

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON DC 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 or 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the quarterly period ended June 30, 2024

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the transition period from _____ to _____

Commission File Number 1-6659

ESSENTIAL UTILITIES, INC.

(Exact name of registrant as specified in its charter)

Pennsylvania
(State or other jurisdiction of
incorporation or organization)

23-1702594
(I.R.S. Employer
Identification No.)

762 W. Lancaster Avenue, Bryn Mawr, Pennsylvania
(Address of principal executive offices)

19010 -3489
(Zip Code)

(610) 527-8000

(Registrant's telephone number, including area code)

N/A

(Former Name, former address and former fiscal year, if changed since last report.)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12(b)-2 of the Exchange Act.:

Large Accelerated Filer

Non-Accelerated Filer

Emerging Growth Company

Accelerated Filer

Smaller Reporting 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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

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

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common stock, \$0.50 par value	WTRG	New York Stock Exchange

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of July 26, 2024: 273,672,080

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ESSENTIAL UTILITIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands of dollars, except per share amounts)
(UNAUDITED)

Assets	June 30, 2024	December 31, 2023
Property, plant and equipment, at cost	\$ 15,519,111	\$ 14,977,021
Less: accumulated depreciation	2,999,982	2,879,949
Net property, plant and equipment	<u>12,519,129</u>	<u>12,097,072</u>
Current assets:		
Cash and cash equivalents	18,819	4,612
Accounts receivable, net	139,768	144,300
Unbilled revenues	74,941	101,436
Inventory - materials and supplies	50,117	47,494
Inventory - gas stored	34,424	65,173
Prepayments and other current assets	28,712	99,884
Regulatory assets	15,952	29,080
Total current assets	<u>362,733</u>	<u>491,979</u>
Regulatory assets	1,895,512	1,766,892
Deferred charges and other assets, net	94,385	102,388
Funds restricted for construction activity	1,402	1,381
Goodwill	2,340,731	2,340,738
Operating lease right-of-use assets	34,791	37,416
Intangible assets	3,433	3,593
Total assets	<u>\$ 17,252,116</u>	<u>\$ 16,841,459</u>

The accompanying notes are an integral part of these condensed consolidated financial statements

ESSENTIAL UTILITIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS (continued)
(In thousands of dollars, except per share amounts)
(UNAUDITED)

Liabilities and Equity	June 30, 2024	December 31, 2023
Stockholders' equity:		
Common stock at \$0.50 par value, authorized 600,000,000 shares, issued 277,016,906 and 276,595,228 as of June 30, 2024 and December 31, 2023	\$ 138,508	\$ 138,297
Capital in excess of par value	4,149,208	4,137,696
Retained earnings	1,963,716	1,706,675
Treasury stock, at cost, 3,348,009 and 3,299,191 shares as of June 30, 2024 and December 31, 2023	(88,198)	(86,485)
Total stockholders' equity	6,163,234	5,896,183
Long-term debt, excluding current portion	7,057,623	6,870,593
Less: debt issuance costs	46,736	44,508
Long-term debt, excluding current portion, net of debt issuance costs	7,010,887	6,826,085
Commitments and contingencies (See Note 14)		
Current liabilities:		
Current portion of long-term debt	71,787	67,415
Loans payable	93,267	160,123
Accounts payable	204,772	221,191
Book overdraft	15,500	13,358
Accrued interest	64,430	53,084
Accrued taxes	29,464	40,641
Regulatory liabilities	6,250	31,270
Dividends payable	-	83,929
Other accrued liabilities	143,680	126,916
Total current liabilities	629,150	797,927
Deferred credits and other liabilities:		
Deferred income taxes and investment tax credits	1,764,108	1,628,324
Customers' advances for construction	118,121	128,755
Regulatory liabilities	809,399	820,910
Asset retirement obligations	854	848
Operating lease liabilities	31,051	34,425
Pension and other postretirement benefit liabilities	37,948	38,850
Other	23,719	24,086
Total deferred credits and other liabilities	2,785,200	2,676,198
Contributions in aid of construction	663,645	645,066
Total liabilities and equity	\$ 17,252,116	\$ 16,841,459

The accompanying notes are an integral part of these condensed consolidated financial statements

ESSENTIAL UTILITIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(In thousands of dollars, except per share amounts)
(UNAUDITED)

	Three Months Ended June 30,	
	2024	2023
Operating revenues	\$ 434,406	\$ 436,700
Operating expenses:		
Operations and maintenance	142,512	133,508
Purchased gas	33,728	41,933
Depreciation	89,578	84,937
Amortization	1,068	724
Taxes other than income taxes	22,233	20,348
Total operating expenses	<u>289,119</u>	<u>281,450</u>
Operating income	145,287	155,250
Other expense (income):		
Interest expense	73,045	69,182
Interest income	(276)	(970)
Allowance for funds used during construction	(5,229)	(3,424)
Gain on sale of other assets	(203)	(220)
Other, net	701	(323)
Income before income taxes	77,249	91,005
Income tax expense (benefit)	1,864	(263)
Net income	<u>\$ 75,385</u>	<u>\$ 91,268</u>
Comprehensive income	<u>\$ 75,385</u>	<u>\$ 91,268</u>
Net income per common share:		
Basic	<u>\$ 0.28</u>	<u>\$ 0.35</u>
Diluted	<u>\$ 0.28</u>	<u>\$ 0.34</u>
Average common shares outstanding during the period:		
Basic	<u>273,567</u>	<u>264,418</u>
Diluted	<u>273,953</u>	<u>264,818</u>

