# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**Washington, D.C. 20549**

# FORM 8-K

**CURRENT REPORT**
**Pursuant to Section 13 or 15(d)**
**of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): August 11, 2020**

# Essential Utilities, Inc.
**(Exact name of registrant as specified in its charter)**

| **Pennsylvania** | **001-06659** | **23-1702594** |
|---|---|---|
| **(State or other jurisdiction of incorporation)** | **(Commission File Number)** | **(I.R.S. Employer Identification No.)** |

**762 West Lancaster Avenue**
**Bryn Mawr, Pennsylvania** **19010-3489**
**(Address of principal executive offices)** **(Zip Code)**

**Registrant's telephone number, including area code: (610) 527-8000**

**Not Applicable**
**(Former name or former address, if changed since last report)**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|
| **Common stock, $.50 par value** | **WTRG** | **New York Stock Exchange** |
| **6.00% Tangible Equity Units** | **WTRU** | **New York Stock Exchange** |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

**Item 1.01. Entry into a Material Definitive Agreement.**

*Forward Sale Agreement*

On August 11, 2020, Essential Utilities, Inc., a Pennsylvania corporation ("Essential"), entered into a forward sale agreement (the "Forward Sale Agreement") with Royal Bank of Canada (acting through its agent, RBC Capital Markets, LLC), in its capacity as forward purchaser (the "Forward Purchaser"), relating to 6,700,000 shares of Essential's common stock, par value $0.50 per share. In connection with the Forward Sale Agreement, Essential entered into an Underwriting Agreement (the "Underwriting Agreement") with the Forward Purchaser, Royal Bank of Canada (acting through its agent, RBC Capital Markets, LLC), acting in its capacity as Forward Seller (the "Forward Seller"), and RBC Capital Markets, LLC, as the underwriter (the "Underwriter"), pursuant to which the Forward Seller sold to the Underwriter an aggregate of 6,700,000 shares of Essential common stock. As contemplated by the Forward Sale Agreement, the Forward Seller borrowed from third parties all such shares of common stock.

The Forward Sale Agreement provides for settlement on a settlement date or dates to be specified at Essential's discretion on or prior to August 10, 2021. On a settlement date or dates, if Essential decides to physically settle the Forward Sale Agreement, it will issue shares of common stock to the Forward Purchaser at the then-applicable forward sale price. The forward sale price will initially be $46.00 per share. The Forward Sale Agreement provides that the initial forward sale price will be subject to adjustment on a daily basis based on a floating interest rate factor equal to the overnight bank funding rate less a spread, and will be decreased by an amount per share specified in the Forward Sale Agreement on each of certain dates specified in the Forward Sale Agreement. If the overnight bank funding rate is less than the spread on any day, the interest rate factor will result in a daily reduction of the forward sale price.

Except under limited circumstances described below, Essential has the right to elect physical settlement, net share settlement or cash settlement under the Forward Sale Agreement for all or a portion of its obligations under the Forward Sale Agreement. If Essential decides to physically settle or net share settle the Forward Sale Agreement, delivery of shares of common stock by Essential to the Forward Purchaser upon any physical settlement or net share settlement of the Forward Sale Agreement will result in dilution to Essential's earnings per share. If Essential elects cash or net share settlement for all or a portion of the shares of common stock underlying the Forward Sale Agreement, Essential would expect the Forward Purchaser or one of its affiliates to repurchase a number of shares of common stock equal to the portion for which Essential elects cash or net share settlement in order to satisfy its obligation to return the shares of common stock the Forward Purchaser or its affiliate had borrowed in connection with sales of common stock and, if applicable in connection with net share settlement, to deliver shares of common stock to Essential. If the market value of common stock at the time of such purchase is above the forward sale price at that time, Essential will pay or deliver, as the case may be, to the Forward Purchaser under the Forward Sale Agreement, an amount in cash, or a number of shares of common stock with a market value, equal to such difference. Conversely, if the market value of common stock at the time of such purchase is below the forward sale price at that time, the Forward Purchaser will pay or deliver, as the case may be, to Essential under the Forward Sale Agreement, an amount in cash, or a number of shares of common stock with a market value, equal to such difference.

In certain circumstances, the Forward Purchaser will have the right to accelerate the Forward Sale Agreement (or, in certain cases, the portion thereof that it determines is affected by the relevant event) and require Essential to physically settle the Forward Sale Agreement on a date specified by the Forward Purchaser. These circumstances include:

- in the commercially reasonable judgment of the Forward Purchaser, it or its affiliate is unable to hedge its exposure to the transactions contemplated by the Forward Sale Agreement because of the lack of sufficient shares of Essential's common stock being made available for borrowing by stock lenders or it or its affiliate is unable to borrow such number of shares at a rate equal to or less than an agreed maximum stock loan rate;
- Essential declares any dividend, issue or distribution on shares of common stock (i) payable in cash in excess of a specified amount or that otherwise constitutes an extraordinary dividend under the Forward Sale Agreement, (ii) payable in securities of another company as a

result of a spin-off or similar transaction, (iii) of any other type of securities (other than Essential's common stock), rights, warrants or other assets for payment (cash or other consideration) at less than the prevailing market price, as reasonably determined by the Forward Purchaser or (iv) any other special dividend or distribution that is outside the normal course of Essential's operations of normal dividend policies or practices;

- certain ownership thresholds applicable to the Forward Purchaser are exceeded;
- an event is announced that, if consummated, would result in an extraordinary event (as defined in the Forward Sale Agreement) including, among other things, certain mergers and tender offers, as well as certain events such as a delisting of Essential's common stock (each as more fully described in the Forward Sale Agreement); or
- certain other events of default or termination events occur, including, among other things, any material misrepresentation made by Essential in connection with its entry into the Forward Sale Agreement, its bankruptcy or certain changes in law (each as more fully described in the Forward Sale Agreement).

The foregoing description of the Forward Sale Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Forward Sale Agreement, which is filed as Exhibit 1.1 hereto incorporated by reference herein.

*Underwriting Agreement*

On August 11, 2020, Essential entered into the Underwriting Agreement with the Underwriter, the Forward Purchaser and the Forward Seller, relating to the registered public offering and sale of 6,700,000 shares of common stock on a forward basis (the "Offering").

Prior to the closing of the Offering, the Forward Seller borrowed 6,700,000 shares of common stock from third parties and, at the closing of the Offering, on August 13, 2020, sold such shares to the Underwriter. Essential did not receive any proceeds from the sale of common stock by the Forward Seller to the Underwriter.

The description of the Underwriting Agreement set forth above does not purport to be complete and is qualified in its entirety by reference to the terms and conditions of the Underwriting Agreement, which is filed as Exhibit 1.2 hereto and incorporated by reference herein.

All of the shares of common stock offered and sold in the Offering were registered pursuant to Essential's registration statement (the "Registration Statement") previously filed with the Securities and Exchange Commission on Form S-3 (File No. 333-223306).

This Current Report on Form 8-K is being filed to file certain documents in connection with the Offering as exhibits to the Registration Statement.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

| Exhibit | Description |
|---|---|
| Exhibit 1.1 | Registered Forward Confirmation, dated August 11, 2020, between Essential Utilities, Inc. and Royal Bank of Canada (acting through its agent, RBC Capital Markets, LLC). |
| Exhibit 1.2 | Underwriting Agreement, dated August 11, 2020, among Essential Utilities, Inc., Royal Bank of Canada (acting through its agent, RBC Capital Markets, LLC), in its capacity as Forward Purchaser and Forward Seller and RBC Capital Markets, LLC, as the Underwriter named therein. |
| Exhibit 5.1 | Opinion of Ballard Spahr LLP relating to the Common Stock. |
| Exhibit 23.1 | Consent (included as part of Exhibit 5.1). |
| 104 | Cover Page Interactive Data File (formatted in inline XBRL) |

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 13, 2020

**Essential Utilities, Inc.**

By: /s/ Christopher P. Luning
Christopher P. Luning
Executive Vice President, General Counsel and Secretary

**Exhibit 1.1**

EXECUTION VERSION

**REGISTERED FORWARD CONFIRMATION**

To: **Essential Utilities, Inc.**
762 W. Lancaster Avenue
Bryn Mawr, Pennsylvania 19010

From: **RBC Capital Markets, LLC**
as Agent for Royal Bank of Canada
Brookfield Place
200 Vesey Street
New York, NY 10281-1021
Telephone: (212) 858-7000

Date: August 11, 2020

Ladies and Gentlemen:

The purpose of this letter agreement is to set forth certain terms and conditions of the Transaction entered into between Royal Bank of Canada ("***Dealer***") and Essential Utilities, Inc. ("***Company***") on the Trade Date specified below (the "***Transaction***"). This letter agreement shall be a "***Confirmation***" for purposes of the Agreement specified below and a confirmation for purposes of Rule 10b-10 promulgated under the Securities Exchange Act of 1934, as amended (the "***Exchange Act***").

1. This Confirmation shall evidence a complete and binding agreement between Dealer and Company as to the terms of the Transaction to which it relates and replaces any previous agreement between the parties with respect to the subject matter hereof. This Confirmation is subject to, and incorporates, the 2002 ISDA Equity Derivatives Definitions (the "***Equity Definitions***") as published by the International Swaps and Derivatives Association, Inc. ("***ISDA***"). For purposes of the Equity Definitions, the Transaction will be deemed to be a Share Forward Transaction. This Confirmation shall supplement, form a part of and be subject to an agreement (the "***Agreement***") in the form of the 2002 ISDA Master Agreement (the "***ISDA Form***"), as published by ISDA, as if Dealer and Company had executed the ISDA Form on the date hereof (but without any Schedule except for (a) the election of New York law (without regard to New York's choice of laws doctrine other than Title 14 of Article 5 of the New York General Obligations Law) as the governing law and US Dollars ("***USD***") as the Termination Currency, (b) the election that the "Cross Default" provisions of Section 5(a)(vi) of the Agreement shall apply to Company and Dealer as if (1) the "Threshold Amount" with respect to Company were USD 100,000,000 and the "Threshold Amount" with respect to Dealer were 3% of shareholders' equity of Dealer as of the date hereof, (2) the phrase "or becoming capable at such time of being declared" were deleted from clause (1) of such Section 5(a)(vi) of the Agreement, (3) the following sentence shall be added to the end thereof: "Notwithstanding the foregoing, a default under subsection (2) hereof shall not constitute an Event of Default if (i) the default was caused solely by error or omission of an administrative or operational nature; (ii) funds were available to enable the party to make the payment when due; and (iii) the payment is made within three Local Business Days of such party's receipt of written notice of its failure to pay." and (4) the term "Specified Indebtedness" shall have the meaning specified in Section 14 of the Agreement, except that such term shall not include obligations in respect of deposits received in the ordinary course of a party's banking business; and (c) the elections set forth in Section 10 of this Confirmation).

The Transaction evidenced by this Confirmation shall be the sole Transaction under the Agreement. If there exists any ISDA Master Agreement between Dealer or any of its Affiliates (each, a "***Dealer Affiliate***"), and Company or any confirmation or other agreement between a Dealer Affiliate and Company pursuant to which an ISDA Master Agreement is deemed to exist between such Dealer Affiliate and Company, then notwithstanding anything to the contrary in such ISDA Master Agreement, such confirmation or agreement or any other agreement to which Dealer Affiliate and Company are parties, the Transaction shall not be considered a Transaction under, or otherwise governed by, such existing or deemed ISDA Master Agreement. Notwithstanding anything to the contrary in any other agreement between the parties or their Affiliates, the Transaction shall not be a "Specified Transaction" (or similarly treated) under any other agreement between the parties or their Affiliates.

If, in relation to this Transaction, there is any inconsistency between the Agreement, this letter agreement and the Equity Definitions, the following will prevail for purposes of such Transaction in the order of precedence indicated: (a) this letter agreement; (b) the Equity Definitions; and (c) the Agreement.

2. Set forth below are the terms and conditions that shall govern the Transaction.

**General Terms:**

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| Trade Date: | August 11 2020. |
| Effective Date: | August 11, 2020. |
| Buyer: | Dealer. |
| Seller: | Company. |
| Final Date: | August 10, 2021, or if such day is not a Scheduled Trading Day, the next following Scheduled Trading Day. |
| Shares: | The shares of common stock, par value $0.50 per share, of Company (Ticker: “WTRG”). |
| Number of Shares: | Until the first Settlement Date, the Initial Number of Shares, and thereafter as reduced on each Settlement Date by the number of Settlement Shares settled on such date (in the case of Physical Settlement) or the number of Settlement Shares for the applicable Settlement (in the case of Cash Settlement or Net Share Settlement). |
| Initial Number of Shares: | 6,700,000 Shares.<br><br>Notwithstanding the foregoing or any other provision of this Confirmation, if in connection with establishing its commercially reasonable hedge position, on or prior to the scheduled Time of Delivery (as defined in the Underwriting Agreement) (x) Dealer determines in good faith, after using commercially reasonable efforts, that, the Dealer (or its affiliate) is unable to borrow and deliver for sale under the Underwriting Agreement the Initial Number of Shares, or (y) Dealer determines in good faith, after using commercially reasonable efforts, that Dealer (or its affiliate) would incur a stock loan cost of more than a rate equal to 200 basis points per annum to borrow and deliver for sale under the Underwriting Agreement the Initial Number of Shares, the effectiveness of this Confirmation and the Transaction shall be limited to the number of Shares Dealer or its affiliate is so able to borrow in connection with establishing its commercially reasonable hedge position at a cost of not more than 200 basis points per annum (such number of Shares, the “Reduced Number of Shares”), which, for the avoidance of doubt, may be zero, and such Reduced Number of Shares shall for all purposes be the Initial Number of Shares. |

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| Forward Price: | (a) On the Effective Date, the Initial Forward Price and (b) on any day thereafter, the product of (i) the Forward Price on the immediately preceding calendar day and (ii) 1 + the Daily Rate * (1/365); *provided* that the Forward Price on each Forward Price Reduction Date shall be the Forward Price as determined in accordance with the foregoing for such date *minus* the Forward Price Reduction Amount for such Forward Price Reduction Date;<br><br>Notwithstanding the foregoing, to the extent Company delivers Shares hereunder on or after a Forward Price Reduction Date and on or before the record date for an ordinary cash dividend with an ex-dividend date corresponding to such Forward Price Reduction Date, the Calculation Agent shall adjust the Forward Price to the extent it determines, in good faith, that such an adjustment is appropriate to preserve the economic intent of the parties (taking into account Dealer's commercially reasonable hedge positions in respect of the Transaction).<br><br>Notwithstanding any other provision herein to the contrary, the Forward Price shall in no event be less than $0.50 per Share. |
| Initial Forward Price: | USD $46.00 per Share. |
| Daily Rate: | For any day, the USD-Federal Funds Rate *minus* the Spread. |
| Spread: | 0.65%. |
| USD-Federal Funds Rate: | For any day, the rate set forth for such day opposite the caption "Overnight bank funding rate" as such rate is displayed on the page "OBFR01 <Index> <GO>" on the BLOOMBERG Professional Service, or any successor page; *provided* that if no such rate appears for such day on such page, the rate for such day will be determined by the Calculation Agent based on its estimate of the prevailing USD overnight bank funding rate for such day. |
| Forward Price Reduction Dates: | As specified in Schedule A to this Confirmation. |
| Forward Price Reduction Amount: | For each Forward Price Reduction Date, the Forward Price Reduction Amount per Share set forth opposite such date on Schedule A. |
| Exchange: | The New York Stock Exchange. |
| Related Exchange: | All Exchanges. |
| Clearance System: | The Depository Trust Company. |
| Prepayment: | Not Applicable. |
| Variable Obligation: | Not Applicable. |
| Market Disruption Event: | Section 6.3(a) of the Equity Definitions is hereby amended by replacing the first sentence in its entirety with the following: "'Market Disruption Event' means in respect of a Share or an Index, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, (iii) an Early Closure or (iv) a Regulatory Disruption, in each case that the Calculation Agent determines, in its commercially reasonable judgment, is material". |

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| Early Closure: | Section 6.3(d) of the Equity Definitions is hereby amended by deleting the remainder of the provision following the term "Scheduled Closing Time" in the fourth line thereof. |
| Regulatory Disruption: | Any event that Dealer, based on the advice of counsel, determines that it is reasonably necessary or appropriate with respect to any legal, regulatory or self-regulatory requirements or related policies and procedures that generally apply to transactions of a nature and kind similar to the Transaction and applied in a non-discriminatory manner (whether or not such requirements, policies or procedures are imposed by law or have been voluntarily adopted by Dealer) to refrain from or decrease any market activity in connection with the Transaction. |

**Settlement Terms:**

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| Settlement Currency: | USD. |
| Unwind Period: | The period from and including the first Exchange Business Day following the date Company elects, in accordance with the Settlement Notice Requirements (as defined below), Cash Settlement or Net Share Settlement in respect of a Settlement Date through the second Scheduled Trading Day preceding such Settlement Date, subject to "Termination Settlement" as described in Section 6 below and subject to Dealer's right to designate a Settlement Date as described in paragraph (d) of the proviso under the caption "Settlement Method Election". |
| Unwind Dates: | For any Settlement for which Cash Settlement or Net Share Settlement is applicable, each Trading Day during the Unwind Period on which Dealer (or its agent or affiliate), as Hedging Party, purchases Shares in the market in connection with such Settlement. |
| Settlement: | Any Physical Settlement, Cash Settlement or Net Share Settlement of all or any portion of the Transaction. |
| Settlement Method Election: | Applicable, with Company as the Electing Party; *provided* that:<br><br>(a) Net Share Settlement shall be deemed to be included as an additional settlement method under Section 7.1 of the Equity Definitions;<br><br>(b) Physical Settlement shall be the Default Settlement Method;<br><br>(c) Company may elect Cash Settlement or Net Share Settlement for any Transaction only by means of a Settlement Notice meeting the Settlement Notice Requirements; and<br><br>(d) Notwithstanding any election to the contrary in any Settlement Notice, Physical Settlement shall be applicable:<br><br>(i) to all of the Settlement Shares designated in such Settlement Notice if, on the date such Settlement Notice is received by Dealer (or the immediately following Scheduled Trading Day, if such notice is received on a day that is not a Scheduled Trading Day), (A) the trading price per Share on the Exchange (as determined by the Calculation Agent) at any time on such day is less than $23.00 (the "***Threshold Price***") or (B) Dealer, |

as Hedging Party, determines, in good faith and in its commercially reasonable judgment, that it would be unable to purchase a number of Shares in the market sufficient to unwind its commercially reasonable hedge position in respect of the portion of the Transaction represented by such Settlement Shares by the end of the Unwind Period for such Settlement (1) in a manner that would, if Dealer were Company or an affiliated purchaser of Company, be subject to the safe harbor provided by Rule 10b-18(b) under the Exchange Act or (2) in the good faith, commercially reasonable judgment of Dealer, as Hedging Party, due to the lack of sufficient liquidity in the Shares (each, a "***Trading Condition***"), in which case Dealer may, by written notice to Company, no fewer than two Scheduled Trading Days prior thereto, specify any Scheduled Trading Day prior to the Settlement Date originally designated in the Settlement Notice as the Settlement Date; or

(ii) to all or a portion of the Settlement Shares designated in such Settlement Notice if on any Scheduled Trading Day during the relevant Unwind Period, (A) the trading price per Share on the Exchange (as determined by the Calculation Agent) is less than the Threshold Price or (B) Dealer, as Hedging Party, determines in its good faith and commercially reasonable judgment, (1) that a Trading Condition has occurred or (2) that it would be unable to purchase a number of Shares in the market sufficient to unwind its commercially reasonable hedge position in respect of the portion of the Transaction represented by such Settlement Shares by the end of the Unwind Period for such Settlement due to the occurrence of five or more consecutive Disrupted Days during such Unwind Period, in which case: (y) Dealer, as Hedging Party, may, by written notice to Company, no fewer than two Scheduled Trading Days prior thereto, specify any Scheduled Trading Day prior to the Settlement Date originally designated in the Settlement Notice as the Settlement Date, in which case the last Unwind Date of such Unwind Period shall be deemed to occur on the date of such notice, and (z) on the Settlement Date so designated by Dealer, the Settlement Method originally elected by Company in such Settlement Notice shall apply in respect of the portion of the Settlement Shares, if any, for which Dealer, as Determining Party, has determined an Unwind Purchase Price during such Unwind Period, and an additional Physical Settlement shall apply to the remainder of the Settlement Shares designated in such Settlement Notice; *provided* that Dealer, as Hedging Party, may in its good faith discretion elect that the Settlement Method originally elected by Company in such Settlement Notice shall apply.

