

**AMENDED AND RESTATED
OPERATING AGREEMENT
OF
PJM INTERCONNECTION, L.L.C.**

Withdrawal Related Provisions

4.1 Effective Date and Termination.

(a) The existence of the LLC commenced on March 31, 1997, as provided in the Certificate of Formation and Certificate of Conversion which were filed with the Recording Office on March 31, 1997. This Agreement shall amend and restate the Operating Agreement of PJM Interconnection, LLC as of the Effective Date.

(b) The LLC shall continue in existence until terminated in accordance with the terms of this Agreement. The withdrawal or termination of any Member is subject to the provisions of Section 18.18 of this Agreement.

(c) Any termination of this Agreement or withdrawal of any Member from the Agreement shall be filed with the FERC pursuant to Section 205 of the Federal Power Act and shall become effective only upon the FERC's approval, acceptance without suspension, or, if suspended, the expiration of the suspension period before the FERC has issued an order on the merits of the filing.

18.18.2 Withdrawal.

Subject to the requirements of Section 4.1(c) of this Agreement and Section 1.4.6 of the Schedule 1 to this Agreement, any Member may withdraw from this Agreement upon 90 days notice to the Office of the Interconnection.

1.4.6 Withdrawal.

(a) An Internal Market Buyer that is a Load Serving Entity may withdraw from this Agreement by giving written notice to the Office of the Interconnection specifying an effective date of withdrawal not earlier than the effective date of (i) its withdrawal from the Reliability Assurance Agreement, or (ii) the assumption of its obligations under the Reliability Assurance Agreement by an agent that is a Market Buyer.

(b) An External Market Buyer or an Internal Market Buyer that is not a Load Serving Entity may withdraw from this Agreement by giving written notice to the Office of the Interconnection specifying an effective date of withdrawal at least one day after the date of the notice.

(c) Withdrawal from this Agreement shall not relieve a Market Buyer of any obligation to pay for electric energy or related services purchased from the PJM Interchange Energy Market prior to such withdrawal, to pay its share of any fees and charges incurred or assessed by the Office of the Interconnection prior to the date of such withdrawal, or to fulfill any obligation to provide indemnification for the consequences of acts, omissions or events occurring prior to such withdrawal; and provided, further, that

withdrawal from this Agreement shall not relieve any Market Buyer of any obligations it may have under, or constitute withdrawal from, any other Related PJM Agreement.

(d) A Market Buyer that has withdrawn from this Agreement may reapply to become a Market Buyer in accordance with the provisions of this Section 1.4, provided it is not in default of any obligation incurred under this Agreement.

1.5 Market Sellers.

1.5.2 Withdrawal.

(a) A Market Seller may withdraw from this Agreement by giving written notice to the Office of the Interconnection specifying an effective date of withdrawal at least one day after the date of the notice; provided, however, that withdrawal shall not relieve a Market Seller of any obligation to deliver electric energy or related services to the PJM Interchange Energy Market pursuant to an offer made prior to such withdrawal, to pay its share of any fees and charges incurred or assessed by the Office of the Interconnection prior to the date of such withdrawal, or to fulfill any obligation to provide indemnification for the consequences of acts, omissions, or events occurring prior to such withdrawal; and provided, further, that withdrawal shall not relieve any entity that is a Market Seller and is also a Market Buyer of any obligations it may have as a Market Buyer under, or constitute withdrawal as a Market Buyer from, this Agreement or any other Related PJM Agreement.

(b) A Market Seller that has withdrawn from this Agreement may reapply to become a Market Seller at any time, provided it is not in default with respect to any obligation incurred under this Agreement.

CONSOLIDATED PJM TRANSMISSION OWNERS AGREEMENT RATE SCHEDULE FERC No. 42 Withdrawal Related Provisions

ARTICLE 3 – PARTICIPATION IN THIS AGREEMENT

3.1 Parties. It is the intent of the Parties and PJM that this Agreement serve as the sole Transmission Owners Agreement for all Transmission Facilities in PJM. Further, it is the agreement of the Parties and PJM that any entity that: (i) owns, or, in the case of leased facilities, has rights equivalent to ownership in, Transmission Facilities; (ii) has in place all equipment and facilities necessary for safe and reliable operation of such Transmission Facilities as part of the PJM Region; and (iii) has committed to transfer functional control of its Transmission Facilities to PJM shall become a Party to this Agreement. Any disputes regarding whether an entity has satisfied the requirements for becoming a Party in this Section 3.1 shall be resolved by PJM, subject to the dispute resolution procedures set out in the Operating Agreement. Prior to this Agreement becoming effective as to any such entity, each of the following events shall have occurred:

- i. The Operating Agreement is in full force and effect.
- ii. The Operating Agreement has been executed by the entity.
- iii. This Agreement has been executed by the entity.

iv. All required regulatory approvals have been obtained.