The accompanying notes are an integral part of these condensed consolidated financial statements

ESSENTIAL UTILITIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(In thousands of dollars, except per share amounts)
(UNAUDITED)

	Six Months Ended June 30,	
	2024	2023
Operating revenues	\$ 1,046,475	\$ 1,163,150
Operating expenses:		
Operations and maintenance	279,412	271,502
Purchased gas	163,403	298,248
Depreciation	178,294	167,860
Amortization	2,156	1,595
Taxes other than income taxes	47,257	43,226
Total operating expenses	<u>670,522</u>	<u>782,431</u>
Operating income	375,953	380,719
Other expense (income):		
Interest expense	146,318	141,850
Interest income	(1,265)	(1,789)
Allowance for funds used during construction	(9,910)	(9,112)
Gain on sale of other assets	(91,828)	(469)
Other, net	259	(563)
Income before income taxes	<u>332,379</u>	<u>250,802</u>
Income tax benefit	(8,778)	(31,900)
Net income	<u>\$ 341,157</u>	<u>\$ 282,702</u>
Comprehensive income	<u>\$ 341,157</u>	<u>\$ 282,702</u>
Net income per common share:		
Basic	<u>\$ 1.25</u>	<u>\$ 1.07</u>
Diluted	<u>\$ 1.25</u>	<u>\$ 1.07</u>
Average common shares outstanding during the period:		
Basic	<u>273,472</u>	<u>264,306</u>
Diluted	<u>273,869</u>	<u>264,840</u>

The accompanying notes are an integral part of these condensed consolidated financial statements

ESSENTIAL UTILITIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CAPITALIZATION
(In thousands of dollars, except per share amounts)
(UNAUDITED)

	June 30, 2024	December 31, 2023
Stockholders' equity:		
Common stock, \$0.50 par value	\$ 138,508	\$ 138,297
Capital in excess of par value	4,149,208	4,137,696
Retained earnings	1,963,716	1,706,675
Treasury stock, at cost	(88,198)	(86,485)
Total stockholders' equity	<u>6,163,234</u>	<u>5,896,183</u>
Long-term debt of subsidiaries (substantially collateralized by utility plant):		
<u>Interest Rate Range</u>	<u>Maturity Date Range</u>	
0.00% to 0.99%	2024 to 2033	2,821
1.00% to 1.99%	2024 to 2039	7,165
2.00% to 2.99%	2024 to 2058	207,025
3.00% to 3.99%	2024 to 2056	1,310,212
4.00% to 4.99%	2024 to 2059	1,242,197
5.00% to 5.99%	2024 to 2061	313,306
6.00% to 6.99%	2026 to 2036	31,000
7.00% to 7.99%	2025 to 2027	28,007
8.00% to 8.99%	2025	877
9.00% to 9.99%	2026	11,800
		<u>3,154,410</u>
		<u>3,163,008</u>
Notes payable to bank under revolving credit agreement, variable rate, due 2027	430,000	720,000
Unsecured notes payable:		
Notes at 2.40% due 2031	400,000	400,000
Notes at 2.704% due 2030	500,000	500,000
Notes ranging from 3.01% to 3.59% due 2029 through 2050	1,125,000	1,125,000
Notes at 5.375%, due 2034	500,000	-
Notes at 4.276%, due 2049	500,000	500,000
Notes at 5.30%, due 2052	500,000	500,000
Notes at 5.95%, due 2024 through 2034	20,000	30,000
Total long-term debt	<u>7,129,410</u>	<u>6,938,008</u>
Current portion of long-term debt	71,787	67,415
Long-term debt, excluding current portion	<u>7,057,623</u>	<u>6,870,593</u>
Less: debt issuance costs	46,736	44,508
Long-term debt, excluding current portion, net of debt issuance costs	<u>7,010,887</u>	<u>6,826,085</u>
Total capitalization	<u>\$ 13,174,121</u>	<u>\$ 12,722,268</u>

The accompanying notes are an integral part of these condensed consolidated financial statements

ESSENTIAL UTILITIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(In thousands of dollars, except per share amounts)
(UNAUDITED)

	Common Stock	Capital in Excess of Par Value	Retained Earnings	Treasury Stock	Total
Balance at December 31, 2023	\$ 138,297	\$ 4,137,696	\$ 1,706,675	\$ (86,485)	\$ 5,896,183
Net income	-	-	265,772	-	265,772
Dividends of March 1, 2024 (\$0.3071 per share)	-	-	(1)	-	(1)
Dividends of June 1, 2024 declared (\$0.3071 per share)	-	-	(83,998)	-	(83,998)
Issuance of common stock under dividend reinvestment plan (117,210 shares)	59	3,823	-	-	3,882
Repurchase of stock (62,872 shares)	-	-	-	(2,231)	(2,231)
Equity compensation plan (160,694 shares)	80	(80)	-	-	-
Exercise of stock options (4,971 shares)	2	173	-	-	175
Stock-based compensation	-	1,049	73	-	1,122
Other	-	(51)	-	274	223
Balance at March 31, 2024	<u>\$ 138,438</u>	<u>\$ 4,142,610</u>	<u>\$ 1,888,521</u>	<u>\$ (88,442)</u>	<u>\$ 6,081,127</u>
Net income	-	-	75,385	-	75,385
Dividends of June 1, 2024 (\$0.3071 per share)	-	-	(1)	-	(1)
Issuance of common stock under dividend reinvestment plan (108,544 shares)	54	3,736	-	-	3,790
Repurchase of stock (30 shares)	-	-	-	(1)	(1)
Equity compensation plan (23,142 shares)	12	(12)	-	-	-
Exercise of stock options (7,117 shares)	4	244	-	-	248
Stock-based compensation	-	2,751	(189)	-	2,562
Other	-	(121)	-	245	124
Balance at June 30, 2024	<u>\$ 138,508</u>	<u>\$ 4,149,208</u>	<u>\$ 1,963,716</u>	<u>\$ (88,198)</u>	<u>\$ 6,163,234</u>