Settlement Date: Any Scheduled Trading Day following the Effective Date and up to and including the Final Date that is:

(a) designated by Company as a "Settlement Date" by a written notice to Dealer (a "***Settlement Notice***") that satisfies the applicable Settlement Notice Requirements and is delivered to Dealer no less than (i) two Scheduled Trading Days prior to such Settlement Date, which may be the Final Date, if Physical

Settlement applies, or (ii) either (x) 40 Scheduled Trading Days prior to such Settlement Date, which may be the Final Date, if Cash Settlement or Net Share Settlement applies and the Number of Shares designated in such Settlement Notice is 3,350,000 or more or (y) 20 Scheduled Trading Days prior to such Settlement Date if the Number of Shares designated in such Settlement Notice is fewer than 3,350,000; *provided* that if Dealer (or its agent or affiliate) shall fully unwind its hedge with respect to a portion of the Number of Shares to be settled during an Unwind Period by a date that is more than one Settlement Cycle prior to a Settlement Date specified above, Dealer may, by written notice to Company, no fewer than two Scheduled Trading Days prior thereto, specify any Scheduled Trading Day prior to such original Settlement Date as the Settlement Date;

(b) designated by Dealer as a Settlement Date pursuant to the "Termination Settlement" provisions of Section 6 below; or

(c) designated by Dealer as a Settlement Date pursuant to paragraph (d) of the proviso under the caption "Settlement Method Election" above;

*provided* that, notwithstanding the absence of a Settlement Notice, the Final Date will be a Settlement Date if on such Final Date the number of Undesignated Shares is greater than zero.

Settlement Shares:

(a) With respect to any Settlement Date other than the Final Date:

(i) the number of Shares (not to be less than 500,000 Settlement Shares (unless such lesser amount represents all Undesignated Shares)) designated as such by Company in the relevant Settlement Notice, such number of Shares not to exceed the Undesignated Shares (as defined below) on the date such notice is delivered to Dealer or

(ii) the number of Shares designated by Dealer pursuant to the "Termination Settlement" provisions of Section 6 below or pursuant to the proviso under the caption "Settlement Method Election"; and

(b) with respect to the Settlement Date on the Final Date, a number of Shares equal to the Undesignated Shares at that time.

Settlement Notice Requirements:

A Settlement Notice shall be in writing and shall specify (a) the number of Settlement Shares for such Settlement, such number not to (x) be less than 500,000 Settlement Shares (unless such lesser amount represents all Undesignated Shares) and (y) exceed the number of Undesignated Shares as of the date of such Settlement Notice and (b) the Settlement Method applicable to such Settlement; *provided* that a Settlement Notice delivered by Company that specifies Cash Settlement or Net Share Settlement will be effective to establish a Settlement Date with respect to a Cash Settlement or a Net Share Settlement only if Company represents and warrants to Dealer in such Settlement Notice that, as of the date of such Settlement Notice, (i) Company is not aware of any material nonpublic information concerning itself or the Shares

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| | (including, for the avoidance of doubt, any information relating to the Acquired Company (as defined in the Underwriting Agreement dated as of August 11, 2020, among the Company, Dealer and RBC Capital Markets, LLC as underwriter (the "**Underwriting Agreement**") or the acquisition or proposed acquisition thereof that constitutes material non-public information with respect to the Company), (ii) Company is electing the settlement method and designating the Settlement Date specified in such Settlement Notice in good faith and not as part of a plan or scheme to evade compliance with Rule 10b-5 under the Exchange Act ("***Rule 10b-5***") or any other provision of the Exchange Act, (iii) Company is not "insolvent" (as such term is defined under Section 101(32) of the U.S. Bankruptcy Code (Title 11 of the United States Code) (the "***Bankruptcy Code***")), (iv) Company would be able to purchase a number of Shares equal to (A) the number of Settlement Shares designated in such Settlement Notice, in the case of the election of Cash Settlement, and (B) a number of Shares with a value as of the date of such Settlement Notice equal to the product of (1) such number of Settlement Shares and (2) the then current Forward Price, in case of an election of Net Share Settlement, in compliance with the laws of Company's jurisdiction of organization, (v) Company is not electing Cash Settlement or Net Share Settlement to create actual or apparent trading activity in the Shares (or any security convertible into or exchangeable for Shares) or to raise or depress or otherwise manipulate the price of the Shares (or any security convertible into or exchangeable for Shares) and (vi) such election, and settlement in accordance therewith, does not and will not violate or conflict with any law, regulation or supervisory guidance applicable to Company, or any order or judgement of any court or other agency of government applicable to it or any of its assets, and any governmental consents that are required to have been obtained by Company with respect to such election or settlement have been obtained and are in full force and all conditions of any such consents have been complied with. |
| Electing Party: | Company. |
| Undesignated Shares: | As of any date, the Number of Shares *minus* the number of Shares designated as Settlement Shares for Settlements for which Settlement Notice has been given but the related Settlement Date has not yet occurred. |
| Physical Settlement: | Notwithstanding Section 9.2(a)(i) of the Equity Definitions, on the Settlement Date for any Physical Settlement, Dealer shall pay to Company, by wire transfer of immediately available funds, an amount equal to the Forward Price on the relevant Settlement Date *multiplied by* the number of Settlement Shares for such Settlement, and Company shall deliver to Dealer such Settlement Shares through the Clearance System. |
| Cash Settlement: | On any Settlement Date in respect of which Cash Settlement applies, (a) if the Forward Cash Settlement Amount is greater than zero, Company shall pay to Dealer the Forward Cash Settlement Amount, and (b) if the Forward Cash Settlement Amount is less than zero, then Dealer shall pay to Company the absolute value of the Forward Cash Settlement Amount. |

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| Net Share Settlement: | On any Settlement Date in respect of which the Net Share Settlement applies, if the Net Share Settlement Amount is greater than zero, Company shall deliver a number of Shares, valued at the Unwind Purchase Price, equal to such Net Share Settlement Amount (rounded down to the nearest integer) to Dealer, and if the Net Share Settlement Amount is less than zero, Dealer shall deliver a number of Shares, valued at the Unwind Purchase Price, equal to the absolute value of the Net Share Settlement Amount (rounded down to the nearest integer) to Company, in either case, in accordance with Section 9.4 of the Equity Definitions, with the Net Share Settlement Date deemed to be a "Settlement Date" for purposes of such Section 9.4, and, in either case, *plus* cash in lieu of any fractional Shares included in the Net Share Settlement Amount but not delivered due to rounding required hereby, valued at the relevant Unwind Purchase Price. |
| Net Share Settlement Amount: | For any Net Share Settlement, an amount equal to (a) the Forward Cash Settlement Amount *divided by* the Unwind Purchase Price for such number of Settlement Shares *plus* (b) a number of Shares, valued at the Unwind Purchase Price (determined as if, solely for purposes of this clause (b), the reference to the phrase "on each Unwind Date during the Unwind Period relating to such Settlement" in the definition of "Unwind Purchase Price" were instead deemed to refer, in respect of any relevant Forward Price Reduction Date, to the phrase "during a commercially reasonable period of time corresponding to the relevant Forward Price Reduction Date"), equal to the aggregate Unwind Adjustment Amount(s), if any, for the relevant Unwind Period, as determined by the Calculation Agent. |
| Forward Cash Settlement Amount: | Notwithstanding Section 8.5(c) of the Equity Definitions, the Forward Cash Settlement Amount for any Cash Settlement or Net Share Settlement of any Transaction shall be (a) the number of Settlement Shares for such Settlement *multiplied by* (b) the amount equal to (i) the Unwind Purchase Price *minus* (ii) the Relevant Forward Price. |
| Relevant Forward Price: | For any Cash Settlement or Net Share Settlement, as determined by the Calculation Agent, the weighted average Forward Price per Share on each Unwind Date during the Unwind Period relating to such Settlement (weighted based on the number of Shares purchased by Dealer or its agent or affiliate on each such Unwind Date in connection with such Settlement). |
| Unwind Purchase Price: | For any Cash Settlement or Net Share Settlement, as determined by the Calculation Agent, the weighted average price per Share at which Dealer, as Hedging Party (or its agent or affiliate acting on behalf of the Hedging Party) acting in good faith and a commercially reasonable manner purchases Shares in connection with unwinding its commercially reasonable hedge position on each Unwind Date during the Unwind Period relating to such Settlement, including, for the avoidance of doubt, purchases on any Disrupted Day in part, taking into account Shares to be delivered or received if Net Share Settlement applies and the restrictions of Rule 10b-18 under the Exchange Act agreed to hereunder, *plus* USD 0.02 per Share. |
| Unwind Adjustment Amount: | For any Net Share Settlement, for any Forward Price Reduction Date that occurs during the period from, and including, the date one Settlement Cycle immediately following the relevant first Unwind Date to, and including, the date one Settlement Cycle immediately following the last Trading Day of the Unwind Period, an amount determined by the |

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| | Calculation Agent equal to the product of (a) the Forward Price Reduction Amount for such Forward Price Reduction Date *multiplied by* (b) (i) if the Net Share Settlement Amount calculated as of the date immediately prior to the relevant Forward Price Reduction Date is a positive number, such Net Share Settlement Amount or (ii) otherwise, zero. |
| Unwind Activities: | The times and prices at which Dealer (or its agent or affiliate) acting in good faith and a commercially reasonable manner purchases any Shares during any Unwind Period in connection with unwinding its commercially reasonable hedge position shall be determined by Dealer as Hedging Party in its commercially reasonable discretion. Without limiting the generality of the foregoing, in the event a Regulatory Disruption occurs with respect to any Scheduled Trading Day that would otherwise have been an Unwind Date, Dealer may (but shall not be required to) notify Company in writing that a Regulatory Disruption has occurred on such Scheduled Trading Day without specifying (and Dealer shall not otherwise be required to communicate to Company) the nature of such Regulatory Disruption and, for the avoidance of doubt, such Regulatory Disruption shall be deemed to be a Market Disruption Event and such Scheduled Trading Day shall be deemed to be a Disrupted Day in full. |
| Share Cap: | Notwithstanding any other provisions of this Confirmation, in no event will Company be required to deliver to Dealer on any Settlement Date, whether pursuant to Physical Settlement, Net Share Settlement or any Private Placement Settlement, a number of Shares in excess of (a) two times the Initial Number of Shares, subject to adjustment from time to time in accordance with the provisions of this Confirmation or the Equity Definitions *minus* (b) the aggregate number of Shares delivered by Company to Dealer hereunder prior to such Settlement Date.<br><br>The Share Cap shall be subject to adjustment only on account of (x) Potential Adjustment Events of the type specified in (1) Sections 11.2(e)(i) through (vi) of the Equity Definitions or (2) Section 11.2(e)(vii) of the Equity Definitions so long as, in the case of this sub-clause (2), such event is within Issuer's control and (y) Merger Events requiring corporate action of Issuer (or any surviving entity of the Issuer hereunder in connection with any such Merger Event). |
| Other Applicable Provisions: | To the extent Dealer or Company is obligated to deliver Shares hereunder, the provisions of Sections 9.2 (last sentence only), 9.8, 9.9, 9.10 and 9.11 of the Equity Definitions will be applicable as if "Physical Settlement" applied to the Transaction; *provided* that, in such case, with respect to any delivery of Shares by Dealer the Representation and Agreement contained in Section 9.11 of the Equity Definitions shall be modified by excluding any representations therein relating to restrictions, obligations, limitations or requirements under applicable securities laws that exist as a result of the fact that Company is the issuer of the Shares. In addition, to the extent Company is obligated to deliver Shares hereunder, the provisions of Section 9.12 of the Equity Definitions will be applicable as if "Physical Settlement" applied to the Transaction. |

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| Consequences of Late Delivery: | Without limiting the generality of this Confirmation, the Agreement and the Equity Definitions, if for any reason Company fails to deliver any Shares on the date on which such delivery is required hereunder and a Forward Price Reduction Date occurs on or after such required delivery date and on or before the date such Shares are delivered, Company acknowledges and agrees that, in addition to any other amounts for which Company may be liable hereunder or under law (but without duplication), Company shall be liable to Dealer for an amount equal to the product of: (a) the number of Shares so due but not yet delivered on or prior to such Forward Price Reduction Date; and (b) the Forward Price Reduction Amount for such Forward Price Reduction Date. |
| Consequences of Disrupted Day: | If Cash Settlement or Net Share Settlement is applicable with respect to any Transaction and any Unwind Date during the related Unwind Period is a Disrupted Day, the Calculation Agent (a) may extend the Unwind Period and Settlement Date by one Scheduled Trading Day for each Unwind Date that is a Disrupted Day and (b) shall determine (except in the case of a Disrupted Day that occurs as a result of a Regulatory Disruption, which shall always be a Disrupted Day in full) whether (i) such Disrupted Day is a Disrupted Day in full, in which case the Unwind Purchase Price for such Disrupted Day shall not be included in the calculation of the Forward Cash Settlement Amount, or (ii) such Disrupted Day is a Disrupted Day only in part, in which case the Unwind Purchase Price for such Disrupted Day shall be determined by the Calculation Agent, taking into account the nature and duration of the relevant Market Disruption Event, and the weightings of the Unwind Purchase Prices and the Forward Prices for each Unwind Date during such Unwind Period shall be adjusted in a commercially reasonable manner by the Calculation Agent for purposes of determining the Forward Cash Settlement Amount, to account for the occurrence of such partially Disrupted Day, with such adjustments based on, among other factors, the duration of any Market Disruption Event and the volume, historical trading patterns and price of the Shares. |

**Share Adjustments:**

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| Potential Adjustment Events: | An Extraordinary Dividend shall not constitute a Potential Adjustment Event. |
| Extraordinary Dividend: | Any dividend or distribution on the Shares with an ex-dividend date occurring on any day following the Trade Date (other than (a) any dividend or distribution of the type described in Section 11.2(e)(i) or Section 11.2(e)(ii)(A) of the Equity Definitions or (b) a regular, quarterly cash dividend (i) in an amount per Share equal to or less than the Forward Price Reduction Amount corresponding to such quarter and (ii) the ex-dividend date for which is no earlier than the Forward Price Reduction Date corresponding to such quarter). |
| Method of Adjustment: | Calculation Agent Adjustment. |
| Additional Adjustment: | If in Dealer’s good faith and commercially reasonable judgment at any time the actual cost to Dealer (or an affiliate of Dealer), over any 10 consecutive Scheduled Trading Day period, of borrowing a number of Shares equal to the Number of Shares to hedge in a commercially reasonable manner its exposure to this Transaction exceeds a weighted average rate equal to 50 basis points per annum, the Calculation Agent |

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| | shall reduce the Forward Price in order to compensate Dealer for the amount by which such actual cost exceeded a weighted average rate equal to 50 basis points per annum during such period, it being understood that such adjustments may be made multiple times with respect to the Transaction but shall not be duplicative as to a particular period. The Calculation Agent shall notify Company prior to making any such adjustment to the Forward Price. |
| **Acknowledgements:** | |
| Non-Reliance: | Applicable. |
| Agreements and Acknowledgements Regarding Hedging Activities: | Applicable. |
| Additional Acknowledgements: | Applicable. |
| Transfer: | Notwithstanding anything to the contrary herein or in the Agreement, Dealer may assign, transfer and set over all rights, title and interest, powers, privileges and remedies of Dealer under this Transaction, in whole or in part, to (a) a wholly-owned subsidiary of Dealer whose obligations hereunder are fully and unconditionally guaranteed by Dealer or (b) any other wholly-owned direct or indirect subsidiary of Dealer with a long-term issuer rating equal to or better than the credit rating of Dealer at the time of transfer, in each case without the consent of Company; *provided* that (a) Company will not be required to pay, nor is there a substantial likelihood that it would be required to pay, to such assignee or transferee an amount in respect of an Indemnifiable Tax under Section 2(d)(i)(4) of the Agreement greater than the amount in respect of which Company would have been required to pay Dealer in the absence of such assignment or transfer; (b) Company will not receive a payment, nor is there a substantial likelihood that it would receive a payment, from which an amount has been withheld or deducted on account of a Tax under Section 2(d)(i) of the Agreement in excess of that which Dealer would have been required to so withhold or deduct in the absence of such assignment or transfer; (c) such assignment or transfer will not be treated as a taxable exchange for U.S. federal income tax purposes; and (d) no Event of Default, Potential Event of Default or Termination Event will occur as a result of such assignment or transfer. |
| **Extraordinary Events:** | |
| Extraordinary Events: | In lieu of the applicable provisions contained in Article 12 of the Equity Definitions, the consequences of any Extraordinary Event except any Extraordinary Event that also constitutes a Bankruptcy Termination Event (as defined below) (including, for the avoidance of doubt, any Merger Event, Tender Offer, Nationalization, Insolvency, Delisting, or Change In Law, but expressly excluding Failure to Deliver, Increased Cost of Hedging and Increased Cost of Stock Borrow) shall be as specified below under the headings “Acceleration Events” and “Termination Settlement” in Sections 5 and 6 below, respectively. Notwithstanding anything to the contrary herein or in the Equity Definitions, no Additional Disruption Event will be applicable except to the extent expressly referenced in Section 5 below and set forth opposite the captions “Failure to Deliver” and “Increased Cost of Hedging” below. The definition of “Tender Offer” in Section 12.1(d) of the Equity Definitions is hereby amended by replacing “10%” with “20%.” |

**Additional Disruption Events:**

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| Failure to Deliver: | Applicable, if Dealer is required to deliver Shares hereunder; otherwise, Not Applicable. |
| Increased Cost of Hedging: | Applicable; *provided* that Section 12.9(b)(vi) of the Equity Definitions shall be amended by (a) adding "or" before clause (B) of the second sentence thereof, (b) deleting clause (C) of the second sentence thereof and (c) inserting the following language at the end of such Section: "*provided*, *however*, that any such increased tax, duty, expense or fee that occurs solely due to the deterioration of the creditworthiness of the Hedging Party relative to comparable financial institutions shall not be an Increased Cost of Hedging." |
| Hedging Party: | For all applicable Additional Disruption Events, Dealer. |
| Determining Party: | For all applicable Extraordinary Events, Dealer. |
| 2. Calculation Agent: | Dealer. Notwithstanding anything to the contrary in the Agreement, the Equity Definitions or this Confirmation, (a) whenever Dealer, acting as any of the Calculation Agent, Determining Party or Hedging Party, is required to act or to exercise judgment or discretion in any way with respect to the Transaction hereunder (including, without limitation, by making calculations, adjustments or determinations with respect to the Transaction), it will do so in good faith and in a commercially reasonable manner and (b) to the extent Dealer, acting in any capacity, makes any judgment, calculation, adjustment or determination, or exercises its discretion to take into account the effect of an event on the Transaction, it shall do so based on the assumption that the Hedging Party maintains a commercially reasonable Hedge Position at the time of such event and shall, for the avoidance of doubt, take into account such Hedge Position. Dealer shall, within five (5) Exchange Business Days of a written request by Company, provide a written explanation of any judgment, calculation, adjustment or determination made by Dealer, as to the Transaction, in its capacity as Calculation Agent, Determining Party or Hedging Party, including, where applicable, a description of the methodology and the basis for such judgment, calculation, adjustment or determination in reasonable detail, it being agreed and understood that Dealer shall not be obligated to disclose any confidential or proprietary models or other information that Dealer believes to be confidential, proprietary or subject to contractual, legal or regulatory obligations not to disclose such information, in each case, used by it for such judgment, calculation, adjustment or determination. |

3. Account and Notices Details; Offices:

Company Payment Instructions and
Account for Delivery of Shares to Company: To be provided by Company.