3.2 Withdrawal From This Agreement. Any Party may withdraw from this Agreement upon ninety (90) days advance written notice to PJM and the other Parties; provided that such withdrawal shall not be effective until the withdrawing Party has: (i) if its Transmission Facilities do not comprise an entire Control Area, satisfied all applicable standards of NERC and the Applicable Regional Reliability Council for operating a Control Area or being included within an existing Control Area; (ii) put in place alternative arrangements for satisfaction of the FERC's requirements with respect to comparable transmission services; and (iii) made a filing with the FERC under Section 205 of the Federal Power Act to withdraw from this Agreement, and such filing has been approved, accepted without suspension, or if suspended, the suspension period has expired before the FERC has issued an order on the merits of the filing. Notwithstanding the forgoing, a Zero Revenue Requirement Party may withdraw from this Agreement in the particular circumstance of permanent removal of its owned Transmission Facilities from service, provided that such Party has: (a) provided written notice to PJM and the parties to the Operating Agreement at least twelve months in advance of the intended date of retirement of its owned Transmission Facilities, and (b) complied with all reasonable requirements of PJM for restoration, to the maximum extent reasonably attainable, of the PJM Transmission System to the same configuration and operational capability that existed prior to such Party's installation of its owned Transmission Facilities.

3.3 Transfers or Assignments. A Party that transfers or assigns its ownership of, or its rights equivalent to ownership in, Transmission Facilities shall require the transferee or assignee to assume all rights and obligations under this Agreement and to become a Party to this Agreement.

3.4 Obligations After Withdrawal, Transfer, or Assignment. Any Party that withdraws from, transfers, or assigns this Agreement in accordance with Sections 3.2 or 3.3 hereof, shall remain liable for any and all obligations under this Agreement that such Party incurred, that were incurred on behalf such Party, or that arose hereunder prior to the date upon which such Party's withdrawal, transfer, or assignment became effective. Withdrawal from, transfer, or assignment of this Agreement shall not relieve such Party of any of its indemnification or liability obligations pursuant to Article 9 hereof for any events occurring prior to the time that its withdrawal from this Agreement became effective.

**AGREEMENT OF
TRANSMISSION FACILITIES OWNERS TO ORGANIZE
THE MIDWEST INDEPENDENT TRANSMISSION SYSTEM
OPERATOR, INC., A DELAWARE NON-STOCK CORPORATION**

ARTICLE 2, IX (Amendments), C.8. Withdrawal Rights. The withdrawal rights set forth in Articles Five and Seven of this Agreement shall not be changed except by unanimous vote by the Owners.

ARTICLE 2, X, Duration And Termination.

A. Period. Except with respect to Governmental Entities, as defined in Article Seven, Section C, this Agreement shall continue for a period of thirty (30) years from the earliest Effective Date for any signatory to this Agreement. Thereafter, it shall be renewed for successive five-year (5-year) terms unless, no later than two years prior to the end of any term, a majority of the Owners vote not to renew this Agreement. Notwithstanding any other provisions of this Agreement, the appendices thereto or the Transmission Tariff, as to Governmental Entities, who become signatories to this Agreement, the initial term of the Agreement shall begin as of the Effective Date applicable to the Governmental Entity, as provided in Article One, Section 1, through and including December 31 of the calendar year of execution. Thereafter, as to such Governmental Entities, this Agreement shall have a term of one (1) year and shall be automatically renewed for successive one (1) year terms; provided, however, that either the Midwest ISO or such Governmental Entity may cancel this Agreement at the end of each one (1) year term, including the initial term, without cause upon prior written notice to the other party at least thirty (30) days prior to the expiration of the then current term.