The accompanying notes are an integral part of these condensed consolidated financial statements

ESSENTIAL UTILITIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(In thousands of dollars, except per share amounts)
(UNAUDITED)

	Common Stock	Capital in Excess of Par Value	Retained Earnings	Treasury Stock	Total
Balance at December 31, 2022	\$ 133,486	\$ 3,793,262	\$ 1,534,331	\$ (83,693)	\$ 5,377,386
Net income	-	-	191,434	-	191,434
Dividends of March 1, 2023 (\$0.287 per share)	-	-	(1)	-	(1)
Dividends of June 1, 2023 declared (\$0.287 per share)	-	-	(75,876)	-	(75,876)
Issuance of common stock under dividend reinvestment plan (97,315 shares)	49	4,068	-	-	4,117
Issuance of common stock from at-the-market sale agreements (399,128 shares)	200	19,094	-	-	19,294
Repurchase of stock (88,051 shares)	-	-	-	(3,911)	(3,911)
Equity compensation plan (222,782 shares)	111	(111)	-	-	-
Exercise of stock options (2,917 shares)	2	101	-	-	103
Stock-based compensation	-	3,410	(267)	-	3,143
Other	-	(20)	-	273	253
Balance at March 31, 2023	\$ 133,848	\$ 3,819,804	\$ 1,649,621	\$ (87,331)	\$ 5,515,942
Net income	-	-	91,268	-	91,268
Dividends of June 1, 2023 (\$0.287 per share)	-	-	(1)	-	(1)
Issuance of common stock under dividend reinvestment plan (102,676 shares)	51	3,901	-	-	3,952
Repurchase of stock (971 shares)	-	-	-	(42)	(42)
Equity compensation plan (17,054 shares)	9	(9)	-	-	-
Exercise of stock options (3,026 shares)	1	105	-	-	106
Stock-based compensation	-	3,515	(206)	-	3,309
Other	-	(117)	-	281	164
Balance at June 30, 2023	\$ 133,909	\$ 3,827,199	\$ 1,740,682	\$ (87,092)	\$ 5,614,698

The accompanying notes are an integral part of these condensed consolidated financial statements

ESSENTIAL UTILITIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW
(In thousands of dollars)
(UNAUDITED)

	Six Months Ended June 30,	
	2024	2023
Cash flows from operating activities:		
Net income	\$ 341,157	\$ 282,702
Adjustments to reconcile net income to net cash flows from operating activities:		
Depreciation and amortization	180,450	169,455
Deferred income taxes	(12,404)	(34,711)
Provision for doubtful accounts	13,843	11,594
Stock-based compensation	3,825	6,950
Gain on sale of utility systems and other assets	(91,828)	(469)
Net change in receivables, deferred purchased gas costs, inventory and prepayments	21,222	300,648
Net change in payables, accrued interest, accrued taxes and other accrued liabilities	(24,245)	(90,739)
Other, net	(5,594)	(24,008)
Net cash flows from operating activities	<u>426,426</u>	<u>621,422</u>
Cash flows from investing activities:		
Property, plant and equipment additions, including the debt component of allowance for funds used during construction of \$3,482 and \$2,587	(548,868)	(547,600)
Acquisitions of utility systems, net	(67)	(25,793)
Net proceeds from the sale of utility systems and other assets	166,982	613
Other, net	(158)	386
Net cash flows used in investing activities	<u>(382,111)</u>	<u>(572,394)</u>
Cash flows from financing activities:		
Customers' advances and contributions in aid of construction	7,361	9,375
Repayments of customers' advances	(3,009)	(1,958)
Net repayments of short-term debt	(66,857)	(180,457)
Proceeds from long-term debt	789,946	384,715
Repayments of long-term debt	(597,972)	(136,604)
Change in cash overdraft position	2,143	3,795
Proceeds from issuance of common stock under dividend reinvestment plan	7,672	8,069
Proceeds from issuance of common stock from at-the-market sale agreement	-	19,294
Proceeds from exercised stock options	423	209
Repurchase of common stock	(2,232)	(3,953)
Dividends paid on common stock	(167,930)	(151,686)
Other, net	347	417
Net cash flows used in financing activities	<u>(30,108)</u>	<u>(48,784)</u>
Net change in cash and cash equivalents	14,207	244
Cash and cash equivalents at beginning of period	4,612	11,398
Cash and cash equivalents at end of period	<u>\$ 18,819</u>	<u>\$ 11,642</u>
Non-cash investing activities:		
Property, plant and equipment additions purchased at the period end, but not yet paid for	\$ 131,189	\$ 124,503
Non-cash utility property contributions	18,791	25,980