Dealer Payment Instructions and
Account for Delivery of Shares to Dealer:

JP Morgan Chase NY (CHASUS33)
ABA 021-000-021
Royal Bank of Canada (ROYCUS3X)
A/C# 920-1-033363
FFC A/C NAME: RBC US Transit
FFC A/C #: 012692041499

DTC-235

Company's Contact Details for Purpose of Giving Notice: To be provided by Company.

Dealer's Contact Details:

For purpose of Giving Notice:

To: RBC Capital Markets, LLC
Brookfield Place
200 Vesey Street
New York, NY 10281
Attention: ECM
Email: RBCECMCorporateEquityLinkedDocumentation@rbc.com

For Trade Affirmations and Settlements:

To: RBC Capital Markets, LLC
Brookfield Place
200 Vesey Street
New York, NY 10281
Attention: Back Office
Email: geda@rbccm.com

For Trade Confirmations:

To: RBC Capital Markets, LLC
Brookfield Place
200 Vesey Street
New York, NY 10281
Attention: Structured Derivatives Documentation
Email: seddoc@rbccm.com

The Office of Counterparty for the Transaction is: Inapplicable, Counterparty is not a Multibranch Party.

The Office of Dealer for the Transaction is: Toronto.

4. The Transaction.

(a) [Reserved].

(b) Representations, Warranties and Covenants of Company.

(i) On the Trade Date and the Effective Date, Company repeats and reaffirms as of such date the representations and warranties contained in the Underwriting Agreement. Company hereby agrees to comply with its covenants contained in the Underwriting Agreement as if such covenants were made in favor of Dealer herein.

(ii) On the Trade Date and the Effective Date, Company represents and warrants that (A) Company is not aware of any material nonpublic information concerning itself or the Shares (including, for the avoidance of doubt, any information relating to the Acquired Company (as defined in the Underwriting Agreement) or the acquisition or proposed acquisition thereof that constitutes material non-public information with respect to the Company), (B) Company is entering into the Transaction in good faith and not as part of a plan or scheme to evade compliance with Rule 10b-5 or any other provision of the Exchange Act, (C) Company is not "insolvent" (as such term is defined under Section 101(32) of the Bankruptcy Code), and (D) Company is not entering into the Transaction in order to create actual or apparent trading activity in the Shares (or any security convertible into or exchangeable for Shares) or to raise or depress or otherwise manipulate the price of the Shares (or any security convertible into or exchangeable for Shares).

(iii) On the Trade Date and the Effective Date, Company represents and warrants that:

(A) as of the date of any payment or delivery by it hereunder, it is not and will not be "insolvent" (as such term is defined under Section 101(32) of the Bankruptcy Code; and

(B) it is not, and after giving effect to the transactions contemplated hereby will not be, required to register as an "investment company" as such term is defined in the Investment Company Act of 1940, as amended; and

(C) it (A) is capable of evaluating investment risks independently, both in general and with regard to all transactions and investment strategies involving a security or securities; (B) will exercise independent judgment in evaluating the recommendations of any broker-dealer or its associated persons, unless it has otherwise notified the broker-dealer in writing; and (C) has total assets of at least USD 50 million.

(iv) Company represents, warrants and covenants that Company has, as of the Trade Date, applied to renew its Legal Entity Identifier ("LEI") with respect to its current name and to remove any applicable suspension as to the LEI, both to take effect as promptly as practicable, and the Company will continue to use all commercially reasonable efforts to facilitate such renewal and removal of suspension as promptly as practicable and by no later than the tenth (10th) Scheduled Trading Day following the Effective Date.

(c) Interpretive Letter. The parties intend for this Confirmation to constitute a "Contract" as described in the letter dated October 6, 2003 submitted on behalf of Goldman, Sachs & Co. to Paula Dubberly of the staff of the Securities and Exchange Commission (the "***Staff***") to which the Staff responded in an interpretive letter dated October 9, 2003.

(d) Regulation M. Company will not take any action to cause any "restricted period" (as such term is defined in Regulation M promulgated under the Exchange Act ("***Regulation M***")) to occur in respect of Shares or any security with respect to which Shares are a "reference security" (as such term is defined in Regulation M) during any Unwind Period.

(e) Regulatory Filings. Company represents and warrants to Dealer on any date that Company notifies Dealer that Cash Settlement or Net Share Settlement applies to this Transaction that each of Company's filings that are required to be filed under the Exchange Act have been filed with the Securities and Exchange Commission and, as of the respective dates thereof and as of the date of this representation, such filings when considered as a whole (with the more recent such filings deemed to amend inconsistent statements contained in any earlier such filings) do not contain any misstatement of material fact or any omission of material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(f) Agreements and Acknowledgments Regarding Shares.

(i) Company agrees and acknowledges that, in respect of any Shares delivered to Dealer hereunder, such Shares shall be newly issued (unless mutually agreed otherwise by the parties) and, upon such delivery, duly and validly authorized, issued and outstanding, fully paid and nonassessable, free of any lien, charge, claim or other encumbrance and not subject to any preemptive or similar rights and shall, upon such issuance, be accepted for listing or quotation on the Exchange, subject to notice of issuance and Section 8 below.

(ii) Company agrees and acknowledges that Dealer (or an affiliate of Dealer) will hedge its exposure to this Transaction by selling Shares borrowed from securities lenders pursuant to a registration statement and that, pursuant to the terms of the Interpretive Letter, the Shares (up to the Initial Number of Shares) delivered by Company to Dealer (or an affiliate of Dealer) in connection with this Transaction may be used by Dealer (or an affiliate of Dealer) to return to securities lenders without further registration or other restrictions under the Securities Act, in the hands of those securities lenders, irrespective of whether such securities loan is effected by Dealer or an affiliate of Dealer. Accordingly, subject to Section 8 below, Company agrees that the Shares that it delivers, pledges or loans to Dealer (or an affiliate of Dealer) in connection with this Transaction will not bear a restrictive legend and that such Shares will be deposited in, and the delivery thereof shall be effected through the facilities of, the Clearance System.

(iii) Company agrees and acknowledges that it has reserved and will keep available at all times, free from preemptive or similar rights and free from any lien, charge, claim or other encumbrance, authorized but unissued Shares at least equal to the Share Cap, solely for the purpose of settlement under this Transaction.

(g) The parties intend for this Transaction (taking into account purchases of Shares in connection with any Cash Settlement or Net Share Settlement) to comply with the requirements of the Exchange Act and for this Confirmation to constitute a binding contract or instruction satisfying the requirements of 10b5-1(c)(1)(i)(A) and to be interpreted to comply with the requirements of Rule 10b5-1(c). Company acknowledges that during any Unwind Period, Company shall not have, and shall not attempt to exercise, any influence over how, when or whether to effect purchases of Shares by Dealer (or its affiliate) in connection with this Confirmation.

(h) Purchases of Shares

(i) During any Unwind Period, neither Company nor any of its "affiliated purchasers" (as defined in Rule 10b-18 under the Exchange Act) shall take any action either under this Confirmation, under an agreement with another party or otherwise, that Company reasonably believes to cause any purchases of Shares by Dealer or any of its affiliates during an Unwind Period not to meet the requirements of the safe harbor provided by Rule 10b-18 determined as if all such foregoing purchases were made by Company.

(ii) Dealer represents, warrants and agrees to use its good faith efforts to conduct its bids and purchases of Shares in connection with any Cash Settlement or Net Share Settlement of this Transaction and to cause its affiliates to conduct such activities in a manner consistent with the requirements of the safe harbor provided by Rule 10b-18 under the Exchange Act, as if such provisions were applicable to such purchases, taking into account any applicable Securities and Exchange Commission no-action letters, as appropriate.

(iii) Company shall, in the Settlement Notice relating to any Cash Settlement or Net Share Settlement or at least one day prior to the first day of any Unwind Period, notify Dealer of the total number of Shares purchased in Rule 10b-18 purchases of blocks pursuant to the once-a-week block exception contained in Rule 10b-18(b)(4) by or for Company or any of its affiliated purchasers during each of the four calendar weeks preceding the first day of the Unwind Period and during the calendar week in which the first day of the Unwind Period occurs ("***Rule 10b-18 purchase***", "***blocks***" and "***affiliated purchaser***" each being used as defined in Rule 10b-18).

(i) Until all obligations under the Agreement and this Transaction have been discharged, Company shall (i) notify Dealer prior to the opening of trading in the Shares on any day on which Company makes, or reasonably expects in advance of the opening to be made, any public announcement (as defined in Rule 165(f) under the Securities Act) of any merger, acquisition, or similar transaction involving a recapitalization relating to Company (other than any such transaction in which the consideration consists solely of cash and there is no valuation period), (ii) promptly notify Dealer following any such announcement that such announcement has been made, and (iii) promptly deliver to Dealer following the making of any such announcement information indicating (A) Company's average daily Rule 10b-18 purchases (as defined in Rule 10b-18) during the three full calendar months preceding the date of the announcement of such transaction and (B) Company's block purchases (as defined in Rule 10b-18) effected pursuant to paragraph (b)(4) of Rule 10b-18 during the three full calendar months preceding the date of the announcement of such transaction. In addition, Company shall promptly notify Dealer of the earlier to occur of the completion of such transaction and the completion of the vote by target shareholders.

(j) *CARES Act*. Company acknowledges that, under certain circumstances, the Transaction may involve purchases of its equity securities. Company further acknowledges that, (i) pursuant to the provisions of the Coronavirus Aid, Relief and Economic Security Act (the "**CARES Act**"), Company will be required to agree to certain time-bound restrictions on its ability to purchase its equity securities or make capital distributions if it receives loans, loan guarantees or direct loans (as that term is defined in the CARES Act) under section 4003(b) of the CARES Act ("**CARES Act Loans**"), and (ii) Company may be required to agree to certain time-bound restrictions on its ability to purchase its equity securities or make capital distributions if it receives loans, loan guarantees or direct loans, financial assistance or other investment, tax credit or relief (tax or otherwise, howsoever defined) under any program, stimulus package or facilities now existing or that may be established in the future under applicable law (or any regulation, guidance, interpretation or other pronouncement of a governmental authority with jurisdiction for such program or facility), including without limitation the CARES Act and the Federal Reserve Act, as amended (such financial assistance, collectively with CARES Act Loans, "**Financial Assistance**"). Accordingly, Company represents and warrants that it has not applied for, and shall not until after the first date on which no portion of this Transaction remains outstanding following any final exercise and settlement, cancellation or early termination of this Transaction apply for, any Financial Assistance if the existence of, or performance of the terms of, this Transaction would cause Company to fail to satisfy any condition for application for or receipt or retention of the Financial Assistance; provided, that Company may apply for Financial Assistance if Company either (X) determines based on the advice of outside counsel of national standing that the terms of this Transaction would not cause Company to fail to satisfy any condition for application for or receipt or retention of such Financial Assistance based on the terms of the program or facility as of the date of such advice or (Y) delivers to Dealer evidence of a waiver or other guidance from a governmental authority with jurisdiction for such program or facility that the Transaction is permitted under such program or facility (either by specific reference to the Transaction or by general reference to transactions with the attributes of the Transaction in all relevant respects).

5. Acceleration Events. Each of the following events shall constitute an "***Acceleration Event***" as to the Transaction, *provided* that the Effective Date shall have occurred prior to such event:

(a) Stock Borrow Event. In the commercially reasonable judgment of Dealer acting as Hedging Party (i) Dealer (or an affiliate of Dealer) is not able to hedge, or maintain a hedge, in a commercially reasonable manner its exposure under this Transaction because insufficient Shares are made available for borrowing by securities lenders or (ii) Dealer (or an affiliate of Dealer) would incur a cost to borrow, or to maintain a borrow of, Shares to hedge in a commercially reasonable manner its exposure under this Transaction that is greater than a rate equal to 200 basis points per annum (each, a "***Stock Borrow Event***");

(b) Extraordinary Dividend and Other Distributions. On any day occurring after the Trade Date, (i) Company declares an Extraordinary Dividend; (ii) Company distributes, issues or dividends to existing holders of the Shares (A) any share capital or other securities of another issuer acquired or owned (directly or indirectly) by Company as a result of a spin-off or other similar transaction or (B) any other type of securities (other than Shares), or other assets, in any case for consideration of less than the prevailing market price, as determined in a commercially reasonable manner by Calculation Agent or (iii) Company declares any other "special" dividend or distribution on the Shares that is, by its terms or declared intent, is outside the normal course of operations or normal dividend policies or practices of Company;

(c) ISDA Termination. Either Dealer or Company has the right to designate an Early Termination Date pursuant to Section 6 of the Agreement, in which case, except as otherwise specified herein and except as a result of an Event of Default under Section 5(a)(i) of the Agreement, the provisions of Section 6 below shall apply in lieu of the consequences specified in Section 6 of the Agreement;

(d) Other ISDA Events. The occurrence of an Announcement Date in respect of any Merger Event, Tender Offer, Nationalization, Insolvency or Delisting, or the occurrence of any Hedging Disruption or Change in Law; *provided* that, in case of a Delisting, in addition to the provisions of Section 12.6(a)(iii) of the Equity Definitions, it will also constitute a Delisting if the Exchange is located in the United States and the Shares are not immediately re-listed, re-traded or re-quoted on any of the New York Stock Exchange, The NASDAQ Global Select Market or The NASDAQ Global Market (or their respective successors), and if the Shares are immediately re-listed, re-traded or re-quoted on any such exchange or quotation system, such exchange or quotation system shall be deemed to be the "Exchange"; *provided*, *further*, that (i) the definition of "Change in Law" provided in Section 12.9(a)(ii) of the Equity Definitions is hereby amended by (A) replacing the phrase "the interpretation" in the third line thereof with the phrase "or announcement or statement of the formal or informal interpretation", (B) adding the phrase "and/or Hedge Position" after the word "Shares" in clause (X) thereof, and (C) immediately following the word "Transaction" in clause (X) thereof, adding the phrase "in the manner contemplated by the Hedging Party on the Trade Date" and (ii) any determination as to whether (A) the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law) or (B) the promulgation of or any change in or announcement or statement of the formal or informal interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), in each case, constitutes a "Change in Law" shall be made without regard to Section 739 of the Wall Street Transparency and Accountability Act of 2010 (the "***WSTAA***") or any similar provision in any legislation enacted on or after the Trade Date; or

(e) Ownership Event. In the event Dealer, acting in good faith and based on the advice of counsel, determines on any day that the Share Amount for such day exceeds the Post-Effective Limit for such day (if any applies) (each such event, an "***Ownership Event***"). The "***Share Amount***" as of any day is the number of Shares that Dealer and any person whose ownership position would be aggregated with that of Dealer (Dealer or any such person, a "***Dealer Person***") under any law, rule, regulation or regulatory order or Company organizational document that for any reason is, or after the Trade Date becomes, applicable to ownership of Shares ("***Applicable Provisions***"), owns, beneficially owns, constructively owns, controls, holds the power to vote or otherwise meets a relevant definition of ownership of under the Applicable Provisions, as determined by Dealer in its reasonable discretion. The "***Post-Effective Limit***" means (i) the minimum number of Shares that would give rise to reporting or registration obligations (except for any filing requirements on Form 13F, Schedule 13D or Schedule 13G under the Exchange Act, in each case, as in effect on the Trade Date) or other requirements (including obtaining prior approval from any person or entity) of a Dealer Person, or would result in an adverse effect on a Dealer Person, under the Applicable Provisions, as determined by Dealer in its reasonable discretion, *minus* (ii) 1.0% of the number of Shares outstanding.

6. Termination Settlement. Upon the occurrence of any Acceleration Event, Dealer shall have the right to designate, upon at least one Scheduled Trading Day's notice, any Scheduled Trading Day following such occurrence to be a Settlement Date hereunder (a "***Termination Settlement Date***") to which Physical Settlement shall apply, and to select the number of Settlement Shares relating to such Termination Settlement Date; *provided* that (i) in the case of an Acceleration Event arising out of an Ownership Event, the number of Settlement Shares so designated by Dealer shall not exceed the number of Shares necessary to reduce the Share Amount to reasonably below the Post-Effective Limit and (ii) in the case of an Acceleration Event arising out of a Stock Borrow Event, the number of Settlement Shares so designated by Dealer shall not exceed the number of Shares as to which such Stock Borrow Event exists.. If, upon designation of a Termination Settlement Date by Dealer pursuant to the preceding sentence, Company fails to deliver the Settlement Shares relating to such Termination Settlement Date when due or otherwise fails to perform its obligations in respect of the Transaction, it shall be an Event of Default with respect to Company and Section 6 of the Agreement shall be applicable in accordance with the terms thereof. If an Acceleration Event occurs during an Unwind Period relating to a number of Settlement Shares to which Cash Settlement or Net Share Settlement applies, then on the Termination Settlement Date relating to such Acceleration Event, notwithstanding any election to the contrary by Company, Cash Settlement or Net Share Settlement shall apply to the portion of the Settlement Shares relating to such Unwind Period for which Dealer has determined an Unwind Purchase Price during such Unwind Period and Physical Settlement shall apply in respect of (a) the remainder (if any) of such Settlement Shares and (b) the Settlement Shares designated by Dealer in respect of such Termination Settlement Date. If an Acceleration Event

occurs after Company has designated a Settlement Date to which Physical Settlement applies but before the relevant Settlement Shares have been delivered to Dealer, then Dealer shall have the right to cancel such Settlement Date and designate a Termination Settlement Date in respect of such Shares pursuant to the first sentence hereof. Notwithstanding the foregoing, in the case of a Nationalization or Merger Event, if at the time of the related Relevant Settlement Date the Shares have changed into cash or any other property or the right to receive cash or any other property, the Calculation Agent shall adjust the nature of the Shares as it determines appropriate to account for such change such that the nature of the Shares is consistent with what shareholders receive in such event.