**ARTICLE 5
WITHDRAWAL OF MEMBERS**

I. Withdrawal Notice.

A Member who is not an Owner may, upon submission of a written notice of withdrawal to the Chief Executive Officer (or if the Board chooses not to elect the Chief Executive Officer, the President), withdraw from membership in the Midwest ISO at any time which withdrawal shall be effective thirty (30) days after the receipt of such notice by the Chief Executive Officer (or if the Board chooses not to elect the Chief Executive Officer, the President). A Member who is also an Owner may, upon submission of a written notice of withdrawal to the Chief Executive Officer (or if the Board chooses not to elect the Chief Executive Officer, the President), commence a process of withdrawal of its facilities from the Transmission System. Such withdrawal shall not be effective until December 31 of the calendar year following the calendar year in which notice is given, nor shall any such notice of withdrawal become effective any earlier than five (5) years following the date that the Owner signed this Agreement except as provided for in Article Five, Section IV and Article Seven of this Agreement. Notwithstanding this limitation on withdrawals during the first five years, in the event of a merger, consolidation, reorganization, sale, spin-off, or foreclosure, as a result of which

substantially all of an Owner's transmission facilities which are part of the Transmission System are acquired by another entity, that entity shall have the right to withdraw its facilities from the Midwest ISO upon providing one (1) year's notice to the Midwest ISO. Such withdrawal, however, may become effective only if FERC approves the withdrawal. If any withdrawal creates a situation where an Owner's or Owners' transmission system is not physically interconnected with the Transmission System, the Midwest ISO shall determine if such withdrawal affects the ability of such Owner(s) to continue as an Owner(s). With regard to these withdrawal rights, the Owner shall remain a Member with all rights and obligations of a Member who is an Owner until such time as the FERC approves the withdrawal, as appropriate. However, no further FERC approval of the withdrawal is required for withdrawals pursuant to Article Five, Section IV and Article Seven of this Agreement, or for withdrawals by an Owner who is not subject to the jurisdiction of the FERC at the time it executes this Agreement.

II. Effect Of Withdrawal By An Owner On Contractual Obligations.

In the event of withdrawal of an Owner pursuant to Section I of this Article Five:

A. Users Held Harmless. Users taking service which involves the withdrawing Owner and which involves transmission contracts executed before the Owner provided notice of its withdrawal shall continue to receive the same service for the remaining term of the contract at the same rates, terms, and conditions that would have been applicable if there were no withdrawal. The withdrawing Owner shall agree to continue providing service to such Users and shall receive no more in revenues for that service than if there had been no withdrawal by such Owner.

B. Existing Obligations. All financial obligations incurred and payments applicable to time periods prior to the effective date of such withdrawal shall be honored by the Midwest ISO and the withdrawing Owner.

C. Construction of Facilities. Obligations relating to the construction of new facilities pursuant to an approved plan of the Midwest ISO shall be renegotiated as between the Midwest ISO and the withdrawing Owner. If such obligations cannot be resolved through negotiations, they shall be resolved in accordance with Appendix D to this Agreement.

D. Other Obligations. Other obligations between the Midwest ISO and the withdrawing Owner shall be renegotiated as between the Midwest ISO and the withdrawing Owner.

III. Regulatory And Other Approvals Or Procedures.

Except as provided in Section IV of this Article Five, the withdrawal by an Owner of its facilities from the Midwest ISO shall be subject to applicable federal and state regulatory approvals or procedures as set forth in Article Five, Section I of this Agreement.

ARTICLE 7 REGULATORY, TAX, AND OTHER AUTHORITIES

A. Regulatory And Other Authorities. This Agreement and the participation of the signatories to this Agreement is subject to acceptance or approval by the FERC and may be subject to actions of respective state regulatory authorities to which respective signatories may be subject and to the actions of any other governmental body which may affect the ability of any signatory to participate in this Agreement. This paragraph describes the signatories' rights and obligations in the event required regulatory and other approvals or acceptances are not obtained.

1. In the event the FERC disapproves or refuses in whole or in part to accept this Agreement or the Transmission Tariff, then this Agreement shall cease to be effective except that the signatories shall be obligated to attempt expeditiously and in good faith to negotiate a substitute agreement and tariff which address the reasons for such FERC action. If despite such good faith negotiation, the signatories are unable to produce such a substitute agreement and tariff, then the signatories shall have no further obligations under this Agreement, the Transmission Tariff or any filing associated herewith.