The accompanying notes are an integral part of these condensed consolidated financial statements

ESSENTIAL UTILITIES, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(In thousands of dollars, except per share amounts)
(UNAUDITED)

Note 1 – Basis of Presentation

The accompanying unaudited condensed consolidated balance sheets and statements of capitalization of Essential Utilities, Inc. and subsidiaries (collectively, the “Company”, “we”, “us” or “our”) at June 30, 2024, the unaudited condensed consolidated statements of operations and comprehensive income for the three and six months ended June 30, 2024, and the unaudited condensed consolidated statements of cash flow and of equity for the six months ended June 30, 2024 and 2023, have been prepared in accordance with accounting principles generally accepted in the United States (“GAAP”) for interim reporting and the rules and regulations for reporting on Quarterly Reports on Form 10-Q. Because they cover interim periods, the statements and related notes to the financial statements do not include all disclosures and notes normally provided in annual financial statements and, therefore, should be read in conjunction with the Company’s Annual Report on Form 10-K for the year ended December 31, 2023. Interim results are not necessarily indicative of results for a full year. In the opinion of management, all adjustments, consisting of only recurring accruals, which are necessary to present a fair statement of its condensed consolidated balance sheets, condensed consolidated statements of capitalization, condensed consolidated statements of equity, condensed consolidated statements of operations and comprehensive income, and condensed consolidated statements of cash flow for the periods presented, have been made.

The preparation of financial statements often requires the selection of specific accounting methods and policies. Significant estimates and judgments may be required in selecting and applying those methods and policies in the recognition of the assets and liabilities in its condensed consolidated balance sheets, the revenues and expenses in its condensed consolidated statements of operations and comprehensive income, and the information that is contained in its summary of significant accounting policies and notes to condensed consolidated financial statements. Making these estimates and judgments requires the analysis of information concerning events that may not yet be complete and of facts and circumstances that may change over time. Furthermore, we are exposed to the uncertain state of the economy and macroeconomic conditions, including inflation and rising interest rates. As these continue to evolve, future events and effects related to these conditions cannot be determined with precision. Accordingly, actual amounts or future results can differ materially from those estimates that the Company includes currently in its condensed consolidated financial statements, summary of significant accounting policies, and notes.

There have been no changes to the summary of significant accounting policies previously identified in the Company’s Annual Report on Form 10-K for the year ended December 31, 2023.

ESSENTIAL UTILITIES, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
(In thousands of dollars, except per share amounts)
(UNAUDITED)

Note 2 – Revenue Recognition

The following table presents our revenues disaggregated by major source and customer class:

	Three Months Ended June 30, 2024				Three Months Ended June 30, 2023			
	Water Revenues	Wastewater Revenues	Natural Gas Revenues	Other Revenues	Water Revenues	Wastewater Revenues	Natural Gas Revenues	Other Revenues
Revenues from contracts with customers:								
Residential	\$ 165,412	\$ 36,053	\$ 70,597	\$ -	\$ 167,121	\$ 34,046	\$ 76,476	\$ -
Commercial	45,796	8,808	14,408	-	46,774	8,656	16,297	-
Fire protection	10,742	-	-	-	10,185	-	-	-
Industrial	8,638	564	357	-	8,289	509	471	-
Gas transportation & storage	-	-	35,391	-	-	-	34,862	-
Other water	19,893	-	-	-	11,917	-	-	-
Other wastewater	-	2,762	-	-	-	2,730	-	-
Other utility	-	-	7,450	2,901	-	-	10,845	2,649
Revenues from contracts with customers	250,481	48,187	128,203	2,901	244,286	45,941	138,951	2,649
Alternative revenue program	1,024	(114)	(15)	-	767	29	32	-
Other and eliminations	-	-	-	3,739	-	-	-	4,045
Consolidated	\$ 251,505	\$ 48,073	\$ 128,188	\$ 6,640	\$ 245,053	\$ 45,970	\$ 138,983	\$ 6,694
	Six Months Ended June 30, 2024				Six Months Ended June 30, 2023			
	Water Revenues	Wastewater Revenues	Natural Gas Revenues	Other Revenues	Water Revenues	Wastewater Revenues	Natural Gas Revenues	Other Revenues
Revenues from contracts with customers:								
Residential	\$ 317,243	\$ 71,647	\$ 277,523	\$ -	\$ 314,373	\$ 67,536	\$ 368,706	\$ -
Commercial	87,533	17,790	56,579	-	87,728	17,247	81,454	-
Fire protection	21,123	-	-	-	20,444	-	-	-
Industrial	16,780	1,106	1,247	-	16,146	1,087	2,260	-
Gas transportation & storage	-	-	105,882	-	-	-	102,515	-
Other water	35,500	-	-	-	20,761	-	-	-
Other wastewater	-	6,386	-	-	-	5,464	-	-
Other utility	-	-	10,152	5,711	-	-	23,922	8,808
Revenues from contracts with customers	478,179	96,929	451,383	5,711	459,452	91,334	578,857	8,808
Alternative revenue program	1,680	(127)	1,136	-	1,169	209	1,421	-
Other and eliminations	-	-	-	11,584	-	-	-	21,900
Consolidated	\$ 479,859	\$ 96,802	\$ 452,519	\$ 17,295	\$ 460,621	\$ 91,543	\$ 580,278	\$ 30,708

ESSENTIAL UTILITIES, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
(In thousands of dollars, except per share amounts)
(UNAUDITED)

Note 3 – Acquisitions***Water and Wastewater Utility Acquisitions - Completed***

In May 2024, the Company acquired the wastewater utility assets of Westfield HOA, which serves approximately 200 customers within Westfield Homeowners Subdivision in Glenview, Illinois for a cash purchase price of \$67.