7. Beneficial Ownership. Notwithstanding anything to the contrary in the Agreement or this Confirmation, in no event shall Dealer be entitled to receive, or be deemed to receive, Shares to the extent that, upon receipt of such Shares, (i) the Share Amount would exceed the Post-Effective Limit, (ii) Dealer and each person subject to aggregation of Shares with Dealer under Section 13 or Section 16 of the Exchange Act and rules promulgated thereunder (the "***Dealer Group***") would directly or indirectly beneficially own (as such term is defined for purposes of Section 13 or Section 16 of the Exchange Act and rules promulgated thereunder) in excess of 4.9% of the then outstanding Shares (the "***Threshold Number of Shares***") or (iii) Dealer would hold 5% or more of the number of Shares outstanding or 5% or more of Company's outstanding voting power (the "***Exchange Limit***"). Any purported delivery hereunder shall be void and have no effect to the extent (but only to the extent) that, after such delivery, (i) the Share Amount would exceed the Post-Effective Limit, (ii) the Dealer Group would directly or indirectly so beneficially own in excess of the Threshold Number of Shares or (iii) Dealer would directly or indirectly hold in excess of the Exchange Limit. If any delivery owed to Dealer hereunder is not made, in whole or in part, as a result of this provision, (i) Company's obligation to make such delivery shall not be extinguished and Company shall make such delivery as promptly as practicable after, but in no event later than one Scheduled Trading Day after, Dealer gives notice to Company that, after such delivery, (A) the Share Amount would not exceed the Post-Effective Limit, (B) the Dealer Group would not directly or indirectly so beneficially own in excess of the Threshold Number of Shares or (C) Dealer would not directly or indirectly hold in excess of the Exchange Limit and (ii) notwithstanding anything to the contrary herein, Dealer shall not be obligated to satisfy the portion of its payment obligation corresponding to any Shares required to be so delivered until the date Company makes such delivery.

8. Private Placement Procedures. If Company is unable to comply with the provisions of Section 4(f)(ii) above because of a change in law or a change in the policy of the Securities and Exchange Commission or its staff, or Dealer, as Hedging Party reasonably determines, based on advice of counsel, that any Shares to be delivered to Dealer by Company may not be freely returned by Dealer or its affiliates to securities lenders as described under such Section 4(f)(ii) or otherwise constitute "restricted securities" as defined in Rule 144 under the Securities Act, then delivery of any such Shares (the "***Restricted Shares***") shall be effected as provided below, unless otherwise agreed by Dealer.

(a) If Company delivers the Restricted Shares pursuant to this Section 8(a) (a "***Private Placement Settlement***"), then delivery of Restricted Shares by Company shall be effected in accordance with private placement procedures customary for private placements of equity securities of substantially similar size (determined by reference to such Restricted Shares) reasonably acceptable to Dealer; *provided* that Company may not elect a Private Placement Settlement if, on the date of its election, it has taken, or caused to be taken, any action that would make unavailable either the exemption pursuant to Section 4(a)(2) of the Securities Act for the sale by Company to Dealer (or any affiliate designated by Dealer) of the Restricted Shares or the exemption pursuant to Section 4(a)(1) or Section 4(a)(3) of the Securities Act for resales of the Restricted Shares by Dealer (or any such affiliate of Dealer), and if Company fails to deliver the Restricted Shares when due or otherwise fails to perform obligations within its control in respect of a Private Placement Settlement, it shall be an Event of Default with respect to Company and Section 6 of the Agreement shall apply. The Private Placement Settlement of such Restricted Shares shall include customary representations, covenants, blue sky and other governmental filings and/or registrations, indemnities to Dealer, due diligence rights (for Dealer or any designated buyer of the Restricted Shares by Dealer), opinions and certificates, and such other documentation as is customary for private placements of equity securities of a substantially similar size, all reasonably acceptable to Dealer. In the case of a Private Placement Settlement, Dealer shall, in its good faith discretion, adjust the amount of Restricted Shares to be delivered to Dealer hereunder in a commercially reasonable manner to reflect the fact that such Restricted Shares may not be freely returned to securities lenders by Dealer and may only be saleable by Dealer at a discount to reflect the lack of liquidity in Restricted Shares.

(b) If Company delivers any Restricted Shares in respect of this Transaction, Company agrees that (i) prior to the time the legends referred to in clause (ii) below are removed, such Shares may be transferred by and among Dealer and its affiliates *provided*, in each case, that (A) each such transfer is made in accordance with the transfer restrictions referred to in such legends and (B) Dealer and such transferee deliver to Company or the transfer agent for the Shares at their expense such documents, certificates and opinions of counsel as Company or such transfer agent shall reasonably request to satisfy Company and such transfer agent that such transfer is made in accordance with such transfer restrictions and (ii) after the minimum "holding period" within the meaning of Rule 144(d) under the Securities Act has elapsed and the conditions of Rule 144(c)(1)(i) are satisfied, Company shall promptly remove, or cause the transfer agent for the Shares to remove, any legends referring to any transfer restrictions from such Shares upon delivery by Dealer (or such affiliate of Dealer) to Company or such transfer agent of any seller's and broker's representation letters in form customarily delivered in connection with resales of restricted securities pursuant to Rule 144 under the Securities Act, each without any further requirement for the delivery of any certificate, consent, agreement, opinion of counsel, notice or any other document, any transfer tax stamps or payment of any other amount or any other action by Dealer (or such affiliate of Dealer).

9. Company Share Repurchases. Company agrees not to repurchase, directly or indirectly, any Shares if, immediately following such purchase, the Outstanding Share Percentage would be equal to or greater than 4.5% of the number of then-outstanding Shares. Company will notify Dealer immediately upon the announcement or consummation of any repurchase of Shares in an amount that, taken together with the amount of all repurchases since the date of the last such notice (or, if no such notice has been given, since the Trade Date), exceeds 0.5% of the number of then-outstanding Shares). The "***Outstanding Share Percentage***" as of any day is the fraction (a) the numerator of which is the Number of Shares for this Transaction and (b) the denominator of which is the number of Shares outstanding on such day.

10. Other Provisions

(a) Right to Extend. Dealer may postpone any Settlement Date or any other date of valuation or delivery, with respect to some or all of the relevant Settlement Shares, if Dealer as Hedging Party determines, in its good faith and commercially reasonable judgment, that such extension is reasonably necessary or appropriate (i) to preserve Dealer's hedging or hedge unwind activity in respect of this Transaction in light of existing liquidity conditions or (ii) based on advice of counsel, to enable Dealer to effect purchases of Shares in connection with its hedging activity hereunder in a manner that would, if Dealer were Company or an affiliated purchaser of Company, be in compliance with applicable legal and regulatory requirements.

(b) Without limiting the generality of Section 13.1 of the Equity Definitions, Company acknowledges that Dealer is not making any representations or warranties or taking any position or expressing any view with respect to the treatment of this Transaction under any accounting standards including ASC Topic 260, Earnings Per Share, ASC Topic 815, Derivatives and Hedging, or ASC Topic 480, Distinguishing Liabilities from Equity and ASC 815-40, Derivatives and Hedging – Contracts in Entity's Own Equity (or any successor issue statements) or under FASB's Liabilities & Equity Project.

(c) Company understands no obligations of Dealer to it hereunder will be entitled to the benefit of deposit insurance and that such obligations will not be guaranteed by any affiliate of Dealer or any governmental agency.

(d) Company represents that it has such knowledge and experience in financial and business affairs as to be capable of evaluating the merits and risks of entering into this Transaction and has consulted with its own legal, financial, accounting and tax advisors in connection with this Transaction. Company acknowledges that Dealer is not acting as a fiduciary for or an advisor to Company (or any of its affiliates) in respect of this Transaction.

(e) Each party represents and warrants to the other party that it is an "eligible contract participant", as defined in the U.S. Commodity Exchange Act (as amended), and an "accredited investor" as defined in Section 2(a)(15)(ii) of the Securities Act of 1933 (as amended) (the "***Securities Act***"), and is entering into Transactions hereunder as principal and not on behalf of any third party.

(f) [Reserved].

(g) Insolvency Filing. The parties hereto agree that, notwithstanding anything to the contrary herein, in the Agreement or the Equity Definitions, the Transaction constitutes a contract to issue a security of Company as contemplated by Section 365(c)(2) of the Bankruptcy Code and that the Transaction and the obligations and rights of Company and Dealer (except for any liability as a result of breach of any of the representations or warranties provided by Company in Sections 4 and 10 hereof) shall immediately terminate, without the necessity of any notice, payment (whether directly, by netting or otherwise) or other action by Company or Dealer, if, on or prior to the final Settlement Date with respect to a Physical Settlement, a Cash Settlement or a Net Share Settlement, an Insolvency Filing occurs or any other proceeding commences with respect to Company under the Bankruptcy Code (a "***Bankruptcy Termination Event***").

(h) Legal Matters

(i) Waiver of Trial by Jury. EACH PARTY HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THE AGREEMENT, THIS CONFIRMATION, ANY TRANSACTION HEREUNDER AND/OR ALL MATTERS ARISING IN CONNECTION WITH THE AGREEMENT, THIS CONFIRMATION AND/OR ANY TRANSACTION HEREUNDER.

(ii) Governing Law/Jurisdiction. **This Confirmation shall be governed by and construed in accordance with the laws of the State of New York without regard to conflict of laws principles (other than Section 5-1401 of the General Obligations Law)**. The parties hereto irrevocably submit to the exclusive jurisdiction of the courts of the State of New York and the United States Court for the Southern District of New York in connection with all matters relating hereto and waive any objection to the laying of venue in, and any claim of inconvenient forum with respect to, these courts.

(i) Designation by Dealer. Notwithstanding any other provision in this Confirmation to the contrary requiring or allowing Dealer to purchase, sell, receive or deliver any Shares or other securities to or from Company, Dealer may designate any of its affiliates to purchase, sell, receive or deliver such Shares or other securities and otherwise to perform Dealer obligations in respect of the Transaction and any such designee may assume such obligations. Dealer shall be discharged of its obligations to Company only to the extent of any such performance.

(j) Bankruptcy. Dealer acknowledges and agrees that this Confirmation is not intended to convey to Dealer rights with respect to the transactions contemplated hereby that are senior to the claims of Company's common stockholders in any U.S. bankruptcy proceedings of Company, *provided* that nothing herein shall limit or shall be deemed to limit Dealer's right to pursue remedies in the event of a breach by Company of its obligations and agreements with respect to this Confirmation or the Agreement; *provided, further,* that nothing herein shall limit or shall be deemed to limit Dealer's rights in respect of any transaction other than this Transaction.

(k) No Collateral or Setoff. Notwithstanding any other provision of this Confirmation or the Agreement or any other agreement between the parties to the contrary, the obligations of Company hereunder are not secured by any collateral. Obligations in respect of this Transaction shall not be set off against any other obligations of the parties, whether arising under the Agreement, this Confirmation, under any other agreement between the parties hereto, by operation of law or otherwise, and no other obligations of the parties shall be set off against obligations in respect of this Transaction, whether arising under the Agreement, this Confirmation, under any other agreement between the parties hereto, by operation of law or otherwise, and each party hereby waives any such right of setoff, except that set-off solely with respect to amounts payable under this Transaction shall be permissible.

(l) Delivery of Cash. For the avoidance of doubt, nothing in this Confirmation shall be interpreted as requiring Company to deliver cash in respect of the settlement of this Transaction, except in circumstances where the required cash settlement thereof is permitted for classification of the contract as equity by ASC 815-40 (formerly EITF 00-19) as in effect on the Trade Date (including, without limitation, where Company so elects to deliver cash or fails timely to elect to deliver Shares in respect of such settlement). For the avoidance of doubt, the preceding sentence shall not be construed as limiting (i) Section 7(a) hereof or (ii) any damages that may be payable by Company as a result of breach of this Confirmation.

11. Non-Confidentiality. The parties hereby agree that (i) effective from the date of commencement of discussions concerning the Transaction, Company and each of its employees, representatives, or other agents may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the Transaction and all materials of any kind, including opinions or other tax analyses, provided by Dealer and its affiliates to Company relating to such tax treatment and tax structure and (ii) Dealer does not assert any claim of proprietary ownership in respect of any description contained herein or therein relating to the use of any entities, plans or arrangements to give rise to a particular United States federal income tax treatment for Company.

12. Taxes.

(a) For the purpose of Section 3(f) of the Agreement, Dealer represents that (a) it is a bank organized under the laws of Canada and is a corporation for U.S. federal income tax purposes and (b) each payment received or to be received by it in connection with this Confirmation will be effectively connected with its conduct of a trade or business in the United States.

(b) For the purpose of Section 3(f) of the Agreement, Company makes the following representations: (i) it is a "U.S. person" (as that term is used in Section 1.1441-4(a)(3)(ii) of the Treasury Regulations) for U.S. federal income tax purposes and (ii) it is a corporation for U.S. federal income tax purposes, it is organized under the laws of the State of Pennsylvania, and it is an exempt recipient under Treasury Regulations Section 1.6049-4(c)(1)(ii)(A). For the purpose of Sections 4(a)(i) and (ii) of the Agreement, Dealer agrees to deliver to Company one (1) duly executed and completed United States Internal Revenue Service Form W-ECI (or successor thereto), upon execution of this Confirmation and shall provide a new form promptly upon (i) reasonable request of Company or (ii) learning that any form previously provided has become inaccurate or incorrect. For the purpose of Sections 4(a)(i) and (ii) of the Agreement, Company agrees to deliver to Dealer one (1) duly executed and completed United States Internal Revenue Service Form W-9 (or successor thereto) upon execution of this Confirmation and shall provide a new form promptly upon (i) reasonable request of Dealer or (ii) learning that any form previously provided has become inaccurate or incorrect. Additionally, each party shall, promptly upon reasonable request by the other party, provide any other form or document relating to taxation that may be required or reasonably requested by the other party, accurately completed and in a manner reasonably satisfactory to the other party.

(c) "Indemnifiable Tax" as defined in Section 14 of the Agreement shall not include any withholding tax imposed or collected pursuant to Sections 1471 through 1474 of the United States Internal Revenue Code (the "***Code***"), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code (a "***FATCA Withholding Tax***"). For the avoidance of doubt, a FATCA Withholding Tax is a Tax the deduction or withholding of which is required by applicable law for the purposes of Section 2(d) of the Agreement.

(d) To the extent that either party to the Agreement with respect to this Transaction is not an adhering party to the ISDA 2015 Section 871(m) Protocol published by the ISDA on November 2, 2015 and available at www.isda.org, as may be amended, supplemented, replaced or superseded from time to time (the "***871(m) Protocol***"), the parties agree that the provisions and amendments contained in the Attachment to the 871(m) Protocol are incorporated into and apply to the Agreement with respect to this Transaction as if set forth in full herein. The parties further agree that, solely for purposes of applying such provisions and amendments to the Agreement with respect to this Transaction, references to "each Covered Master Agreement" in the 871(m) Protocol will be deemed to be references to the Agreement with respect to this Transaction, and references to the "Implementation Date" in the 871(m) Protocol will be deemed to be references to the Trade Date of this Transaction. For greater certainty, if there is any inconsistency between this provision and the provisions contained in any other agreement between the parties with respect to this Transaction, this provision shall prevail unless such other agreement expressly overrides the provisions of the Attachment to the 871(m) Protocol.

13. Use of Shares. Dealer acknowledges and agrees that, except in the case of a Private Placement Settlement, Dealer (or its agents or affiliates, as applicable) shall use any Shares delivered by Company to Dealer on any Settlement Date to return to securities lenders to close out borrowings created by Dealer (or its agents or affiliates, as applicable) in connection with its hedging activities related to exposure under this Transaction.

14. Agent. Royal Bank of Canada ("**RBC**" or the "**Bank**") has appointed as its agent, its indirect wholly-owned subsidiary, RBC Capital Markets, LLC ("**RBCCM**"), for purposes of conducting on the Bank's behalf, a business in privately negotiated transactions in options and other derivatives. You hereby are advised that RBC, the principal and stated counterparty in such transactions, duly has authorized RBCCM to market, structure, negotiate, document, price, execute and hedge transactions in over-the-counter derivative products. RBCCM has full, complete and unconditional authority to undertake such activities on behalf of RBC. RBCCM acts solely as agent and has no obligation, by way of issuance, endorsement, guarantee or otherwise with respect to the performance of either party under this Transaction. This Transaction is not insured or guaranteed by RBCCM.

15. Indemnity. The Company agrees to indemnify and hold harmless Dealer, its affiliates and its assignees and their respective directors, officers and controlling persons (Dealer and each such person being an "Indemnified Party") from and against any and all losses, claims, damages and liabilities, joint or several, incurred by or asserted against such Indemnified Party arising out of, in connection with, or relating to, any breach of any covenant, agreement or representation of the Company in this Confirmation or the Agreement. The Company will not be liable under the foregoing indemnification provision to the extent that any loss, claim, damage, liability or expense is found in a nonappealable judgment by a court of competent jurisdiction to have resulted from Dealer's willful misconduct, gross negligence or bad faith in performing the services that are subject of the Transaction. If for any reason the foregoing indemnification is unavailable to any Indemnified Party or insufficient to hold harmless any Indemnified Party, then the Company shall contribute, to the maximum extent permitted by law, to the amount paid or payable by the Indemnified Party as a result of such loss, claim, damage or liability. In addition, the Company will reimburse any Indemnified Party for all reasonable expenses (including reasonable counsel fees and expenses) as they are incurred in connection with the investigation of, preparation for or defense or settlement of any pending or threatened claim or any action, suit or proceeding arising therefrom, whether or not such Indemnified Party is a party thereto and whether or not such claim, action, suit or proceeding is initiated or brought by or on behalf of the Company. The Company also agrees that no Indemnified Party shall have any liability to the Company or any person asserting claims on behalf of or in right of the Company in connection with or as a result of any matter referred to in this or the Agreement except to the extent that any losses, claims, damages, liabilities or expenses incurred by the Company result from the gross negligence, willful misconduct or bad faith of the Indemnified Party. The provisions of this Section 15 shall survive the completion of the Transaction contemplated by this Confirmation and any assignment and/or delegation of the Transaction made pursuant to the Agreement or this Confirmation shall inure to the benefit of any permitted assignee of Dealer. For the avoidance of doubt, any payments due as a result of this provision may not be used to set off any obligation of Dealer upon settlement of the Transaction.

16. Counterparts. This Counterpart may be executed in one or more counterparts and, if executed in more than one counterpart, the executed counterparts shall each be deemed to be an original but all such counterparts shall together constitute one and the same instrument.

If the foregoing correctly sets forth the agreement between Dealer and Company with respect to the Transaction to which this Confirmation relates, please indicate your acceptance in the space provided for that purpose below.

Yours faithfully,

**RBC CAPITAL MARKETS, LLC**
**as agent for**
**ROYAL BANK OF CANADA**

By: /s/ Shane Didier
Name: Shane Didier
Title: Senior Associate

**ESSENTIAL UTILITIES, INC.**

By: /s/ Christopher Luning
Name: Christopher Luning
Title: Executive Vice President, General Counsel, and Secretary

**SCHEDULE A**

FORWARD PRICE REDUCTION DATES AND AMOUNTS

| Forward Price Reduction Date: | Forward Price Reduction Amount: |
|---|---|
| Trade Date | USD 0.00 |
| August 13, 2020 | USD 0.2507 |
| November 12, 2020 | USD 0.2507 |
| February 11, 2021 | USD 0.2507 |
| May 13, 2021 | USD 0.2507 |
| Final Date | USD 0.00 |

**Exhibit 1.2**

EXECUTION VERSION

**Essential Utilities, Inc.**

**6,700,000 Shares**

**Common Stock, Par Value $0.50 Per Share**

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**Underwriting Agreement**

August 11, 2020

RBC Capital Markets, LLC (the "Underwriter" or "you")

c/o RBC Capital Markets, LLC,
200 Vesey Street,
New York, New York 10281.

