

Agreement for Sponsorship Opportunities

The District of Columbia and Pepco Holdings, Inc. ("Pepco Holdings") are entering into this Agreement for Sponsorship Opportunities effective as of September 18, 2015 ("Agreement").

A. Sponsorship Opportunities

1. Existing Purchase and Sale Agreement. Potomac Electric Power Company ("Pepco") and the District of Columbia are parties to a Purchase and Sale Agreement dated July 2, 2015. Under the Purchase and Sale Agreement, Pepco has agreed to sell and the District of Columbia has agreed to buy property in the Buzzard Point area which will be used to build a major league soccer stadium.

2. Sponsorship of Pepco Place.
 - (a) Pepco Holdings has the objective to promote economic development and its brand in the District of Columbia. To promote that objective, it has previously caused Pepco to enter into the Buzzard Point Purchase and Sale Agreement which will increase the value of the remaining property of Pepco Holdings and Pepco owned in the Buzzard Point neighborhood, and Pepco Holdings wishes to facilitate the completion of that transaction and the development of the neighborhood including through the construction of the soccer stadium. In addition, Pepco Holdings seeks the opportunity to promote its brand and to contribute to the community through the sponsorship of one or more projects to be developed in the District of Columbia.
 - (b) In furtherance of their mutual interests, Pepco Holdings and the District of Columbia will negotiate in good faith to agree on terms and conditions for Pepco's sponsorship of "Pepco Place" (or other agreed upon suitable name) and related improvements at a location within the District of Columbia, which may include one or more of the following to achieve value reflecting the consideration being paid: (i) re-designation of Half Street SW from Potomac Ave. SW to V St. SW as "Pepco Place," and placement of appropriate signage on the perimeter of Pepco's property, (ii) installation of "Pepco Park" at the ellipse at the foot of the South Capitol Street Bridge, (iii) installation of "Pepco Park" in connection with development proximate to the Wizards/Mystics facility in the St. Elizabeth's neighborhood, and (iv) any other mutually agreeable venue(s) in the District of Columbia.
 - (c) The parties' obligation to move forward with one or more specific opportunities will be dependent on (i) mutual agreement on acceptable terms, including design,

use, and marketing plans that highlight energy-related products and services provided by Pepco Holdings and its affiliates (including, for example, smart grid, energy efficiency and renewable energy), and (ii) receipt of necessary Federal Highway or Council or other governmental approvals and third party approvals (which the parties commit to pursue in good faith).

(d) In consideration for the District agreeing to the terms set forth herein, Pepco shall pay the District an amount equal to \$25 million within one business day of execution of this Agreement by both parties. This payment shall be treated as income from real property or other assets formerly under the authority of the Anacostia Waterfront Corporation ("AWC"), or any of its subsidiaries.

B. Miscellaneous

1. Binding Agreement. This Agreement shall be binding on Pepco Holdings and the District of Columbia, and their respective successors and assigns, and may be transferred in whole or in part with the reasonable consent of the other party. This Agreement may not be amended except by written agreement of both parties.
2. Subsequent Negotiations. The parties agree to work together diligently to develop the sponsorship opportunities described above and to negotiate in good faith the definitive terms of one or more agreements to effectuate the terms hereof.

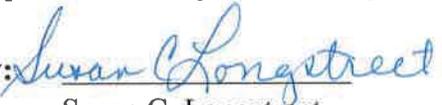
PEPCO HOLDINGS, INC.

DISTRICT OF COLUMBIA, acting by
and through the Office of the Deputy Mayor
for Planning and Economic Development

By: 
 Name: David M. Velazquez
 Title: Executive Vice President
 Date: September 18, 2015

By: 
 Name: Brian Kenner
 Title: Deputy Mayor
 Date: 09/18/15

Approved as to legal sufficiency:

By: 
 Susan C. Longstreet
 General Counsel
 Office of the Deputy Mayor
 for Planning and Economic
 Development