In July 2023, the Company completed the following water utility asset acquisitions: Shenandoah Borough, Pennsylvania, which serves approximately 2,900 customers for \$12,291; La Rue, an Ohio municipality, which serves approximately 300 customers for \$2,253; and, Southern Oaks Water System, which serves approximately 800 customers in Texas for \$3,321. Additionally, in July 2023, the Company completed their acquisition of a portion of the water and wastewater utility assets of the Village of Frankfort, an Illinois municipality, which serves approximately 1,500 customers for \$1,424.

In June 2023, the Company acquired the wastewater utility assets of Union Rome, Ohio, which serves approximately 4,300 customers for a cash purchase price of \$25,547.

In March 2023, the Company acquired the North Heidelberg Sewer Company in Berks County, Pennsylvania, which serves approximately 300 customer connections for a cash purchase price of \$136.

The purchase price allocation for these acquisitions consisted primarily of property, plant and equipment.

The pro forma effect of the utility systems acquired is not material either individually or collectively to the Company's results of operations.

Water and Wastewater Utility Acquisitions – Pending Completion

In June 2024, the Company entered into a purchase agreement to acquire private water and wastewater utility assets in Harris County, Texas, which serves approximately 400 equivalent retail customers for \$1,125.

In December 2023, the Company entered into a purchase agreement to acquire North Versailles wastewater assets in North Versailles Township, Pennsylvania which serves approximately 4,400 customers for between \$25,000 and \$30,000.

In September 2023, the Company entered into a purchase agreement to acquire Greenville Municipal Water Authority's water system in Greenville, Pennsylvania which serves approximately 3,000 customers for \$18,000.

In April 2023, the Company entered into a purchase agreement to acquire Greenville Sanitation Authority's wastewater utility assets, which serves approximately 2,300 customers in Greenville, Pennsylvania for \$18,000.

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In October 2021, the Company entered into a purchase agreement to acquire the wastewater utility assets of the City of Beaver Falls, Pennsylvania which consists of approximately 7,600 equivalent retail customers for \$41,250.

The purchase price for these pending acquisitions are subject to certain adjustments at closing, and are subject to regulatory approval, including the final determination of the fair value of the rate base acquired. We plan to finance the purchase price of these acquisitions by utilizing our revolving credit facility until permanent debt and common equity are secured. These pending acquisitions are expected to close in 2025. Closing for our utility acquisitions are subject to the timing of the respective regulatory approval processes.

East Whiteland Purchase Agreement

On July 29, 2022, the Pennsylvania Public Utility Commission issued an order (the “PUC Order”) approving the Company’s acquisition of the municipal wastewater assets of East Whiteland Township, Chester County, Pennsylvania, which serves 4,018 customers (the “East Whiteland Wastewater Assets”). On August 12, 2022, the Company acquired the East Whiteland Wastewater Assets for a cash purchase price of \$54,374. Subsequently on August 25, 2022, the Office of Consumer Advocate (“OCA”) filed an appeal of the PUC Order to the Pennsylvania Commonwealth Court. On July 31, 2023, a decision was issued by the Pennsylvania Commonwealth Court, in which the Pennsylvania Commonwealth Court agreed with the OCA and reversed the PUC order which approved the acquisition. On September 26, 2023, the Pennsylvania Commonwealth Court denied our motion for reargument. On October 26, 2023, the Company, the Pennsylvania Public Utility Commission, and East Whiteland Township filed an appeal to the Pennsylvania Supreme Court. East Whiteland Township filed to Supplement its Petition for Allowance of Appeal on January 2, 2024. On January 16, 2024, the Company, the OCA and the PUC filed Answers to East Whiteland Township’s Petition. On June 14, 2024, the Pennsylvania Supreme Court granted the Petitions for Allowance of Appeal of the Pennsylvania Public Utility Commission, the Company, and East Whiteland Township. Management believes the final resolution of this matter will not have a material adverse effect on the Company’s financial position, results of operations, or cash flows.

DELCORA Purchase Agreement

In 2019, the Company entered into a purchase agreement to acquire the wastewater utility system assets of the Delaware County Regional Water Quality Control Authority (“DELCORA”), which consists of approximately 16,000 customers, or the equivalent of 198,000 retail customers, in 42 municipalities in Southeast Pennsylvania for \$276,500. There are several legal proceedings involving the Company as a result of the purchase agreement that are on-going. For additional information, refer to the Company’s Annual Report on Form 10-K for the year ended December 31, 2023. The purchase price for this pending acquisition is subject to certain adjustments at closing, and is subject to regulatory approval, including the final determination of the fair value of the rate base acquired. We plan to finance the purchase price of this acquisition with a mix of equity and debt financing, utilizing our revolving credit facility until permanent debt is secured. Closing of our acquisition of DELCORA is subject to regulatory approval and on-going litigation.