Ladies and Gentlemen:

Essential Utilities, Inc., a Pennsylvania corporation (the "Company") and Royal Bank of Canada (acting through its agent, RBC Capital Markets, LLC) (in such capacity, the "Forward Seller"), at the Company's request in connection with the letter agreement dated the date hereof between the Company and Royal Bank of Canada (acting through its agent, RBC Capital Markets, LLC) (in such capacity, the "Forward Purchaser") (such letter agreement, the "Forward Sale Agreement"), relating to the forward sale by the Company, subject to the Company's right to elect Cash Settlement or Net Share Settlement (as such terms are defined in the Forward Sale Agreement), of a number of shares of common stock, par value $0.50 per share, of the Company ("Stock") equal to the number of Borrowed Securities (as defined below) contemplated to be sold by the Forward Seller pursuant to this Agreement, confirm their respective agreements with the Underwriter with respect to the sale by the Forward Seller and the purchase by the Underwriter of an aggregate of 6,700,000 shares of Stock (the "Borrowed Securities"). The Borrowed Securities and the Company Top-Up Securities (as defined in Section 12(a) hereof) are herein referred to collectively as the "Securities".

On October 22, 2018, the Company entered into a Purchase Agreement (the "Acquisition Agreement") with LDC Parent LLC, a Delaware limited liability company ("Seller"). Pursuant to the Acquisition Agreement, on the terms and subject to the conditions set forth therein, on March 16, 2020, the Company acquired (the "Acquisition") from Seller all of the issued and outstanding limited liability company membership interests of LDC Funding LLC, a Delaware limited liability company (the "Acquired Company"), the parent of a group of natural gas public utility companies including Peoples Natural Gas Company, Peoples Gas Company, and Delta Natural Gas Co., Inc., as well as other operating subsidiaries. Except where otherwise indicated, references herein to "subsidiaries" or "affiliates" of the Company do not refer to or include the Acquired Company.

1. The Company represents and warrants to, and agrees with, each of the Underwriter, the Forward Seller and the Forward Purchaser that:

(a) An "automatic shelf registration statement" as defined under Rule 405 under the Securities Act of 1933, as amended (the "Act") on Form S-3 (File No. 333-223306) in respect of the Securities and other securities has been filed with the Securities and Exchange Commission (the "Commission") not earlier than three years prior to the date hereof; such registration statement, and any post-effective amendment thereto, became effective on filing; and no stop order suspending the effectiveness of such registration statement or any part thereof has been issued and no proceeding for that purpose or pursuant to Section 8A of the Act has been initiated or, to the knowledge of the Company, threatened by the Commission, and no notice of objection of the Commission to the use of such registration statement or any post-effective amendment thereto pursuant to Rule 401(g)(2) under the Act has been received by the Company (the base prospectus filed as part of such registration statement, in the form in which it has most recently been filed with the Commission on or prior to the date of this Agreement, is hereinafter called the "Basic Prospectus"; any preliminary prospectus (including any preliminary prospectus supplement) relating to the Securities filed with the Commission pursuant to Rule 424(b) under the Act is hereinafter called a "Preliminary Prospectus"; the various parts of such registration statement, including all exhibits thereto but excluding Form T-1 and including any prospectus supplement relating to the Securities that is filed with the Commission and deemed by virtue of Rule 430B to be part of such registration statement, each as amended at the time such part of the registration statement became effective, are hereinafter collectively called the "Registration Statement"; the Basic Prospectus, as amended and supplemented immediately prior to the Applicable Time (as defined in Section 1(c) hereof), is hereinafter called the "Pricing Prospectus"; the form of the final prospectus relating to the Securities filed with the Commission pursuant to Rule 424(b) under the Act in accordance with Section 6(a) hereof is hereinafter called the "Prospectus"; any reference herein to the Basic Prospectus, the Pricing Prospectus, any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include the documents incorporated by reference therein pursuant to Item 12 of Form S-3 under the Act, as of the date of such prospectus; any reference to any amendment or supplement to the Basic Prospectus, any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include any post-effective amendment to the Registration Statement, any prospectus supplement relating to the Securities filed with the Commission pursuant to Rule 424(b) under the Act and any documents filed under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and incorporated therein, in each case after the date of the Basic Prospectus, such Preliminary Prospectus, or the Prospectus, as the case may be; any reference to any amendment to the Registration Statement shall be deemed to refer to and include any annual report of the Company filed pursuant to Section 13(a) or 15(d) of the Exchange Act after the effective date of the Registration Statement that is incorporated by reference in the Registration Statement; and any "issuer free writing prospectus" as defined in Rule 433 under the Act relating to the Securities is hereinafter called an "Issuer Free Writing Prospectus");

(b) (A) No order preventing or suspending the use of any Preliminary Prospectus or any Issuer Free Writing Prospectus has been issued by the Commission, and (B) each Preliminary Prospectus, at the time of filing thereof, conformed in all material respects to the requirements of the Act and the rules and regulations of the Commission thereunder, and did not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with the Underwriter Information (as defined in Section 10(b));

(c) For the purposes of this Agreement, the "Applicable Time" is 9:00 a.m. (Eastern time) on the date of this Agreement. The Pricing Prospectus, as supplemented by the Issuer Free Writing Prospectus listed on Schedule II(c) hereto, if any, and the information set forth on Schedule II(d) hereto, taken together (collectively, the "Pricing Disclosure Package"), as of the Applicable Time did not, and as of the Time of Delivery (as defined in Section 5(a) of this Agreement) will not, include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and each Issuer Free Writing Prospectus does not conflict with the information contained in the Registration Statement, the Pricing Prospectus or the Prospectus; and each Issuer Free Writing Prospectus, as supplemented by and taken together with the Pricing Disclosure Package as of the Applicable Time, did not, and as of the Time of Delivery will not, include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to statements or omissions made in the Pricing Disclosure Package or in an Issuer Free Writing Prospectus in reliance upon and in conformity with the Underwriter Information;

(d) The documents incorporated by reference in the Registration Statement, the Pricing Prospectus and the Prospectus, when they became effective or were filed with the Commission, as the case may be, conformed in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder, and none of such documents contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading; any further documents so filed and incorporated by reference in the Registration Statement, the Pricing Prospectus and the Prospectus or any further amendment or supplement thereto, when such documents become effective or are filed with the Commission, as the case may be, will conform in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with the Underwriter Information; and no such documents were filed with the Commission since the Commission's close of business on the business day immediately prior to the date of this Agreement and prior to the execution of this Agreement, except as listed on Schedule II(b) hereto;

(e) The Registration Statement conforms, and the Prospectus and any further amendments or supplements to the Registration Statement and the Prospectus will conform, in all material respects to the requirements of the Act and the rules and regulations of the Commission thereunder and do not and will not, as of the applicable effective date as to each part of the Registration Statement, as of the applicable filing date as to the Prospectus and any amendment or supplement thereto, and as of the Time of Delivery, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with the Underwriter Information;

(f) Since the date of the Company's or the Acquired Company's, as applicable, latest audited financial statements included or incorporated by reference in the Pricing Prospectus, (i) none of the Company, any of its subsidiaries, the Acquired Company or any of the Acquired Company's subsidiaries has sustained any material loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, (ii) there has been no adverse change in the condition, financial or otherwise, or in the earnings or business affairs of the Company, any of its subsidiaries, the Acquired Company or any of the Acquired Company's subsidiaries, and (iii) none of the Company, any of its subsidiaries, the Acquired Company or any of the Acquired Company's subsidiaries has entered into any transaction or agreement (whether or not in the ordinary course of business), or incurred any liability or obligation (direct or contingent), that, in the case of clause (i), (ii) and (iii), is material to the Company and its subsidiaries (including the Acquired Company and its subsidiaries), taken as a whole, otherwise than as set forth or contemplated in the Pricing Prospectus, including drawing under the Company's revolving credit facility and term loan facilities and drawings under the Acquired Company's term loan facility in each case as disclosed in the Pricing Prospectus (the "Post Balance Sheet Drawings"). Since the respective dates as of which information is given in the Registration Statement and the Pricing Prospectus and except as disclosed therein, there has not been (i) any change in the capital stock (other than as a result of (A) the exercise, if any, of stock options or the award, if any, of stock options or restricted stock in the ordinary course of business pursuant to the Company's equity plans that are described in the Pricing Prospectus and the Prospectus or (B) the issuance, if any, of Stock, upon conversion of Company securities as described in the Pricing Prospectus and the Prospectus) or long term debt of the Company, any of its subsidiaries, the Acquired Company or any of the Acquired Company's subsidiaries, or (ii) any Combined Company Material Adverse Effect (as defined below). As used in this Agreement, (i) "Combined Company Material Adverse Effect" shall mean any material adverse effect on the financial condition, business or results of operations of the Company and its subsidiaries (including the Acquired Company and its subsidiaries), taken as a whole except as set forth or contemplated in the Pricing Prospectus and (ii) "Material Adverse Effect" shall mean any material adverse effect on the financial condition, business or results of operations of the Company and its subsidiaries, taken as a whole except as set forth or contemplated in the Pricing Prospectus. Except as disclosed in the Pricing Prospectus, to the knowledge of the Company, there are no pending actions, suits or proceedings against or affecting the Acquired Company, or any of its subsidiaries or any of their respective properties that, if determined adversely to the Acquired Company or any of its subsidiaries, would have, or would reasonably be expected to have, individually or in the aggregate, a material adverse effect on the financial condition, business or results of operations of the Acquired Company and its subsidiaries, taken as a whole; and, to the knowledge of the Company, no such actions, suits or proceedings are threatened by governmental authorities or by others;

(g) Except as would not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, the Company and its subsidiaries have good and marketable title to all real property or have good and valid leasehold title to or hold valid rights to lease or otherwise occupy, use, operate or access all real property and have good and marketable title to all personal property owned by them, in each case free and clear of all liens, encumbrances and defects except such as are described in the Pricing Prospectus or such as do not interfere with the use made and proposed to be made of such property by the Company and its subsidiaries;

(h) Each of the Company and each of its "significant subsidiaries" (as defined in Rule 1-02 of Regulation S-X under the Exchange Act) ("Significant Subsidiaries") has been (i) duly organized and is validly existing and in good standing under the laws of its jurisdiction of organization, with power and authority (corporate and other) to own its properties and conduct its business as described in the Pricing Prospectus, and (ii) duly qualified as a foreign corporation for the transaction of business and is in good standing under the laws of each other jurisdiction in which it owns or leases properties or conducts any business so as to require such qualification, except where the failure to be so qualified in any such jurisdiction would not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect;

(i) The Company has an authorized capitalization as set forth in the Pricing Prospectus and all of the issued shares of capital stock of the Company have been duly and validly authorized and issued and are fully paid and non-assessable and conform to the description of the Stock contained in the Pricing Disclosure Package and the Prospectus; all of the issued options, warrants and other rights to purchase or exchange any securities for shares of the Company's capital stock have been duly and validly authorized and issued and conform to the description thereof contained in the Pricing Disclosure Package and the Prospectus; and all of the issued shares of capital stock of each subsidiary of the Company have been duly and validly authorized and issued, are fully paid and non-assessable and (except for directors' qualifying shares) are owned directly or indirectly by the Company, free and clear of all liens, encumbrances, equities or claims, except for such liens or encumbrances described in the Pricing Prospectus and the Prospectus; and the Company Top-Up Securities, if any, to be issued and sold by the Company hereunder have been duly and validly authorized and, when issued and delivered against payment therefor as provided herein, will be duly and validly issued and fully paid and non-assessable and will conform in all material respects to the description of the Stock contained in the Pricing Disclosure Package and the Prospectus; and the issuance of such Securities is not subject to any preemptive or similar rights. A number of shares of Stock equal to the Share Cap (as such term is defined in the Forward Sale Agreement) (the "Share Cap"), have been duly and validly authorized and, when issued and delivered by the Company to the Forward Purchaser pursuant to the Forward Sale Agreement against payment of any consideration required to be paid by the Forward Purchaser pursuant to the terms of the Forward Sale Agreement will be duly and validly issued and fully paid and non-assessable and will conform in all material respects to the description of the Stock contained in the Pricing Disclosure Package and the Prospectus; and the issuance of such Securities is not subject to any preemptive or similar rights;

(j) The issue and sale of the Securities and the compliance by the Company with this Agreement and the Forward Sale Agreement and the consummation of the transactions contemplated herein and therein and in the Pricing Prospectus will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, (A) any indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which the Company, any of its subsidiaries, the Acquired Company or any of the Acquired Company's subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the property or assets of the Company, any of its subsidiaries, the Acquired Company or any of the Acquired

Company's subsidiaries is subject, (B) the certificate of incorporation or by-laws (or other applicable organizational document) of the Company, any of its subsidiaries, the Acquired Company or any of the Acquired Company's subsidiaries, or (C) any statute or any judgment, order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company, any of its subsidiaries, the Acquired Company or any of the Acquired Company's subsidiaries or any of their properties except, in the case of (A), for such defaults, breaches, or violations that would not have, and would not reasonably be expected to have, individually or in the aggregate, a Combined Company Material Adverse Effect; and no consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body is required in connection with the execution, delivery and performance of this Agreement or the Forward Sale Agreement, nor the consummation of the transactions contemplated herein or therein, except (y) such as have been obtained under the Act and (z) for such consents, approvals, authorizations, orders, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Securities by the Underwriter;

(k) (i) Neither the Company nor any of its Significant Subsidiaries is in violation of its certificate of incorporation or by-laws (or other applicable organization document), and (ii) neither the Company nor any of its subsidiaries is (A) in violation of any statute or any judgment, order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties or (B) in default in the performance or observance of any obligation, agreement, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which it is a party or by which it or any of its properties may be bound, except, in the case of the foregoing clause (ii), for such defaults as would not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect;

(l) The statements set forth in (i) the Pricing Prospectus and Prospectus under the caption "Description of Capital Stock", insofar as they purport to constitute a summary of the terms of the Stock, and (ii) (A) the Pricing Prospectus and the Prospectus under the caption "Certain United States Federal Income and Estate Tax Considerations to Non-U.S. Holders" and under the caption "Underwriting (Conflicts of Interest)", and (B) Parts I and II of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019 under the caption "Economic Regulation" (in each place that it appears) and under the caption "Environmental, Health and Safety Regulation", insofar as they purport to describe the provisions of laws and documents, are accurate, complete and fair in all material respects;

(m) Other than as set forth in the Pricing Prospectus, there are no legal or governmental proceedings pending to which the Company or any of its subsidiaries is a party or of which any property or assets of the Company or any of its subsidiaries is the subject, which, if determined adversely to the Company or any of its respective subsidiaries, would have, or would reasonably be expected to have, individually or in the aggregate a Material Adverse Effect or have a material adverse effect on the ability of the Company to perform its obligations under this Agreement or the Forward Sale Agreement, including the issuance and sale of the Securities contemplated herein and therein; and, to the knowledge of the Company, no such proceedings are threatened by governmental authorities or by others;

(n) The Company is not and, after giving effect to (i) the offering and sale of the Company Top-Up Securities, if any, and the application of the proceeds thereof and (ii) the issuance, sale and delivery of Stock upon settlement of the Forward Sale Agreement, if any, upon such settlement, will not be an "investment company", as such term is defined in the Investment Company Act of 1940, as amended (the "Investment Company Act");

(o) (i) (A) At the time of filing the Registration Statement, (B) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Act (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus), and (C) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c) under the Act) made any offer relating to the Securities in reliance on the exemption of Rule 163 under the Act, the Company was a "well-known seasoned issuer" as defined in Rule 405 under the Act; and (ii) at the time of filing the Registration Statement and any post-effective amendment thereto, at the earliest time thereafter that the Company or any offering participant made a bona fide offer (within the meaning of Rule 164(h)(2) under the Act) of the Securities, and at the date hereof, the Company was not and is not an "ineligible issuer," as defined in Rule 405 under the Act;

(p) (i) PricewaterhouseCoopers LLP, who have certified certain financial statements of the Company and its subsidiaries, and have audited the Company's internal control over financial reporting and management's assessment thereof and (ii) to the knowledge of the Company, Deloitte & Touche LLP, who have certified certain financial statements of the Acquired Company and its subsidiaries are each independent public accountants as required by the Act and the rules and regulations of the Commission thereunder;

(q) The Company maintains a system of internal control and maintains disclosure controls and procedures, in each case that complies with the requirements of the Exchange Act and is otherwise in compliance in all material respects with the requirements of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith. The Company's internal control over financial reporting and disclosure controls and procedures are each effective, and the Company is not aware of any material weaknesses in its internal control over financial reporting. The interactive data in eXtensible Business Reporting Language ("XBRL") included or incorporated by reference in the Registration Statement, the Pricing Prospectus or the Prospectus presents fairly the information called for in all material respects and has been prepared in accordance with the Commission's rules and guidelines applicable thereto.

