date with respect to any claim, demand, obligation, liability, loss, cost, damage or expense to which the foregoing indemnity relates.

**Section 6.03 Environmental Indemnification.** The Company will defend, indemnify and hold harmless the Transferor, including its former, present and future officers, directors, employees, agents, shareholders, contractors, subcontractors, licensees, invitees, attorneys, and all heirs, representatives, successors and assigns from and against any and all losses, claims, liabilities, suits, obligations, fines, damages, judgments, injuries, clean-up costs and costs of remediation, administrative orders, consent agreements and orders, penalties, actions, causes of action, charges, costs and expenses (including reasonable attorneys' fees and consultants' fees), but specifically excluding consequential or indirect damages and lost profits (collectively "Losses"), including but not limited to Losses arising out of loss of life, injury to persons, property or business, or damage to natural resources, whether based on strict liability, tort, contract, implied or express warranty, statute, regulation, common law, or otherwise, to the extent caused, directly or indirectly, by the Transferor's (or its predecessors' by merger) or the Company's actions or failure to act during their tenure of ownership of the Assets and relating to (i) the existence, use, handling, storage, transportation, manufacture, release or disposal prior to the Closing Date of any Hazardous Materials in, on or under the particular Asset, whether foreseeable or unforeseeable, regardless of the source, time of occurrence or discovery or (ii) any violation (or alleged violation) of Environmental Law prior to or after the Closing Date in connection with the use or operation of the Assets.

## ARTICLE VII MISCELLANEOUS

**Section 7.01 Notices.** All notices and other communications hereunder shall be in writing and shall be deemed given if delivered personally or by commercial delivery service, or mailed by registered or certified mail (return receipt requested) or sent via facsimile (with acknowledgment of complete transmission) to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

If to the Transferor, to:      PacifiCorp  
   Attention: President  
   825 NE Multnomah Street, Suite 2000  
   Portland, OR 97232  
   Telecopy Number: (503) 813-7277





If to the Company, to: PacifiCorp, Washington, Inc.  
Attention:  
[Address]  
Telecopy Number:

**Section 7.02 Interpretation.**

(a) Incorporation of Exhibits and Schedules. All Schedules and exhibits referenced in and attached hereto are by this reference incorporated into and made a part of this Agreement.

(b) Governing Law. THE PARTIES INTEND THAT THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF OREGON APPLICABLE TO CONTRACTS MADE AND WHOLLY PERFORMED WITHIN OREGON BY PERSONS DOMICILED IN OREGON AND EXCLUSIVE OF CHOICE OF LAW RULES.

**Section 7.03 Integration; Amendment.** This Agreement and the other documents contemplated hereby constitute the entire agreement of the parties relating to the subject matter hereof. There are no promises, terms, conditions, obligations, or warranties other than those contained in this Agreement or in such other agreements and documents. This Agreement may not be amended except in a writing executed by the parties.

**Section 7.04 Waiver.** No provision of this Agreement shall be deemed to have been waived unless such waiver is in writing signed by the waiving party. No failure by any party to insist upon the strict performance of any provision of this Agreement, or to exercise any right or remedy consequent upon a breach thereof, shall constitute a waiver of any such breach of such provision or of any other provision. No waiver of any provision of this Agreement shall be deemed a waiver of any other provision of this Agreement or a waiver of such provision with respect to any subsequent breach, unless expressly provided in writing.

**Section 7.05 Attorney Fees.** If any suit or action arising out of or related to this Agreement is brought by any party, the prevailing party or parties shall be entitled to recover the costs and fees (including attorney fees) incurred by such party or parties in such suit or action, including without limitation any post-trial or appellate proceeding.

**Section 7.06 Continuing Agreement; Binding Effect.** This Agreement is a continuing agreement and shall remain in full force and effect until all obligations of the parties hereunder have been fully performed or otherwise discharged, and shall bind and inure to the benefit of, and be enforceable by, the parties hereto and their respective successors, heirs, and permitted assigns.



**Section 7.07 Assignment.** No party may assign this Agreement, in whole or in part, without the consent of the other party.

**Section 7.08 No Third-Party Beneficiary Rights.** No Person not a party to this Agreement is an intended beneficiary of this Agreement, and no Person not a party to this Agreement shall have any right to enforce any term of this Agreement.

**Section 7.09 Counterparts.** This Agreement may be executed in any number of counterparts, all of which when taken together shall constitute one agreement binding on all parties, notwithstanding that all parties are not signatories to the same counterpart.

**Section 7.10 Further Assurances.** The Transferor agrees that, at any time on and after the Effective Time, the Transferor will, upon the request and at the expense of the Company but without further consideration to the Transferor, take all steps and execute all documents reasonably requested by the Company to place the Company in possession and operating control of the Business and the Contributed Assets.

IN WITNESS WHEREOF, the parties hereto have caused this Contribution and Assumption Agreement to be duly executed as of the date and year first written above.

**TRANSFEROR:** **PacifiCorp**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**THE COMPANY:** **PacifiCorp, Washington, Inc.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