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Note 4 – Dispositions

On October 1, 2023, the Company sold its regulated natural gas utility assets in West Virginia, which served approximately 13,000 customers or about two percent of the Company’s regulated natural gas customers (“Peoples Gas West Virginia”). Initially the sale closed for an estimated purchase price of \$39,965, subject to working capital and other adjustments. In March 2024, the Company received an additional \$1,213 from the buyer. The additional proceeds were based on finalizing closing working capital and other adjustments, resulting in a final purchase price of \$41,178 and a loss of an inconsequential amount. The sale of Peoples Gas West Virginia had no major effect on the Company’s operations and did not meet the requirements to be classified as discontinued operations.

In October 2023, the Company entered into an agreement to sell its interest in three non-utility local microgrid and distributed energy projects for \$165,000. As of December 31, 2023, balances associated with these projects of \$63,182 were included in prepayments and other current assets in the condensed consolidated balance sheets. The sale was completed in January 2024, and the Company recognized a gain of \$91,236 during the first quarter of 2024 which is included in other expense (income) in the accompanying condensed consolidated statement of operations.

Note 5 – Goodwill

The following table summarizes the changes in the Company’s goodwill, by business segment:

	Regulated Water	Regulated Natural Gas	Other	Consolidated
Balance at December 31, 2023	\$ 58,450	\$ 2,277,447	\$ 4,841	\$ 2,340,738
Reclassification to utility plant acquisition adjustment	(7)	-	-	(7)
Balance at June 30, 2024	<u>\$ 58,443</u>	<u>\$ 2,277,447</u>	<u>\$ 4,841</u>	<u>\$ 2,340,731</u>

The reclassification of goodwill to utility plant acquisition adjustment results from a mechanism approved by the applicable utility commission. The mechanism provides for the transfer over time, and the recovery through customer rates, of goodwill associated with some acquisitions upon achieving specific objectives.

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Note 6 – Capitalization

In March 2024, the Company filed a new universal shelf registration with the Securities and Exchange Commission (SEC) to allow for the potential future offer and sale by the Company, from time to time, in one or more public offerings, of an indeterminate amount of our common stock, preferred stock, debt securities, and other securities specified therein at indeterminate prices. This registration statement is effective for three years and replaces a similar filing that expired in the second quarter of 2024.

At-the-Market Offering

On October 14, 2022, the Company entered into at-the market sales agreements (“2022 ATM”) with third-party sales agents, under which the Company offered and sold shares of its common stock, from time to time, at its option, pursuant to the Company’s then-effective shelf registration statement on Form S-3 (File No. 333-255235) that expired in April 2024. The Company used the net proceeds from the sales of shares through the 2022 ATM for working capital, capital expenditures, water and wastewater utility acquisitions and repaying outstanding indebtedness. During the three and six months ended June 30, 2024, there were no common stock sales under the 2022 ATM. As of December 31, 2023, the Company had issued 10,260,833 shares of common stock for net proceeds of \$386,023 under the 2022 ATM.

Long-term Debt and Loans Payable

On June 12, 2024, Aqua Pennsylvania and Peoples Natural Gas Companies amended the terms of their respective \$100,000 and \$300,000, 364-day revolving credit agreements, as follows: (1) extended the maturity dates to June 10, 2025; and (2) revised the interest rate index from the Bloomberg Short-Term Bank Yield Index (BSBY) to the Secured Overnight Financing Rate (SOFR).

On January 8, 2024, the Company issued \$500,000 of long-term debt (the “2024 Senior Notes”), less expenses of \$4,610, due in 2034 with an interest rate of 5.375%. The Company used the net proceeds from the issuance of 2024 Senior Notes (1) to repay a portion of the borrowings under the Company’s existing five year unsecured revolving credit facility, and (2) for general corporate purposes.

In August 2023, the Company’s subsidiary, Aqua Pennsylvania, issued \$225,000 in aggregate principal amount of first mortgage bonds. The bonds consisted of \$175,000 of 5.48% first mortgage bonds due in 2053; and \$50,000 of 5.56% first mortgage bonds due in 2061. In January 2023, Aqua Pennsylvania issued \$75,000 of first mortgage bonds, due in 2043, and with an interest rate of 5.60%. The proceeds from these bonds were used to repay existing indebtedness and for general corporate purposes.

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Note 7 – Financial Instruments

Financial instruments are recorded at carrying value in the financial statements and approximate fair value as of the dates presented. The fair value of these instruments is disclosed below in accordance with current accounting guidance related to financial instruments. There have been no changes in the valuation techniques used to measure fair value, or asset or liability transfers between the levels of the fair value hierarchy for the six months ended June 30, 2024 and 2023.

The fair value of loans payable is determined based on its carrying amount and utilizing Level 1 methods and assumptions. As of June 30, 2024 and December 31, 2023, the carrying amount of the Company's loans payable was \$93,267 and \$160,123, respectively, which equates to their estimated fair value. The fair value of cash and cash equivalents, is determined based on Level 1 methods and assumptions. As of June 30, 2024 and December 31, 2023, the carrying amounts of the Company's cash and cash equivalents was \$18,819 and \$4,612, respectively, which equates to their fair value. The Company's assets underlying the deferred compensation and non-qualified pension plans are determined by the fair value of mutual funds, which are based on quoted market prices from active markets utilizing Level 1 methods and assumptions. As of June 30, 2024 and December 31, 2023, the carrying amount of these securities was \$28,968 and \$26,442, respectively, which equates to their fair value, and is reported in the condensed consolidated balance sheet in deferred charges and other assets.