(r) Except as disclosed in the Pricing Prospectus, since the date of the latest audited financial statements of the Company, included or incorporated by reference in the Pricing Prospectus, there has been no change in the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting;

(s) Neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee, affiliate or other person associated with or acting on behalf of the Company or any of its subsidiaries has (A) made, offered, promised or authorized any contribution, gift, entertainment or other expense (or taken any act in furtherance thereof) in violation of an applicable anti-bribery or anti-corruption

law; (B) made, offered, promised or authorized any direct or indirect payment in violation of an applicable anti-bribery or anti-corruption law; or (C) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977, the Bribery Act 2010 of the United Kingdom or any other applicable anti-bribery or anti-corruption law;

(t) The operations of the Company and its subsidiaries are and have been conducted at all times in compliance in all material respects with the requirements of applicable anti-money laundering laws, including, but not limited to, the Bank Secrecy Act of 1970, as amended by the USA PATRIOT ACT of 2001, and the rules and regulations promulgated thereunder, and the anti-money laundering laws of the various jurisdictions in which the Company and its subsidiaries conduct business (collectively, the "Money Laundering Laws") and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened;

(u) Neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee or affiliate of the Company or any of its subsidiaries, is currently the subject or the target of any sanctions administered or enforced by the U.S. Government, including, the Office of Foreign Assets Control of the U.S. Department of the Treasury ("OFAC"), or the U.S. Department of State and including, without limitation, the designation as a "specially designated national" or "blocked person," the European Union, Her Majesty's Treasury, or the United Nations Security Council (collectively, "Sanctions"), nor is the Company or any of its subsidiaries located, organized or resident in a country or territory that is the subject or target of Sanctions (including, without limitation, Crimea, Cuba, Iran, North Korea, and Syria), and the Company will not directly or knowingly indirectly use the proceeds of the sale of the Securities hereunder or from the settlement of the Forward Sale Agreement, as the case may be, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (A) for the purpose of funding or facilitating any unlawful activities of or business with any person, or in any country or territory, that, at the time of such funding, is the subject or the target of Sanctions or (B) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions;

(v) This Agreement has been duly authorized, executed and delivered by the Company;

(w) The Forward Sale Agreement has been duly authorized, executed and delivered by the Company and is a valid and legally binding agreement of the Company enforceable against the Company in accordance with its terms, except as enforceability thereof may be limited by considerations of public policy, bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles;

(x) Each of this Agreement, the Forward Sale Agreement and the other transaction documents contemplated to be executed in connection herewith or therewith (collectively, the "Transaction Documents") conforms or, when and if duly executed and delivered in accordance with its terms, will conform in all material respects to the description thereof (if any) contained in the Pricing Prospectus and the Prospectus;

(y) The financial statements of the Company included or incorporated by reference in the Registration Statement, the Pricing Prospectus and the Prospectus present fairly, in all material respects, the financial position of the Company and its subsidiaries at the dates indicated and the statement of operations, stockholders' equity and cash flows of the Company and its subsidiaries for the periods specified; and said financial statements have been prepared in conformity with U.S. generally accepted accounting principles ("GAAP") applied on a consistent basis throughout the periods involved. The pro forma financial information of the Company, and the related notes thereto, included or incorporated by reference in the Registration Statement, the Pricing Prospectus and the Prospectus fairly represent in all material respects the information therein, has been prepared in accordance with Regulation S-X under the Exchange Act and provide a reasonable basis for presenting the significant effects of the transactions and circumstances referred to therein, and the assumptions used in preparation thereof, in the reasonable judgment of the Company's management and subject to the qualifications therein, are reasonable; the related pro forma adjustments are directly attributable to the transactions or events described therein and give appropriate effect to those assumptions in all material respects; and the pro forma columns therein reflect the proper application of those adjustments to the corresponding historical financial statement in all material respects;

(z) To the knowledge of the Company, the financial statements of the Acquired Company included or incorporated by reference in the Registration Statement, the Pricing Prospectus and the Prospectus, together with the related schedules and notes, present fairly, in all material respects, the financial position of the Acquired Company and its subsidiaries at the dates indicated and the statement of operations, stockholders' equity and cash flows of the Acquired Company and its subsidiaries for the periods specified; and said financial statements have been prepared in conformity with GAAP applied on a consistent basis throughout the periods involved. To the knowledge of the Company, the supporting schedules of the Acquired Company, if any, present fairly, in all material respects, in accordance with GAAP the information required to be stated therein;

(aa) Except with respect to taxes that are being contested in good faith or as otherwise disclosed in the Pricing Prospectus, (i) each of the Company and its subsidiaries have paid all federal, state, local and foreign taxes required to be paid and filed all tax returns required to be filed, in each case, through the date hereof, except for such failures to pay or file as would not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, and (ii) there is no tax deficiency that has been asserted against the Company, any of its subsidiaries or any of their respective properties or assets that would have, or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect;

(bb) The Company and its subsidiaries possess all licenses, certificates, permits and other authorizations issued by, and have made all declarations and filings with, the appropriate federal, state, local or foreign governmental or regulatory authorities that are necessary for the ownership or lease of their respective properties or the conduct of their respective businesses as described in the Registration Statement, Pricing Prospectus and the Prospectus, except where the failure to possess or make the same would not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect; and, except as described in the Registration Statement, the Pricing Prospectus and the Prospectus, neither the Company nor any of its subsidiaries has received notice of any revocation or modification of any material license, certificate, permit or authorization or has any reason to believe that any material license, certificate, permit or authorization will not be renewed in the ordinary course;

(cc) Except as otherwise disclosed in the Pricing Prospectus, (i) the Company and its subsidiaries (A) are, and at all prior times were, in compliance with any and all applicable federal, state, local and foreign laws, rules, regulations, legally binding requirements or judicial or administrative decisions and orders relating to the protection of the environment or natural resources, or human health or safety, to the extent relating to exposure to hazardous or toxic substances or wastes, pollutants or contaminants (collectively, "Environmental Laws"), including with respect to any real property currently or formerly owned or operated by the Company or any of its subsidiaries that is known or reasonably anticipated to be contaminated with any hazardous or toxic substances or wastes, pollutants or contaminants, (B) have received and are in compliance with all permits, licenses, or other legal authorizations or approvals required of them under applicable Environmental Laws to conduct their respective businesses as currently conducted and (C) have not received written notice of any liability, violation or claim under or relating to any Environmental Laws, including for human exposure to, or the investigation or remediation of any disposal or release of, hazardous or toxic substances or wastes, pollutants or contaminants, and have no knowledge of any event or condition that would reasonably be expected to result in any such notice, and (ii) to the knowledge of the Company, there are no costs or liabilities associated with Environmental Laws of or relating to the Company or any of its subsidiaries, except in the case of each of (i) and (ii) above, as would not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect; and (iii) (A) there are no judicial or administrative proceedings that are pending against the Company or any of its subsidiaries under any Environmental Laws in which a governmental entity is also a party, and, to the knowledge of the Company, no such proceedings are threatened, in each case other than such proceedings regarding which it is reasonably believed no monetary sanctions of $100,000 or more will be imposed, and (B) the Company and its subsidiaries are not aware of any issues regarding compliance with Environmental Laws, or liabilities or other obligations under Environmental Laws or concerning hazardous or toxic substances or wastes, pollutants or contaminants, that would have, or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect;

(dd) Except as disclosed in the Registration Statement, the Pricing Prospectus and the Prospectus, (i) the Company, its subsidiaries and any "employee benefit plan" (as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended, and the regulations and published interpretations thereunder (collectively, "ERISA")) established or maintained by the Company, its subsidiaries or their ERISA Affiliates (as defined below) are in compliance with ERISA, and (ii) no "reportable event" (as defined under ERISA) has occurred or is reasonably expected to occur with respect to any "employee benefit plan" established or maintained by the Company, any of its subsidiaries or any of their ERISA Affiliates, in either case, other than as would not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. "ERISA Affiliate" means, with respect to the Company and its subsidiaries, any member of any group of organizations described in Sections 414(b), (c), (m) or (o) of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), of which the Company or such subsidiary is a member;

(ee) Except as described in the Pricing Prospectus and except as would not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (i) no material labor dispute with the employees of the Company or any of its subsidiaries exists or, to the knowledge of the Company, is contemplated or threatened and (ii) the Company is not aware of any existing or imminent labor disturbance by the employees of any of principal suppliers or contractors;

(ff) The Company and its subsidiaries have insurance covering their properties, operations, personnel and businesses, including business interruption insurance, which insurance is in amounts and insures against such losses and risks as the Company believes are adequate to protect the Company and its subsidiaries; and neither the Company nor any of its subsidiaries has (i) received notice from any insurer under a material insurance policy or agent of such insurer that material capital improvements or other expenditures are required or necessary to be made in order to continue such insurance or (ii) any reason to believe that it will not be able to renew its existing material insurance coverage as and when such coverage expires or to obtain similar coverage at reasonable cost from similar insurers as may be necessary to continue its business;

(gg) Except as would not have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, the Company and each of its subsidiaries owns or possesses, or can acquire on reasonable terms, adequate patents, patent licenses, trademarks, service marks and trade names necessary to carry on its business as presently conducted, and neither the Company nor any of its subsidiaries has received any notice of infringement of or conflict with asserted rights of others with respect to any patents, patent licenses, trademarks, service marks or trade names that in the aggregate, if the subject of an unfavorable decision, ruling or finding, would have, or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect;

(hh) The Company and its subsidiaries (i) have implemented and maintain commercially reasonable controls, policies, procedures, and safeguards to maintain and protect their material confidential information and the integrity, continuous operation, redundancy and security of all information technology assets and equipment, computers, systems, networks, hardware, software, websites, applications, and databases (collectively, “IT Systems”) and data (including all personal, personally identifiable, sensitive, confidential or regulated data (“Personal Data”)) used in connection with their respective businesses, and there have been no breaches, violations, outages or unauthorized uses of or accesses to the same, except for those that have been remedied without material cost or liability or the duty to notify any other person, except as would not, have, and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect and (ii) are in material compliance with all applicable laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority relating to the privacy and security of IT Systems and Personal Data and to the protection of such IT Systems and Personal Data from unauthorized use, access, misappropriation or modification;

(ii) The Company has not taken, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Securities;

(jj) To the knowledge of the Company, since the date of the latest financial statements of the Acquired Company included or incorporated by reference in the Pricing Prospectus, and except as disclosed in the Pricing Prospectus, there has not been any material adverse change in the business, financial condition, or results of operations of Acquired Company and its subsidiaries, taken as a whole;

(kk) To the knowledge of the Company, (i) each party to the Acquisition Agreement was, prior to the Acquisition, in compliance in all material respects with its respective covenants and agreements contained in the Acquisition Agreement and required to be performed or complied with by such party prior to the Acquisition and (ii) all representations and warranties made by the Seller in the Acquisition Agreement are, treating such Acquisition Agreement as still in effect, true and correct (for the avoidance of doubt, giving effect to any limitation as to "materiality" or "Material Adverse Effect" (as defined in the Acquisition Agreement) or similar limitation as set forth in such representations and warranties); and

(ll) Immediately after any sale of Stock by the Company or the Forward Seller hereunder, the aggregate amount of Stock that has been issued and sold by the Company or the Forward Seller hereunder shall not exceed the aggregate amount of Stock registered under the Registration Statement (in this regard, the Company acknowledges and agrees that the Underwriter shall have no responsibility for maintaining records with respect to the aggregate amount of Stock sold, or of otherwise monitoring the availability of the Stock for sale, under the Registration Statement).

2. The Forward Seller represents and warrants to, and agrees with, the Underwriter and the Company that:

(a) This Agreement has been duly authorized, executed and delivered by the Forward Seller and, at the Time of Delivery, the Forward Seller will have full right, power and authority to sell, transfer and deliver the Borrowed Securities;

(b) The Forward Sale Agreement has been duly authorized, executed and delivered by the Forward Purchaser and constitutes a valid and legally binding agreement of the Forward Purchaser, enforceable against the Forward Purchaser in accordance with its terms, except as enforceability thereof may be limited by considerations of public policy, bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general equity principles; and

(c) The Forward Seller shall, at the Time of Delivery, have the free and unqualified right to transfer any Borrowed Securities, to the extent that it is required to transfer such Borrowed Securities hereunder, free and clear of any security interest, mortgage, pledge, lien, charge, claim, equity or encumbrance of any kind; and upon delivery of such Borrowed Securities and payment of the purchase price therefor as herein contemplated, assuming the Underwriter has no notice of any adverse claim, such Underwriter shall have the free and unqualified right to transfer the Borrowed Securities purchased by it from the Forward Seller, free and clear of any security interest, mortgage, pledge, lien, charge, claim, equity or encumbrance of any kind.

3. (a) Subject to the terms and conditions herein set forth, each of the Forward Seller (with respect to the Borrowed Securities) and the Company (with respect to any Company Top-Up Securities), severally and not jointly, agrees to sell to the Underwriter, and the Underwriter agrees to purchase from the Forward Seller (with respect to the Borrowed Securities) and the Company (with respect to any Company Top-Up Securities) such Securities at a purchase price per share of $46.00.

(b) If (i) any of the conditions set forth in Section 9 hereof have not been satisfied at or prior to the Time of Delivery or (ii) any of the conditions to effectiveness set forth in the Forward Sale Agreement shall not have been satisfied at or prior to the Time of Delivery (together, the "Conditions"), the Forward Seller, in its sole discretion, may elect not to borrow and deliver for sale to the Underwriter the Borrowed Securities. In addition, in the event that, in the Forward Purchaser determines in good faith, after using commercially reasonable efforts, that (A) the Forward Seller or an affiliate thereof is unable to borrow and deliver for sale under this Agreement a number of shares of Stock equal to the number of Borrowed Securities or (B) the Forward Seller or its affiliate would incur a stock loan cost of more than a rate equal to 200 basis points per annum to do so, in each case, the Forward Seller shall only be require to deliver for sale to the Underwriter at the Time of Delivery the aggregate number of shares of Stock that the Forward Seller is able to so borrow at or below such cost.

(c) If the Forward Seller elects, pursuant to Section 3(b) hereof, not to borrow and deliver for sale to the Underwriter at the Time of Delivery the total number of Borrowed Securities, the Forward Seller will notify the Company no later than 5:00 p.m., New York City time, on the business day prior to the Time of Delivery.

4. It is understood that the Underwriter proposes to offer the Securities for sale upon the terms and conditions set forth in the Pricing Prospectus and the Prospectus.

5. (a) Payment for the Securities shall be made in federal or other funds immediately available in New York City to the account specified to the Underwriter by the Forward Seller (with respect to any Borrowed Securities) and to the account specified to the Underwriter by the Company (with respect to any Company Top-Up Securities) against delivery of such Securities for the account of the Underwriter through the facilities of the Depository Trust Company ("DTC"). Such Securities shall be made available for checking at least twenty-four hours prior to the Time of Delivery with respect thereto at the office of DTC or its designated custodian (the "Designated Office"). The time and date of such delivery and payment shall be 9:30 a.m., New York City time, on August 13, 2020, or such other time and date as the Underwriter and the Company may agree upon in writing. Such time and date for delivery of the Securities is herein called the "Time of Delivery".

(b) The documents to be delivered at the Time of Delivery by or on behalf of the parties hereto pursuant to Section 9 hereof, including the cross-receipt for the Securities and any additional documents requested by the Underwriter pursuant to Section 9(l) hereof, will be delivered at the offices of Cravath, Swaine & Moore LLP, 825 Eighth Avenue, New York, New York, 10019 (the "Closing Location"), and the Securities will be delivered at the Designated Office, all at the Time of Delivery. A meeting will be held at the Closing Location at 5:00 p.m., New York City time, on the New York Business Day next preceding the Time of Delivery, at which meeting the final drafts of the documents to be delivered pursuant to the preceding sentence will be available for review by the parties hereto. For the purposes of this Agreement, "New York Business Day" shall mean each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in New York City are generally authorized or obligated by law or executive order to close.

6. The Company agrees with the Forward Seller, the Forward Purchaser and the Underwriter:

(a) To prepare the Prospectus in a form approved by you and to file such Prospectus pursuant to Rule 424(b) under the Act not later than the Commission's close of business on the second business day following the date of this Agreement; to make no further amendment or any supplement to the Registration Statement, the Basic Prospectus or the Prospectus prior to the Time of Delivery which shall be reasonably disapproved by you promptly after reasonable notice thereof; to advise you, promptly after it receives notice thereof, of the time when any amendment to the Registration Statement has been filed or becomes effective or any amendment or supplement to the Prospectus has been filed and to furnish you with copies thereof; to file promptly all other material required to be filed by the Company with the Commission pursuant to Rule 433(d) under the Act; to file promptly all reports and any definitive proxy or information statements required to be filed by the Company with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of the Prospectus and for so long as the delivery of a prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the Act) is required in connection with the offering or sale of the Securities; to advise you, promptly after it receives notice thereof, of the issuance by the Commission of any stop order or of any order preventing or suspending the use of any Preliminary Prospectus or other prospectus in respect of the Securities, of any notice of objection of the Commission to the use of the Registration Statement or any post-effective amendment thereto pursuant to Rule 401(g)(2) under the Act, of the suspension of the qualification of the Securities for offering or sale in any jurisdiction, of the initiation or threatening of any proceeding for any such purpose or pursuant to Section 8A of the Act, or of any request by the Commission for the amending or supplementing of the Registration Statement or the Prospectus or for additional information; and, in the event of the issuance of any stop order or of any order preventing or suspending the use of any Preliminary Prospectus or other prospectus or suspending any such qualification, to promptly use its best efforts to obtain the withdrawal of such order; and in the event of any such issuance of a notice of objection, promptly to take such steps including, without limitation, amending the Registration Statement or filing a new registration statement, at its own expense, as may be necessary to permit offers and sales of the Securities by the Underwriter (references herein to the Registration Statement shall include any such amendment or new registration statement);

(b) If required by Rule 430B(h) under the Act, to prepare a form of prospectus in a form approved by you and to file such form of prospectus pursuant to Rule 424(b) under the Act not later than may be required by Rule 424(b) under the Act; and to make no further amendment or supplement to such form of prospectus which shall be disapproved by you promptly after reasonable notice thereof;

(c) If by the third anniversary (the "Renewal Deadline") of the initial effective date of the Registration Statement, any of the Securities remain unsold by the Underwriter, the Company will file, if it has not already done so and is eligible to do so, a new automatic shelf registration statement relating to the Securities, in a form satisfactory to you. If at the Renewal Deadline the Company is no longer eligible to file an automatic shelf registration statement, the Company will, if it has not already done so, file a new shelf registration statement relating to the Securities, in a form satisfactory to you and will use its best efforts to cause such registration statement to be declared effective within 180 days after the Renewal Deadline. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Securities to continue as contemplated in the expired registration statement relating to the Securities. References herein to the Registration Statement shall include such new automatic shelf registration statement or such new shelf registration statement, as the case may be;

(d) Promptly from time to time to take such action as you may reasonably request to qualify the Securities for offering and sale under the securities laws of such jurisdictions as you may reasonably request and to comply with such laws so as to permit the continuance of sales and dealings therein in such jurisdictions for as long as may be necessary to complete the distribution of the Securities, provided that in connection therewith the Company shall not be required to qualify as a foreign corporation or to file a general consent to service of process in any jurisdiction;

(e) Prior to 10:00 a.m., New York City time, on the New York Business Day next succeeding the date of this Agreement and from time to time, to furnish the Underwriter with written and electronic copies of the Prospectus in New York City in such quantities as the Underwriter may reasonably request, and, if the delivery of a prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the Act) is required at any time prior to the expiration of nine months after the time of issue of the Prospectus in connection with the offering or sale of the Securities and if at such time any event shall have occurred as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the Act) is delivered, not misleading, or, if for any other reason it shall be necessary during such same period to amend or supplement the Prospectus or to file under the Exchange Act any document incorporated by reference in the Prospectus in order to comply with the Act or the Exchange Act, to notify you and upon your request to file such document and to prepare and furnish without charge to the Underwriter and to any dealer in securities as many written and electronic copies as you may from time to time reasonably request of an amended Prospectus or a supplement to the Prospectus which will correct such statement or omission or effect such compliance; and in case the Underwriter is required to deliver a prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the Act) in connection with sales of any of the Securities at any time nine months or more after the time of issue of the Prospectus, upon your request but at the expense of the Underwriter, to prepare and deliver to the Underwriter as many written and electronic copies as the Underwriter may request of an amended or supplemented Prospectus complying with Section 10(a)(3) of the Act;

(f) To the extent not otherwise provided in the Company's Exchange Act filings to make generally available to its securityholders as soon as practicable, but in any event not later than sixteen months after the effective date of the Registration Statement (as defined in Rule 158(c) under the Act), an earnings statement of the Company and its subsidiaries (including the Acquired Company and its subsidiaries) (which need not be audited) complying with Section 11(a) of the Act and the rules and regulations of the Commission thereunder (including, at the option of the Company, Rule 158);

(g) During the period beginning from the date hereof and continuing to and including the date 60 days after the date of the Prospectus, not to (i) offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale or otherwise transfer or dispose of, directly or indirectly, or publicly file with the Commission a registration statement under the Act relating to, any Stock, any options, rights or warrants to purchase Stock or any securities convertible into or exchangeable for, or substantially similar to, Stock, (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Stock or any such other securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Stock or such other securities, in cash or otherwise, or (iii) publicly disclose the intention to take any of the actions contemplated by clause (i) or (ii) above, in each case without the prior written consent of the Underwriter; provided, however, that the foregoing restrictions shall not apply to (A) the issuance of shares of Stock, or any securities convertible into or exchangeable for Stock, pursuant to employee equity or equity-based incentive plans, employee stock purchase

plans or dividend reinvestment plans existing on, or upon the conversion or exchange of convertible or exchangeable securities outstanding as of, the date of this Agreement and described in the Pricing Prospectus and the Prospectus, (B) the filing of a registration statement on Form S-8 in connection with the registration of shares of Stock issuable under any employee equity or equity-based plans or employee stock purchase plans existing on the date of this Agreement and described in the Pricing Prospectus and the Prospectus, (C) the Securities to be sold hereunder, (D) any shares of Stock issued and delivered pursuant to the Forward Sale Agreement, (E) the issuance of shares of Stock in connection with the acquisition of the assets of, or a majority of controlling portion of the equity of, or a business combination or a joint venture with, another entity in connection with such business combination or a joint venture with, another entity in connection with such business combination or such acquisition by the Company or any of its subsidiaries of such entity and (F) the issuance of shares of Stock (including without limitation, restricted stock or restricted stock awards) in connection with joint ventures, commercial relationships or other strategic transactions, provided that the aggregate number of shares issued or issuable pursuant to clauses (E) and (F) does not exceed 10% of the number of shares of Stock contemplated to be outstanding immediately after the offering of the Securities to be issued and sold to the Underwriter pursuant to this Agreement and the Forward Sale Agreement (assuming full physical settlement of the Forward Sale Agreement applies), and prior to such issuance, each recipient of any such securities shall execute and deliver to the Underwriter an agreement substantially in the form of Annex III hereto;

(h) To pay the required Commission filing fees relating to the Securities within the time required by Rule 456(b)(1) under the Act without regard to the proviso therein and otherwise in accordance with Rules 456(b) and 457(r) under the Act;

(i) To use the net proceeds received by it from the sale of the Securities pursuant to this Agreement, if any, and the net proceeds, if any, due upon settlement of the Forward Sale Agreement, in each case, in the manner specified in the Pricing Prospectus under the caption “Use of Proceeds”;

(j) To use its best efforts to list, subject to notice of issuance, (i) the Company Top-Up Securities to be issued and sold by the Company hereunder, if any, and (ii) the a number of shares of Stock equal to the Share Cap to be issued to the Forward Purchaser pursuant to the Forward Sale Agreement, whether pursuant to Physical Settlement, Net Share Settlement or as a result of an ISDA Event (as such terms are defined in the Forward Sale Agreement), or otherwise, on the New York Stock Exchange (the “NYSE”); and

(k) Upon request of the Underwriter, to furnish, or cause to be furnished, to the Underwriter an electronic version of the Company’s trademarks, servicemarks and corporate logo for use on the website, if any, operated by the Underwriter for the purpose of facilitating the on-line offering of the Securities (the “License”); provided, however, that the License shall be used solely for the purpose described above, is granted without any fee and may not be assigned or transferred.