2. In the event the FERC by order imposes conditions on approval of the Agreement or the Transmission Tariff which adversely affect any signatory in the sole judgement of that signatory, each such signatory may, no later than thirty (30) days after the date of such order and upon notice to all signatories, withdraw from this Agreement. In such event, the signatories shall in good faith, negotiate to determine whether changes should be made to this Agreement or the Transmission Tariff to address the reasons for such signatory's withdrawal.

3. In the event any state regulatory authority refuses to permit participation by a signatory or imposes conditions on such participation which adversely affect a signatory in the sole judgement of that signatory, such signatory or any other signatory that is, in its sole judgement, adversely affected by such regulatory action (whether or not the signatory is subject to that regulatory authority's jurisdiction) may, no later than thirty (30) days after the date of such action, or after any such signatory concludes reasonably that the state regulatory authority has refused to act, and upon notice to all signatories, withdraw from this Agreement. In such event, the signatories shall, negotiate in good faith to determine whether changes should be made to this Agreement or the Transmission Tariff to address the reasons for such signatory's withdrawal.

4. In the event any other governmental body takes an action (or fails to take a necessary action) which adversely affects a signatory, in the sole judgment of such signatory, such signatory, that is, in its sole judgement, adversely affected by such governmental action or any other signatory (whether or not the signatory is subject to that regulatory authority's jurisdiction) may, no later than thirty (30) days after the date of such action, or after any such signatory concludes reasonably that the governmental body has refused to act, and upon notice to all signatories, withdraw from this Agreement without any additional FERC authorization. In such event, the signatories hereto shall, in good faith, negotiate to determine whether changes should be made to this Agreement or the

Transmission Tariff to address the reasons for such signatory's withdrawal.

B. Tax Authorities. If the Internal Revenue Service or any other federal or state taxing authority issues, or fails to issue, any ruling, or imposes any requirement or obligation, in connection with this Agreement or the Midwest ISO, adverse to any signatory (in the sole judgment of such signatory), then, within thirty (30) days of the date of such final action, or after the signatory concludes reasonably that the governmental body has refused to act, and upon notice to all signatories, such signatory may withdraw from this Agreement without any additional FERC authorization. In such event, the signatories shall, in good faith, negotiate to determine whether changes should be made to this Agreement to address the reasons for such signatory's withdrawal.

C. Effectiveness As To Certain Owners. The effectiveness of this Agreement as to an Owner which is a political subdivision of a state (hereinafter "Governmental Entity") and which has outstanding tax-exempt bonds issued to finance, in whole or in part, transmission or distribution facilities is dependent upon satisfaction or written waiver of the following conditions:

1. Receipt of an unqualified opinion of a nationally recognized bond counsel to the effect that the provisions of this Agreement do not adversely affect the exclusion from gross income of interest on any such outstanding bonds issued to finance transmission and distribution facilities under the Internal Revenue Code of 1986, as amended;
2. Receipt of an unqualified opinion of a nationally recognized bond counsel and general counsel to such Governmental Entity to the effect that the provisions of this Agreement do not constitute a breach or impairment of, or a default under, any agreement to which such Governmental Entity is a party, including, but not limited to, its master bond resolution, as amended, and any power sales contracts with its municipal members (if any), as amended, or other agreements;
3. Receipt of a certificate of the Trustee for any such outstanding bonds issued for transmission and distribution facilities to the effect that the Governmental Entity's entry into this Agreement is permitted under the master bond resolution, as amended; and
4. Receipt of an opinion of a nationally recognized bond counsel and general counsel to the Governmental Entity that such Governmental Entity has full constitutional and statutory authority to enter into this Agreement. In the event that any of the foregoing conditions are not satisfied or waived by a Governmental Entity, then the adversely affected Governmental Entity shall promptly give notice of its objections or conditions which have not been satisfied to the other signatories, and the signatories shall expeditiously attempt in good faith to negotiate a substitute agreement.

D. Regulatory Approvals of Withdrawals. No signatory shall withdraw from this Agreement pursuant to the provision of this Article Seven, unless such signatory shall have filed a notice of withdrawal with the FERC and FERC has approved or accepted such notice or has otherwise allowed the notice to become effective.

New England Transmission Operation Agreement

ARTICLE X

TERM; DEFAULT AND TERMINATION

10.01 Term; Termination Date

(a) Term and Operations Date.