Unrealized gain and loss on equity securities held in conjunction with our non-qualified pension plan is as follows:

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Net gain recognized during the period on equity securities	\$ 197	\$ 211	\$ 618	\$ 342
Less: net gain recognized during the period on equity securities sold during the period	-	-	-	-
Unrealized gain recognized during the reporting period on equity securities still held at the reporting date	<u>\$ 197</u>	<u>\$ 211</u>	<u>\$ 618</u>	<u>\$ 342</u>

The net gain recognized on equity securities is presented on the condensed consolidated statements of operations and comprehensive income on the line item "Other, net".

The carrying amounts and estimated fair values of the Company's long-term debt is as follows:

	June 30,	December 31,
	2024	2023
Carrying amount	\$ 7,129,410	\$ 6,938,009
Estimated fair value	6,036,732	5,980,722

The fair value of long-term debt has been determined by discounting the future cash flows using current market interest rates for similar financial instruments of the same duration utilizing Level 2 methods and assumptions.

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The Company's customers' advances for construction have a carrying value of \$118,121 as of June 30, 2024, and \$128,755 as of December 31, 2023. Their relative fair values cannot be accurately estimated because future refund payments depend on several variables, including new customer connections, customer consumption levels, and future rates. Portions of these non-interest-bearing instruments are payable annually through 2033, and amounts not paid by the respective contract expiration dates become non-refundable. The fair value of these amounts would, however, be less than their carrying value due to the non-interest-bearing feature.

Note 8 – Net Income per Common Share

Basic net income per common share is based on the weighted average number of common shares outstanding and the weighted average minimum number of shares issued upon settlement of the stock purchase contracts issued under the tangible equity units. Diluted net income per common share is based on the weighted average number of common shares outstanding and potentially dilutive shares. The dilutive effect of employee stock-based compensation is included in the computation of diluted net income per common share. The dilutive effect of stock-based compensation is calculated using the treasury stock method and expected proceeds upon exercise of the stock-based compensation. The treasury stock method assumes that the proceeds from stock-based compensation is used to purchase the Company's common stock at the average market price during the period. The following table summarizes the shares, in thousands, used in computing basic and diluted net income per common share:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Average common shares outstanding during the period for basic computation	273,567	264,418	273,472	264,306
Effect of dilutive securities:				
Employee stock-based compensation	386	400	397	534
Average common shares outstanding during the period for diluted computation	<u>273,953</u>	<u>264,818</u>	<u>273,869</u>	<u>264,840</u>

The number of outstanding employee stock options that were not included in the diluted earnings per share calculation because the effect would have been anti-dilutive was: 265,378 for the three and six months ended June 30, 2024; and 150,062 for the three and six months ended June 30, 2023. Additionally, the dilutive effect of performance share units and restricted share units granted are included in the Company's calculation of diluted net income per share.

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Note 9 – Stock-based Compensation

Under the Company’s Amended and Restated Equity Compensation Plan (the “Plan”) approved by the Company’s shareholders on May 2, 2019, to replace the 2004 Equity Compensation Plan, stock options, stock units, stock awards, stock appreciation rights, dividend equivalents, and other stock-based awards may be granted to employees, non-employee directors, and consultants and advisors. The Plan authorizes 6,250,000 shares for issuance under the Plan. A maximum of 3,125,000 shares under the Plan may be issued pursuant to stock awards, stock units and other stock-based awards, subject to adjustment as provided in the Plan. During any calendar year, no individual may be granted (i) stock options and stock appreciation rights under the Plan for more than 500,000 shares of Company stock in the aggregate or (ii) stock awards, stock units or other stock-based awards under the Plan for more than 500,000 shares of Company stock in the aggregate, subject to adjustment as provided in the Plan. Awards to employees and consultants under the Plan are made by a committee of the Board of Directors of the Company, except that with respect to awards to the Chief Executive Officer, the committee recommends those awards for approval by the non-employee directors of the Board of Directors. In the case of awards to non-employee directors, the Board of Directors makes such awards. At June 30, 2024, 1,229,638 shares were still available for issuance under the Plan. No further grants may be made under the Company’s 2004 Equity Compensation Plan.