7. (a) (i) The Company represents and agrees that, without the prior consent of the Underwriter, it has not made and will not make any offer relating to the Securities that would constitute a “free writing prospectus” as defined in Rule 405 under the Act; (ii) the Underwriter represents and agrees that, without the prior consent of the Company, it has not made and will not make any offer relating to the Securities that would constitute a free writing prospectus required to be filed with the Commission; (iii) any such free writing prospectus the use of which has been consented to by the Company and the Underwriter is listed on Schedule II(a) or Schedule II(c) hereto;

(b) The Company has complied and will comply with the requirements of Rule 433 under the Act applicable to any Issuer Free Writing Prospectus, including timely filing with the Commission or retention where required and legending; and

(c) The Company agrees that if at any time following issuance of an Issuer Free Writing Prospectus any event occurred or occurs as a result of which such Issuer Free Writing Prospectus would conflict with the information in the Registration Statement, the Pricing Prospectus or the Prospectus or would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances then prevailing, not misleading, the Company will give prompt notice thereof to the Underwriter and, if requested by the Underwriter, will prepare and furnish without charge to the Underwriter an Issuer Free Writing Prospectus or other document which will correct such conflict, statement or omission; provided, however, that this representation and warranty shall not apply to any statements or omissions in an Issuer Free Writing Prospectus made in reliance upon and in conformity with the Underwriter Information.

8. The Company covenants and agrees with the Underwriter that the Company will pay or cause to be paid the following: (i) the fees, disbursements and expenses of the Company's counsel and accountants and the Acquired Company's accountants in connection with the registration of the Securities under the Act and all other expenses in connection with the preparation, printing, reproduction and filing of the Registration Statement, the Basic Prospectus, any Preliminary Prospectus, any Issuer Free Writing Prospectus and the Prospectus and amendments and supplements thereto and the mailing and delivering of copies thereof to the Underwriter and dealers; (ii) the cost of printing or producing any of the Transaction Documents (including any compilations thereof), the Blue Sky Memorandum, and any other documents in connection with the offering, purchase, sale and delivery of the Securities; (iii) all expenses in connection with the qualification of the Securities for offering and sale under state securities laws as provided in Section 6(d) hereof, including the fees and disbursements of counsel for the Underwriter in connection with such qualification and in connection with the Blue Sky survey; (iv) all fees and expenses in connection with listing the Securities on the NYSE; (v) the filing fees incident to, and the fees and disbursements of counsel for the Underwriter in connection with, any required review by the Financial Industry Regulatory Authority ("FINRA") of the terms of the sale of the Securities; (vi) the cost of preparing the Securities; (vii) the costs and expenses of the Company in connection with any "road show" presentation to potential investors; provided that the expenses related to the chartering of any airplanes shall be paid 50% by the Company and 50% by the Underwriter; (viii) the cost and charges of any transfer agent or registrar; and (ix) all other costs and expenses incident to the performance of its obligations hereunder and under the Forward Sale Agreement which are not otherwise specifically provided for in this Section. It is understood, however, that, except as provided in this Section, and Sections 10 and 13 hereof, the Underwriter will pay all of its own costs and expenses, including the fees of its counsel, transfer taxes on resale of any of the Securities by them, and any advertising expenses connected with any offers it may make.

9. The obligations of the Underwriter hereunder to purchase the Securities at the Time of Delivery, and the obligations of the Forward Seller to deliver and sell the Borrowed Securities at the Time of Delivery, shall be subject, in the Underwriter's and the Forward Seller's discretion, to the condition that all representations and warranties and other statements of the Company herein are, at and as of the Applicable Time and the Time of Delivery, true and correct, the condition that the Company shall have performed all of its obligations hereunder theretofore to be performed, and the following additional conditions:

(a) The Prospectus shall have been filed with the Commission pursuant to Rule 424(b) under the Act within the applicable time period prescribed for such filing by the rules and regulations under the Act and in accordance with Section 6(a) hereof; all material required to be filed by the Company pursuant to Rule 433(d) under the Act shall have been filed with the Commission within the applicable time period prescribed for such filings by Rule 433; no stop order suspending the effectiveness of the Registration Statement or any part thereof shall have been issued and no proceeding for that purpose or pursuant to Section 8A of the Act shall have been initiated or threatened by the Commission and no notice of objection of the Commission to the use of the Registration Statement or any post-effective amendment thereto pursuant to Rule 401(g)(2) under the Act shall have been received; no stop order suspending or preventing the use of the Preliminary Prospectus, Prospectus or any Issuer Free Writing Prospectus shall have been initiated or threatened by the Commission; and all requests for additional information on the part of the Commission shall have been complied with to the reasonable satisfaction of the Underwriter and the Forward Seller;

(b) Cravath, Swaine & Moore LLP, counsel for the Underwriter, the Forward Seller and the Forward Purchaser, shall have furnished to the Underwriter, the Forward Seller and the Forward Purchaser their written opinion and negative assurance letter, dated the Time of Delivery and addressed to the Underwriter, the Forward Seller and the Forward Purchaser, in form and substance reasonably satisfactory to you, with respect to such matters as you may reasonably request, and such counsel shall have received such papers and information as they may reasonably request to enable them to pass upon such matters;

(c) Simpson Thacher & Bartlett LLP, counsel for the Company, shall have furnished to the Underwriter, the Forward Seller and the Forward Purchaser their written opinion and negative assurance letter, dated the Time of Delivery and addressed to the Underwriter, the Forward Seller and the Forward Purchaser, in form and substance reasonably satisfactory to you;

(d) Ballard Spahr LLP, special Pennsylvania counsel for the Company, shall have furnished to the Underwriter, the Forward Seller and the Forward Purchaser their written opinion, dated the Time of Delivery and addressed to the Underwriter, the Forward Seller and the Forward Purchaser, in form and substance reasonably satisfactory to you;

(e) Christopher P. Luning, Executive Vice President, General Counsel and Secretary for the Company (or his successor), shall have furnished to the Underwriter, the Forward Seller and the Forward Purchaser his written opinion, dated the Time of Delivery and addressed to the Underwriter, the Forward Seller and the Forward Purchaser, in form and substance reasonably satisfactory to you;

(f) On the date of the Prospectus at a time prior to the execution of this Agreement, at 9:30 a.m., New York City time, on the effective date of any post-effective amendment to the Registration Statement filed subsequent to the date of this Agreement and also at the Time of Delivery, each of (i) PricewaterhouseCoopers LLP and (ii) Deloitte & Touche LLP shall have furnished to the Underwriter their respective letter or letters, dated the respective dates of delivery thereof, in form and substance reasonably satisfactory to you, containing statements and information of the type customarily included in accountants' "comfort letters" to underwriters with respect to financial statements and certain financial information contained or incorporated by reference in each of the Registration Statement, the Pricing Prospectus and the Prospectus; provided, however, that the letters delivered at the Time of Delivery shall, in each case, use a "cut-off" date no more than three business days prior to the Time of Delivery;

(g) (i) None of the Company, any of its subsidiaries, the Acquired Company or any of the Acquired Company's subsidiaries shall have sustained since the date of the Company's or the Acquired Company's, as applicable, latest audited financial statements included or incorporated by reference in the Pricing Prospectus any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Pricing Prospectus, and (ii) since the respective dates as of which information is given in the Pricing Prospectus, there shall not have been any change in or affecting the business, financial position, prospects or results of operations of (A) the Company and its subsidiaries, taken as a whole, or (B) the Company and its subsidiaries (including the Acquired Company and its subsidiaries), taken as a whole, otherwise than as set forth or contemplated in the Pricing Prospectus and the Prospectus, the effect of which, in any such case described in clause (i) or (ii), is in your or the Forward Seller's judgment so material and adverse as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Securities being delivered at the Time of Delivery on the terms and in the manner contemplated in the Pricing Prospectus and the Prospectus;

(h) On or after the Applicable Time (i) no downgrading shall have occurred in the rating accorded the Company or any of the Company's securities, or in the rating outlook for the Company, by any "nationally recognized statistical rating organization", as that term is defined in Section 3(a)(62) of the Exchange Act, and (ii) no such organization shall have publicly announced that it has under surveillance or review, with possible negative implications, its rating of any of the Company's debt securities;

(i) On or after the Applicable Time there shall not have occurred any of the following: (i) a suspension or material limitation in trading in securities generally on the NYSE; (ii) a suspension or material limitation in trading in the Company's securities on the NYSE; (iii) a general moratorium on commercial banking activities declared by either Federal or New York State authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States; (iv) the outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war or (v) the occurrence of any other calamity or crisis or any change in financial, political or economic conditions in the United States or elsewhere, if the effect of any such event specified in clause (iv) or (v) in your or the Forward Seller's judgment makes it impracticable or inadvisable to proceed with the public offering or the delivery of the Securities being delivered at the Time of Delivery on the terms and in the manner contemplated in the Pricing Prospectus and the Prospectus;

(j) The Company Top-Up Securities, if any, to be issued and sold by the Company hereunder at the Time of Delivery, and a number of shares of Stock equal to the Share Cap to be issued to the Forward Purchaser pursuant to the Forward Sale Agreement, whether pursuant to Physical Settlement, Net Share Settlement, as a result of an ISDA Event (as such terms are defined in the Forward Sale Agreement) or otherwise, in each case, shall have been duly listed, subject to notice of issuance, on the NYSE;

(k) The executed agreements from each of the officers and directors of the Company set forth in Annex II hereof, in each case to the effect set forth in Annex III hereof, were delivered to the Underwriter on the date hereof; and

(l) The Company shall have furnished or caused to be furnished to the Underwriter, the Forward Seller and the Forward Purchaser at the Time of Delivery, certificates reasonably satisfactory to you of the President or any Vice President and a principal financial or accounting officer of the Company, in their capacity as such and not personally, to the effect that (A) the representations and warranties of the Company in this Agreement are, at and as of the Applicable Time and the Time of Delivery, true and correct in all respects, (B) the Company has complied in all respects with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to the Time of Delivery and (C) subsequent to the date of the most recent financial statements of the Company in the Pricing Disclosure Package and the Prospectus, there has been no material adverse change in the business, financial condition, prospects or results of operations of the Company and its subsidiaries (including the Acquired Company and its subsidiaries), taken as a whole, except as set forth or contemplated by the Pricing Disclosure Package and the Prospectus.

(m) On the date of the Prospectus at a time prior to the execution of this Agreement, at 9:30 a.m., New York City time, on the effective date of any post-effective amendment to the Registration Statement filed subsequent to the date of this Agreement and also at the Time of Delivery, the Company shall have furnished or caused to be furnished to the Underwriter, the Forward Seller and the Forward Purchaser a certificate in form and substance reasonably satisfactory to you signed by the principal financial officer of the Company certifying certain financial information of the Acquired Company incorporated by reference in the Prospectus.

10. (a) The Company will indemnify and hold harmless the Underwriter, the Forward Seller and the Forward Purchaser against any losses, claims, damages or liabilities, joint or several, to which the Underwriter, the Forward Seller and the Forward Purchaser may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, the Basic Prospectus, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, any Issuer Free Writing Prospectus, any “roadshow” as defined in Rule 433(h) under the Act (a “roadshow”) or any “issuer information” filed or required to be filed pursuant to Rule 433(d) under the Act, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse the Underwriter, the Forward Seller and the Forward Purchaser for any legal or other expenses reasonably incurred by any of them in connection with investigating or defending any such action or claim as such expenses are incurred; provided, however, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in the Registration Statement, the Basic Prospectus, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, or any Issuer Free Writing Prospectus, in reliance upon and in conformity with the Underwriter Information.

(b) The Underwriter, the Forward Seller and the Forward Purchaser will, severally and not jointly, indemnify and hold harmless the Company against any losses, claims, damages or liabilities to which the Company may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, the Basic Prospectus, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, or any Issuer Free Writing Prospectus, or any roadshow, or arise out of or are based upon the omission or alleged omission to state therein

a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in the Registration Statement, the Basic Prospectus, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus or any such amendment or supplement thereto, or any Issuer Free Writing Prospectus, or any roadshow in reliance upon and in conformity with the Underwriter Information; and will reimburse the Company for any legal or other expenses reasonably incurred by the Company in connection with investigating or defending any such action or claim as such expenses are incurred. As used in this Agreement, "Underwriter Information" shall mean (x) with respect to the Underwriter and an applicable document, the written information furnished to the Company by the Underwriter expressly for use therein; it being understood and agreed upon that the only such information furnished by the Underwriter consists of the following information in the Prospectus furnished on behalf of the Underwriter: the information contained in the first sentence of the third paragraph and twenty-first paragraph under the caption "Underwriting (Conflicts of Interest)" and (y) with respect to each of the Forward Seller and the Forward Purchaser and an applicable document, the written information furnished to the Company by the Forward Seller and the Forward Purchaser expressly for use therein; it being understood and agreed upon that the only such information furnished by the Forward Seller and the Forward Purchaser consists of the Forward Purchaser's and Forward Seller's name on the cover of the Prospectus under the caption "Underwriting (Conflicts of Interest)–Forward Sale Agreement" in the Prospectus.

(c) Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; provided that the failure to notify the indemnifying party shall not relieve it from any liability that it may have under the preceding paragraphs of this Section 10 except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided further that the failure to notify the indemnifying party shall not relieve it from any liability that it may have to an indemnified party otherwise than under the preceding paragraphs of this Section 10. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. No indemnifying party shall, without the written consent of the indemnified party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party from all liability arising out of such action or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party.

(d) If the indemnification provided for in this Section 10 is unavailable to or insufficient to hold harmless an indemnified party under subsection (a) or (b) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriter, the Forward Purchaser and the Forward Seller, on the other, from the offering of the Securities. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under subsection (c) above, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and the Underwriter, the Forward Purchaser and the Forward Seller, on the other, in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Underwriter, the Forward Purchaser and the Forward Seller, on the other, shall be deemed to be in the same respective proportions as the total net proceeds from the offering (before deducting expenses) received by the Company (which shall include the proceeds to be received by the Company pursuant to the Forward Sale Agreement assuming Physical Settlement (as such term is defined in the Forward Sale Agreement) of the Forward Sale Agreement on the Effective Date (as such term is defined in the Forward Sale Agreement)), the total underwriting discounts and commissions received by the Underwriter, and the aggregate Spread (as defined in the Forward Sale Agreement) retained by the Forward Purchaser under the Forward Sale Agreement, net of any costs associated therewith, as reasonably determined by the Forward Seller, in each case bear to the aggregate public offering price of the Securities. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company on the one hand or the Underwriter, the Forward Purchaser and the Forward Seller, on the other, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company, the Underwriter, the Forward Purchaser and the Forward Seller agree that it would not be just and equitable if contribution pursuant to this subsection (d) were determined by pro rata allocation (even if the Underwriter, the Forward Purchaser and the Forward Seller were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), (x) the Underwriter shall not be required to contribute any amount in excess of the amount by which the total price at which the Securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which the Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission and (y) the Forward Seller shall not be required to contribute an amount in excess of the aggregate Spread (as defined in the Forward Sale Agreement) retained by the Forward Purchaser under the Forward Sale Agreement. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

(e) The obligations of the Company under this Section 10 shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Underwriter, the Forward Purchaser and the Forward Seller, each person, if any, who controls the Underwriter, the Forward Purchaser and the Forward Seller within the meaning of the Act and each broker-dealer affiliate of the Underwriter; and the obligations of the Underwriter, the Forward Purchaser and the Forward Seller under this Section 10 shall be in addition to any liability which any of them may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company and to each person, if any, who controls the Company within the meaning of the Act.

11. [Reserved.]

12. (a) In the event that the Conditions are not satisfied at or prior to the Time of Delivery, and the Forward Seller elects, pursuant to Section 3(b) hereof, not to deliver the total number of Borrowed Securities deliverable by the Forward Seller hereunder, (ii) the Forward Purchaser determines in good faith, after using commercially reasonable efforts, that, the Forward Seller is unable to borrow and deliver for sale under this Agreement a number of shares of Stock equal to the total number of the Borrowed Securities, or (iii) the Forward Purchaser determines in good faith, after using commercially reasonable efforts, that the Forward Seller or an affiliate thereof would incur a stock loan cost of more than a rate equal to 200 basis points per annum to borrow and deliver for sale under this Agreement the total number of the Borrowed Securities, then the Company shall issue and sell to the Underwriter at the Time of Delivery, pursuant to Section 3 hereof, in whole but not in part, an aggregate number of shares of Stock equal to the number of Borrowed Securities that the Forward Seller does not so deliver and sell to the Underwriter. In connection with any such issuance and sale by the Company, the Company or the Underwriter shall have the right to postpone the Time of Delivery for a period not exceeding three business days in order to effect any required changes in any documents or arrangements. The shares of Stock sold by the Company to the Underwriter pursuant to this Section 12(a) in lieu of any Borrowed Securities are referred to herein as the "Company Top-Up Securities".