(i) Term. Subject to the terms set forth in this Section 10.01, the initial term of this Agreement (the "Initial Term") shall commence on the Operations Date and shall continue for a period of five years. Subject to the terms set forth in this Section 10.01, the Initial Term shall be extended automatically for additional two-year periods (each, an "Additional Term"). Any one or more PTOs may withdraw from this Agreement effective at the end of the Initial Term or the end of any Additional Term by providing no less than 180 days' prior notice of such withdrawal to the other Parties. Together, the Initial Term and the Additional Term(s), if any, shall constitute the term (the "Term") of this Agreement.

(ii) Operations Date. The "Operations Date" shall be the date on which the ISO and the Initial Participating Transmission Owners unanimously agree to place this Agreement, the ISO OATT, and related agreements and documents into effect. The ISO and the Initial Participating Transmission Owners shall jointly issue a written notice (the "Notice of Operations Date") at least thirty (30) calendar days in advance of the Operations Date. The Notice of Operations Date shall be posted on the ISO website and filed with FERC on an informational basis.

(b) PTO Withdrawal During The Term. Subject to Section 10.01(e), any one or more PTOs may withdraw from this Agreement at any time during the Term if any of the following shall have occurred:

(i) upon an ISO event of default in accordance with Section 10.03(a), provided that the PTOs shall exercise this right in accordance with Section 10.03(b)(i).

(ii) if a Final Order of FERC, a Final Order of a Federal court or a Federal law sets forth a change in policy stating that: (A) the federal government no longer encourages the participation of transmission owners in RTOs and such Final Order or law affirmatively states that transmission owners participating in an RTO may withdraw therefrom, or (B) that the recovery of costs for existing Transmission Facilities will be subject to any change in policy which would prevent a PTO from recovering the costs of existing Transmission Facilities on a regulated cost-of-service basis; provided that withdrawal pursuant to (A) or (B) of this provision shall require notice to the other Parties not less than 180 days prior to the Termination Date established pursuant to Section 10.01(e).

(iii) FERC issues an order putting into effect changes to the relative rights and responsibilities of the PTOs and the ISO under this Agreement, including changing the scope and definition of Operating Authority, so as to materially adversely affect the interests of one or more PTOs, unless the PTOs have agreed to such changes in accordance with Section 11.04; provided that: (A) only the PTO(s) affected by such FERC order shall have the right to withdraw pursuant to this provision; (B) withdrawal pursuant to this provision shall require

notice to the other Parties not less than 180 days prior to the Termination Date established pursuant to Section 10.01(e); and (C) a PTO providing a notice of withdrawal pursuant to this provision shall be required to rescind such notice if FERC issues a subsequent order prior to the Termination Date so as to eliminate the changes to the relative rights and responsibilities of the PTOs and the ISO under this Agreement.

(iv) the withdrawing PTO has entered into an agreement to form an ITC in accordance with Attachment M to the ISO OATT which has been accepted for filing by the FERC, provided that withdrawal pursuant to this provision shall be effective concurrent with the effective date of such agreement.

(v) the withdrawing PTO has obtained authorization from the FERC to join another RTO or other similar organization (such as an Independent System Operator) in connection with a merger with or acquisition by another entity other than another PTO.

(c) Remaining PTOs. In the event that one or more, but less than all, PTOs withdraw from this Agreement in accordance with Section 10.01(a) or (b), this Agreement shall remain in full force and effect with respect to all other PTOs; provided that in the event of a withdrawal under Section 10.01(a), the remaining PTOs shall have a period of twenty days from the date of the notice provided in accordance with Section 10.01(a) to notify the other Parties that it intends to withdraw from this Agreement at the end of the Initial Term or any Additional Term, as applicable. The "Termination Date" shall mean the date of termination established in accordance with Section 10.01(e)

(d) Termination By the ISO. The ISO may terminate its obligations under this Agreement and surrender its Operating Authority over the Transmission Facilities if any of the following shall have occurred:

(i) the withdrawal of one or more PTOs from this Agreement and as a result of such withdrawal the ISO cannot maintain system reliability or administer efficient and competitive markets.

(ii) FERC issues an order putting into effect material changes in the liability and indemnification protections afforded to the ISO under this Agreement or the ISO OATT, provided that: (A) withdrawal pursuant to this provision shall require notice to the other Parties not less than 180 days prior to the Termination Date established pursuant to Section 10.01(e); and (B) the ISO shall be required to rescind such notice if FERC issues a subsequent order prior to the Termination Date so as to eliminate the material changes to such liability and indemnification protections.

(iii) FERC issues an order putting into effect an amendment or modification of this Agreement that materially adversely affects the ISO's ability to carry out its responsibilities under this Agreement, unless the ISO has agreed to such changes in accordance with Section 11.04, provided that: (A) withdrawal pursuant to this provision shall require notice to the other Parties not less than 180 days prior to the Termination Date established pursuant to Section 10.01(e); and (B) the ISO shall be required to rescind such notice if FERC issues a subsequent order prior to the Termination Date so as to eliminate the material

adverse effect to the ISO's ability to carry out its responsibilities under this Agreement.

(iv) upon a PTO event of default in accordance with Section 10.04(a), provided that the ISO shall exercise this right in accordance with Section 10.04(b)(i).

(e) Actions Prior To Withdrawal or Termination. Upon submission of a written notice of termination or withdrawal by a Party or Parties, the Party or Parties submitting such notice shall commence the development of a plan under which Operating Authority shall be transferred from the ISO to another entity. The Termination Date with respect to any PTO or the ISO shall not occur until both: (a) the ISO and all affected PTOs have agreed upon a plan addressing the technical, operational and market issues associated with the transfer of Operating Authority in connection with such termination or withdrawal and such plan has been implemented, provided that: (i) if the Parties are unable to reach agreement on such plan, any affected Party shall have the right to submit the matter to FERC for resolution without additional negotiation under Section 11.14; (ii) with respect to a withdrawal pursuant to Section 10.01(a), no PTO shall be required to remain a Party to this Agreement for longer than one year after providing notice of withdrawal; and (iii) in the event of a default by the ISO, the affected PTOs may require that the ISO immediately make arrangements for the orderly transfer of the ISO's invoicing and collection functions with respect to such PTOs prior to the Termination Date in accordance with Section 10.03(b); and (b) all required regulatory approvals, if any, have been obtained for such withdrawal or termination, including any approvals required pursuant to Section 10.01(f).

(f) Approvals. Notwithstanding any other provision contained herein or in any other document to the contrary, any termination or withdrawal requested under this Section 10.01 shall be effective: (1) unless a party to this Agreement seeking to challenge the request demonstrates that the requested termination or withdrawal is contrary to the public interest under the Mobile-Sierra Doctrine and (ii) subject to the FERC's determination under Section 205 of the Federal Power Act that the termination or withdrawal is just, reasonable and not unduly discriminatory or preferential. Each PTO exercising its right to withdraw or terminate in accordance with this Section 10.01 shall file with the FERC, pursuant to Section 205 of the FPA, the tariffs and rate schedules applicable to transmission service over such PTO's Transmission Facilities to become effective upon such termination or withdrawal.

(g) Continuing Obligations. Each withdrawing or terminating Party shall have the following continuing obligations following withdrawal from this Agreement

(i) All financial obligations incurred and payments applicable to the time period prior to the Termination Date shall be honored by the terminating or withdrawing Party and each other Party in accordance with the terms of this Agreement, and each Party shall remain liable for all obligations arising hereunder prior to the Termination Date.

(ii) Any withdrawing PTO that is not a Publicly-Owned PTO shall file a replacement transmission tariff to replace the ISO OATT, unless FERC rules no longer require the filing of such a tariff. Any withdrawing Publicly-Owned PTO

shall adopt the Order No. 888 pro forma tariff.

10.02 Release of Operating Authority.

(a) Upon the Termination Date, the ISO's right and obligation to exercise Operating Authority over the Transmission Facilities of a PTO with whom this Agreement has terminated shall promptly cease, and, in accordance with Section 10.01, the ISO shall be deemed to have released and returned, and such PTO (or its designee) shall have assumed, Operating Authority over such Transmission Facilities on the Termination Date.

(b) After the Termination Date, the ISO shall take Commercially Reasonable Efforts to assist the terminating PTO or such PTO's designee in resuming performance of the functions comprising Operating Authority.

(c) The expenses associated with any termination under Section 10.01 shall be at the PTO's expense unless (1) the termination is by the ISO pursuant to Section 10.01(d)(ii) or (iii), or (2) pursuant to Section 10.03 in the event of an ISO default.