(b) Neither the Forward Purchaser nor the Forward Seller shall have any liability whatsoever for any Borrowed Securities that the Forward Seller does not deliver and sell to the Underwriter or any other party if (i) the Conditions are not satisfied at or prior to the Time of Delivery, and the Forward Seller elects, pursuant to Section 3(b) hereof, not to deliver and sell to the Underwriter the Borrowed Securities, (ii) the Forward Purchaser determines in good faith, after using commercially reasonable efforts, that the Forward Seller or an affiliate thereof is unable to borrow and deliver for sale under this Agreement at the Time of Delivery, a number of shares of Stock equal to the number of the Borrowed Securities, or (iii) the Forward Purchaser determines in good faith, after using commercially reasonable efforts, that the Forward Seller or its affiliate would incur a stock loan cost of more than a rate equal to 200 basis points per annum to borrow and deliver for sale under this Agreement the total number of Borrowed Securities.

13. The respective indemnities, agreements, representations, warranties and other statements of the Company, the Underwriter, the Forward Seller and the Forward Purchaser, as set forth in this Agreement or made by or on behalf of them, respectively, pursuant to this Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of the Underwriter, the Forward Seller, the Forward Purchaser, or any officer or director or controlling person of any of the foregoing or any broker-dealer affiliate of the Underwriter, or the Company, or any officer or director or controlling person of the Company, and shall survive delivery of and payment for the Securities.

14. If (i) the Company for any reason fails to tender the Company Top-Up Securities, if any, for delivery to the Underwriter as required by this Agreement or (ii) the Underwriter declines to purchase such Securities for any reason permitted under this Agreement, the Company will reimburse the Underwriter, the Forward Purchaser and the Forward Seller for all out of pocket expenses reasonably incurred by them in connection with this Agreement, the Forward Sale

Agreement and the transactions contemplated hereby and thereby, including fees and disbursements of counsel, reasonably incurred by the Underwriter in making preparations for the purchase, sale and delivery of the Securities not so delivered, but the Company shall then be under no further liability to the Underwriter except as provided in Sections 8 and 10 hereof.

15. All statements, requests, notices and agreements hereunder shall be in writing, and (x) if to the Underwriter, shall be delivered or sent by mail, telex or facsimile transmission to RBC Capital Markets, LLC, 200 Vesey Street, 8th Floor, New York, New York 10281, Fax: (212) 428-6260, Attention: Equity Syndicate; (y) if to the Forward Seller or Forward Purchaser, shall be delivered or sent by mail, telex or email transmission to Royal Bank of Canada, Brookfield Place, 200 Vesey Street, New York, New York 10281, Attention: ECM, Email: RBCECMCorporateEquityLinkedDocumentation@rbc.com; and (z) if to the Company, shall be delivered or sent by mail, telex or facsimile transmission to the address of the Company set forth in the Registration Statement, Attention: Secretary. Any such statements, requests, notices or agreements shall take effect upon receipt thereof.

In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Underwriter is required to obtain, verify and record information that identifies its clients, including the Company, which information may include the name and address of its clients, as well as other information that will allow the underwriter to properly identify its clients.

16. This Agreement shall be binding upon, and inure solely to the benefit of, the Underwriter, the Forward Seller, the Forward Purchaser and the Company and, to the extent provided in Sections 10 and 12 hereof, the officers and directors of the Company or the Underwriter, the Forward Seller or the Forward Purchaser, each person who controls the Company or the Underwriter, the Forward Seller or the Forward Purchaser and any broker-dealer affiliate of the Underwriter, and their respective heirs, executors, administrators, successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement. No purchaser of any of the Securities from the Underwriter shall be deemed a successor or assign by reason merely of such purchase.

17. Time shall be of the essence of this Agreement. As used herein, the term “business day” shall mean any day when the Commission’s office in Washington, D.C. is open for business.

18. Each of the Company and the Forward Seller acknowledges and agrees that (i) the Underwriter is acting solely in the capacity of an arm’s length contractual counterparty to the Company and the Forward Seller with respect to the offering of Securities contemplated hereby, (ii) in connection therewith and with the process leading to such transaction the Underwriter is acting solely as a principal and not the agent or fiduciary of the Company, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the Company or the Forward Seller with respect to the offering contemplated hereby or the process leading thereto (irrespective of whether the Underwriter has advised or is currently advising the Company or the Forward Seller on other matters) or any other obligation to the Company or the Forward Seller except the obligations expressly set forth in this Agreement and (iv) each of the Company and the Forward Seller has consulted its own legal and financial advisors to the extent it deemed appropriate. Each of the Company and the Forward Seller agrees that it will not claim that the Underwriter has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the Company or the Forward Seller, as the case may be, in connection with such transaction or the process leading thereto.

19. This Agreement supersedes all prior agreements and understandings (whether written or oral) between the parties hereto, or any of them, with respect to the subject matter hereof.

20. **This Agreement and any transaction contemplated by this Agreement shall be governed by and construed in accordance with the laws of the State of New York. The Company agrees that any suit or proceeding arising in respect of this Agreement or any transaction contemplated by this Agreement will be tried exclusively in the U.S. District Court for the Southern District of New York or, if that court does not have subject matter jurisdiction, in any state court located in The City and County of New York and the Company agrees to submit to the jurisdiction of, and to venue in, such courts.**

21. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

22. This Agreement may be executed by any one or more of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such respective counterparts shall together constitute one and the same instrument.

23. Notwithstanding anything herein to the contrary, the Company is authorized to disclose to any persons the U.S. federal and state income tax treatment and tax structure of the potential transaction and all materials of any kind (including tax opinions and other tax analyses) provided to the Company relating to that treatment and structure, without the Underwriter's imposing any limitation of any kind. However, any information relating to the tax treatment and tax structure shall remain confidential (and the foregoing sentence shall not apply) to the extent necessary to enable any person to comply with securities laws. For this purpose, "tax structure" is limited to any facts that may be relevant to that treatment.

24. Recognition of the U.S. Special Resolution Regimes.

(a) In the event that the Underwriter is a Covered Entity and becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from the Underwriter of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

(b) In the event that the Underwriter is a Covered Entity or a BHC Act Affiliate of the Underwriter becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against the Underwriter are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

(c) As used in this section:

"BHC Act Affiliate" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k).

"Covered Entity" means any of the following:

(i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);

(ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

(iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"U.S. Special Resolution Regime" means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

25. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Agreement or any document to be signed in connection with this Agreement shall be deemed to include electronic signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, and the parties hereto consent to conduct the transactions contemplated hereunder by electronic means.

[*Signature Page Follows*]

If the foregoing is in accordance with your understanding, please indicate your acceptance of this Agreement by signing and returning to us a counterpart hereof.

Very truly yours,

Essential Utilities, Inc.

By: /s/ Christopher Luning
Name: Christopher Luning
Title: Executive Vice President, General Counsel, and Secretary

RBC Capital Markets, LLC, as Underwriter

By: /s/ Michael Ventura
Name: Michael Ventura
Title: Managing Director

RBC Capital Markets, LLC, as agent for Royal Bank of Canada, acting in its capacity as Forward Seller

By: /s/ Michael Ventura
Name: Michael Ventura
Title: Managing Director

RBC Capital Markets, LLC, as agent for Royal Bank of Canada, acting in its capacity as Forward Purchaser, solely as the recipient and/or beneficiary of certain representations, warranties, agreements and indemnities set forth in this Agreement

By: /s/ Brian Ward
Name: Brian Ward
Title: Managing Director

**SCHEDULE I**

**[Reserved.]**

**SCHEDULE II**

(a) Issuer Free Writing Prospectuses not included in the Pricing Disclosure Package: None.

(b) Additional Documents Incorporated by Reference: The Company's Current Report on Form 8-K/A, filed on August 10, 2020.

(c) Issuer Free Writing Prospectus included in the Pricing Disclosure Package: None.

(d) Pricing Information

Number of Securities: 6,700,000
Price to Public: Variable

**[Reserved.]**

## DIRECTORS AND OFFICERS SUBJECT TO LOCK-UPS

1. Christopher H. Franklin
2. Elizabeth B. Amato
3. Nicholas DeBenedictis
4. Wendy A. Franks
5. Daniel J. Hilferty
6. Francis O. Idehen
7. Ellen T. Ruff
8. Lee C. Stewart
9. Christopher C. Womack
10. Richard S. Fox
11. Christopher P. Luning
12. Daniel J. Schuller
13. Matthew Rhodes
14. Robert Rubin

**ANNEX III**

**FORM OF LOCK-UP AGREEMENT**

August [•], 2020

RBC Capital Markets, LLC

c/o RBC Capital Markets, LLC,
200 Vesey Street,
New York, New York 10281.

Ladies and Gentlemen:

The undersigned understands that RBC Capital Markets(the "Underwriter") proposes to enter into an underwriting agreement (the "Underwriting Agreement") with Essential Utilities, Inc., a Pennsylvania corporation (the "Company"), providing for the public offering (the "Offering") by the Underwriter of shares (the "Securities") of common stock, par value $0.50 per share, of the Company (the "Stock"). Capitalized terms used and not defined herein shall have the meanings set forth in the Underwriting Agreement.

To induce the potential underwriters that may participate in the Offering to continue their efforts in connection with the Offering, the undersigned agrees, during the period beginning from the date hereof and continuing to and including the date 60 days after the date of the final prospectus used to sell the Securities (the "Restricted Period"), not to (a) offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale or otherwise transfer or dispose of, including by entry into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Stock, directly or indirectly, any securities of the Company that are substantially similar to the Securities, including but not limited to any options, rights or warrants to purchase shares of Stock or any securities that are convertible into or exchangeable for, or that represent the right to receive, Stock or any such other securities, whether any such transaction is to be settled by delivery of Stock, in cash or otherwise (collectively, "Restricted Securities"), whether now owned or hereinafter acquired and whether owned directly by the undersigned or with respect to which the undersigned otherwise has beneficial ownership (as such term is used in Rule 13d-3 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") or (b) publicly disclose the intention to take any of the actions contemplated by clause (a) above, in each case without the prior written consent of RBC Capital Markets, LLC. The foregoing sentence shall not apply to:

(i) receipt by the undersigned from the Company of Stock, or any securities convertible into or exchangeable for Stock, pursuant to employee equity or equity-based incentive plans, employee stock purchase plans or dividend reinvestment plans existing on, or upon the conversion or exchange of convertible or exchangeable securities outstanding as of, the date of this Agreement and described in the Pricing Prospectus and the Prospectus; provided that, for the avoidance of doubt, any such Stock or securities received by the undersigned shall be subject to all of the restrictions set forth in this agreement;

(ii) transfers of Stock, or any securities convertible into or exchangeable for Stock, as a bona fide gift to immediate family members of the undersigned or to a trust the beneficiaries of which are exclusively the undersigned or immediate family members of the undersigned;

(iii) transfers of Stock, or any securities convertible into or exchangeable for Stock, by will or intestacy or by operation of law pursuant to a qualified domestic order or in connection with a divorce settlement;

(iv) the establishment of a trading plan pursuant to Rule 10b5-1 under the Exchange Act for the transfer of Stock, *provided* that such plan does not provide for the transfer of Stock during the Restricted Period;

(v) transfers (including following the exercise of Company stock options) made in accordance with the terms of a 10b5-1 Plan in existence as of the date hereof without any further amendment or modification, *provided* that no filing under Section 16(a) of the Exchange Act or other public announcement shall be required or shall be made voluntarily in connection with such transfers, other than a filing on Form 4 which shall indicate that the sale was made pursuant to such a 10b5-1 Plan;

(vi) transfers resulting from the sales of the undersigned's shares held as of the date hereof through the Company's 401(k) plan existing on the date of this Agreement and described in the Pricing Prospectus and the Prospectus pursuant to portfolio balancing opportunities provided by the terms of such 401(k) plan, *provided* that no filing under Section 16(a) of the Exchange Act or other public announcement shall be required or shall be made voluntarily in connection with such transfers, other than a filing on Form 4 that indicates that the transfer was of shares held through such 401(k) plan pursuant to such portfolio balancing opportunities;

(vii) transfers to the Company resulting from the forfeiture, cancellation, withholding, surrender or delivery of the undersigned's shares of Stock to satisfy any income, employment or social security tax withholding or remittance obligations in connection with the vesting during the period of the agreement above of any restricted stock unit, restricted shares, performance share unit or phantom shares, *provided* that no filing under Section 16(a) of the Exchange Act or other public announcement shall be required or shall be made voluntarily in connection with such forfeiture, cancellation, withholding, surrender or delivery, other than a filing on Form 4 that indicates that the transfer was made to satisfy such income, employment or social security tax withholding or remittance obligations;

(viii) to a nominee or custodian of a person or entity to whom a disposition or transfer would be permissible under clauses (ii) and (iii);

(ix) to the Company in connection with the repurchase of the undersigned's Stock upon termination of service of the undersigned;

(x) to the Company or its subsidiaries upon death, disability or termination of employment, in each case, of the undersigned;

(xi) to the Company or its subsidiaries (a) in the exercise of outstanding options, warrants, restricted stock units or other equity interests, including transfers deemed to occur upon the "net" or "cashless" exercise of options or (b) for the sole purpose of paying the exercise price of such options, warrants, restricted stock units or other equity interests or for paying taxes (including estimated taxes) due as a result of the exercise of such options, warrants, restricted

stock units or other equity interests or as a result of the vesting of Stock under restricted stock awards pursuant to employee benefit plans disclosed in the Prospectus relating to this public offering, in each case on a "cashless" or "net exercise" basis, provided that any such Stock received upon such exercise shall be subject to the terms of this Lock-Up Agreement;

(xii) the repurchase of the undersigned's Stock by the Company;

(xiii) pursuant to tenders, sales or other transfers pursuant to a bona fide third-party tender offer, merger, consolidation or other similar transaction made to all holders of Stock involving a "change of control" of the Company (provided that if such transaction is not consummated, the undersigned's Restricted Securities shall remain subject to the restrictions set forth herein);

(xiv) pursuant to the exercise for cash of options to purchase Stock disclosed as outstanding in the Registration Statement and the Prospectus, provided that any such Stock received upon such exercise shall be subject to the terms of this Lock-Up Agreement;

(xv) the disposition of Stock acquired by the undersigned in this public offering or in open market transactions after completion of this public offering; and/or

(xvi) transfers of Stock or other Company securities pursuant to an order of a court or regulatory agency (for purposes of this Lock-Up Agreement, a "court or regulatory agency" means any domestic or foreign, federal, state or local government, including any political subdivision thereof, any governmental or quasi-governmental authority, department, agency or official, any court or administrative body, and any national securities exchange or similar self-regulatory body or organization, in each case of competent jurisdiction) or to comply with any regulations related to ownership by the undersigned of the undersigned's Stock.

provided that, (A) in the case of any transfer pursuant to clause (ii) or (iii), each donee or transferee shall sign and deliver a lock-up letter, substantially in the form of this letter, with respect to such Stock and securities and (B) in the case of any transfer pursuant to clause (ii) or any establishment pursuant to clause (iv), no public filing or other public announcement related thereto shall be required or shall be voluntarily made during the Restricted Period.

In addition, the undersigned agrees, during the Restricted Period, not to make any demand for or exercise any right with respect to, the registration of any Restricted Securities. The undersigned also agrees and consents to the entry of stop transfer instructions with the Company's transfer agent and registrar against the transfer of the undersigned's Restricted Securities except in compliance with the foregoing restrictions.

The undersigned understands that the Company and the Underwriters are relying upon this agreement in proceeding toward consummation of the Offering. The undersigned further understands that this agreement is irrevocable and shall be binding upon the undersigned's heirs, legal representatives, successors and assigns. The undersigned represents and warrants that it has the full power and authority to enter this agreement.

Whether or not the Offering actually occurs depends on a number of factors, including market conditions. Any Offering will only be made pursuant to an Underwriting Agreement, the terms of which are subject to negotiation between the Company and the Underwriters. The undersign understands that, if the Underwriting Agreement shall terminate or be terminated prior to payment for and delivery of the Securities to be sold thereunder, the undersigned shall automatically be released from all obligations under this agreement.

This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

[*Signature page follows*]

Very truly yours,

(Name)

(Address)

Ballard Spahr LLP

1735 Market Street, 51st Floor
Philadelphia, PA 19103-7599
TEL 215.665.8500
FAX 215.864.8999
www.ballardspahr.com

August 13, 2020

Essential Utilities, Inc.
762 W. Lancaster Avenue
Bryn Mawr, PA 19010

RE: Common Stock Offering

Ladies and Gentlemen:

We have acted as counsel to Essential Utilities, Inc. (formerly known as Aqua America, Inc.), a Pennsylvania corporation (the "Company"), in connection with the offering (the "Offering") by the Company of 6,700,000 shares (the "Shares") of common stock, par value $0.50 per share (the "Common Stock"), of the Company pursuant to the Company's Registration Statement on Form S-3 (File-No. 333-223306) (the "Registration Statement") which became effective upon filing, on February 28, 2018, by the Company with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act").

The Shares are to be issued by the Company pursuant to (i) an Underwriting Agreement, dated August 11, 2020 (the "Underwriting Agreement"), among the Company, RBC Capital Markets, LLC, as underwriter, the Forward Purchaser (as defined below) and Royal Bank of Canada (acting through its agent, RBC Capital Markets, LLC), in the capacity of forward seller, and (ii) the letter agreement dated August 11, 2020 between Royal Bank of Canada (acting through its agent, RBC Capital Markets, LLC) (in such capacity, the "Forward Purchaser") and the Company (the "Forward Sale Agreement" and together with the Underwriting Agreement, the "Transaction Agreements"), which Transaction Agreements have been filed as exhibits to the Company's Current Report on Form 8-K, to which this opinion is attached as an exhibit.

We have examined originals or copies (certified or otherwise identified to our satisfaction) of (i) the Amended and Restated Articles of Incorporation of the Company; (ii) the Amended and Restated Bylaws of the Company; (iii) the Registration Statement and the exhibits thereto; (iv) the prospectus contained within the Registration Statement; (v) the prospectus supplement relating to the Shares filed with the Commission pursuant to Rule 424(b) promulgated under the Securities Act (the "Prospectus Supplement"); (vi) the Transaction Agreements; (vii) such other corporate records, agreements, documents and instruments; and (viii) such certificates or comparable documents of public officials and other sources, believed by us to be reliable, staff lend of officers and representatives of the Company, and have made such inquiries of such officers and representatives, as we have deemed relevant and necessary as a basis for the opinions hereinafter set forth.

In such examination, we have assumed the genuineness of all signatures, the legal capacity of all natural persons, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified, conformed or photostatic copies and the authenticity of the

originals of such latter documents. As to all questions of fact material to this opinion that have not been independently established, we have relied upon certificates or comparable documents of officers and representatives of the Company.

Based on the foregoing, and subject to the qualifications stated herein, we are of the opinion that the Shares to be issued and sold by the Company to the Forward Purchaser upon physical or net share settlement, as applicable, pursuant to the Forward Sale Agreement, have been duly authorized for issuance and, when issued and paid for in accordance with the terms and conditions of the Transaction Agreements, will be validly issued, fully paid and non-assessable.

We express no opinion as to the laws of any jurisdiction other than the federal laws of the United States of America and the laws of the Commonwealth of Pennsylvania.

We hereby consent to the filing of this opinion with the Commission as an exhibit to a Current Report on Form 8-K (and its incorporation by reference into the Registration Statement and the Prospectus Supplement) in accordance with the requirements of Item 601(b)(5) of Regulation S-K promulgated under the Securities Act, and to the use of this firm's name therein and in the Prospectus Supplement under the caption "Legal Matters." In giving this consent, we do not admit that we are within the category of persons whose consent is required by Section 7 of the Securities Act and the rules and regulations promulgated thereunder.

Sincerely yours,

/s/ Ballard Spahr LLP