Performance Share Units – A performance share unit (“PSU”) represents the right to receive a share of the Company’s common stock if specified performance goals are met over the three year performance period specified in the grant, subject to exceptions through the respective vesting period, which is generally three years. Each grantee is granted a target award of PSUs and may earn between 0% and 200% of the target amount depending on the Company’s performance against the performance goals. The following table provides compensation expense for PSUs:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Stock-based compensation within operations and maintenance expenses	\$ 1,082	\$ 1,962	\$ 1,188	\$ 4,405
Income tax benefit	271	492	297	1,104

The following table summarizes the PSU transactions for the six months ended June 30, 2024:

	Number of Share Units	Weighted Average Fair Value
Nonvested share units at beginning of period	531,437	\$ 40.03
Granted	227,284	38.10
Performance criteria adjustment	(156,857)	31.59
Share units issued	(96,425)	43.40
Forfeited	(11,599)	41.69
Nonvested share units at end of period	<u>493,840</u>	41.14

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A portion of the fair value of PSUs was estimated at the grant date based on the probability of satisfying the market-based conditions using the Monte Carlo valuation method, which assesses probabilities of various outcomes of market conditions. The other portion of the fair value of the PSUs is based on the fair market value of the Company's stock at the grant date, regardless of whether the market-based condition is satisfied. The per unit weighted-average fair value at the date of grant for PSUs granted during the six months ended June 30, 2024 and 2023 was \$38.10 and \$45.06, respectively. The fair value of each PSU grant is amortized monthly into compensation expense on a straight-line basis over their respective vesting periods, generally 36 months. The accrual of compensation costs is based on the Company's estimate of the final expected value of the award and is adjusted as required for the portion based on the performance-based condition. The Company assumes that forfeitures will be minimal, and recognizes forfeitures as they occur, which results in a reduction in compensation expense. As the payout of the PSUs includes dividend equivalents, no separate dividend yield assumption is required in calculating the fair value of the PSUs. The recording of compensation expense for PSUs has no impact on net cash flows.

Restricted Stock Units – A restricted stock unit (“RSU”) represents the right to receive a share of the Company's common stock. RSUs are eligible to be earned at the end of a specified restricted period, which is generally three years, beginning on the date of grant. The Company assumes that forfeitures will be minimal and recognizes forfeitures as they occur, which results in a reduction in compensation expense. As the payout of the RSUs includes dividend equivalents, no separate dividend yield assumption is required in calculating the fair value of the RSUs. The following table provides the compensation expense and income tax benefit for RSUs:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Stock-based compensation within operations and maintenance expenses	\$ 724	\$ 759	\$ 1,570	\$ 1,440
Income tax benefit	182	190	393	361

The following table summarizes the RSU transactions for the six months ended June 30, 2024:

	Number of Stock Units	Weighted Average Fair Value
Nonvested stock units at beginning of period	192,217	\$ 45.06
Granted	104,661	36.61
Stock units vested and issued	(64,618)	44.45
Forfeited	(4,966)	41.75
Nonvested stock units at end of period	<u>227,294</u>	41.39

The per unit weighted-average fair value at the date of grant for RSUs granted during the six months ended June 30, 2024 and 2023 was \$36.61 and \$45.61, respectively.

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Stock Options – A stock option represents the option to purchase a number of shares of common stock of the Company as specified in the stock option grant agreement at the exercise price per share as determined by the closing market price of our common stock on the grant date. Stock options are exercisable in installments of 33% annually, starting one year from the grant date and expire 10 years from the grant date, subject to satisfaction of designated performance goals. The fair value of each stock option is amortized into compensation expense using the graded-vesting method, which results in the recognition of compensation costs over the requisite service period for each separately vesting tranche of the stock options as though the stock options were, in substance, multiple stock option grants. The following table provides the compensation cost and income tax benefit for stock-based compensation related to stock options:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Stock-based compensation within operations and maintenance expenses	\$ 71	\$ 222	\$ 202	\$ 299
Income tax benefit	17	56	50	75

The fair value of options was estimated at the grant date using the Black-Scholes option-pricing model. The following assumptions were used in the application of this valuation model:

	2024	2023
Expected term (years)	5.5	5.5
Risk-free interest rate	4.00%	4.03%
Expected volatility	28.30%	27.80%
Dividend yield	3.43%	2.53%
Grant date fair value per option	\$ 8.12	\$ 11.37

Historical information was the principal basis for the selection of the expected term and dividend yield. The expected volatility is based on a weighted-average combination of historical and implied volatilities over a time period that approximates the expected term of the option. The risk-free interest rate was selected based upon the U.S. Treasury yield curve in effect at the time of grant for the expected term of the option.

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The following table summarizes stock option transactions for the six months ended June 30, 2024:

	Shares	Weighted Average Exercise Price	Weighted Average Remaining Life (years)	Aggregate Intrinsic Value
Outstanding at beginning of period	882,442	\$ 37.03		
Granted	119,548	35.78		
Forfeited	(2,055)	39.64		
Expired	(1,367)	41.66		
Exercised	(12,088)	35.02		
Outstanding at end of period	<u>986,480</u>	<u>\$ 36.90</u>	<u>5.6</u>	<u>\$ 1,598</u>
Exercisable at end of period	<u>795,896</u>	<u>\$ 36.30</u>	<u>4.7</u>	<u>\$ 1,414</u>

Restricted Stock – Restricted stock awards provide the grantee with the rights of a shareholder, including the right to receive dividends and to vote such shares, but not the right to sell or otherwise transfer the shares during the restriction period. Restricted stock awards result in compensation expense that is equal to the fair market value of the stock on the date of the grant and is amortized ratably over the restriction period. The Company expects forfeitures of restricted stock to be de minimis. The following table provides the compensation cost and income tax benefit for stock-based compensation related to restricted stock:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Stock-based compensation within operations and maintenance expenses	\$ 12	\$ 13	\$ 24	\$ 25
Income tax benefit	3	4	6	7

The following table summarizes restricted stock transactions for the six months ended June 30, 2024:

	Number of Shares	Weighted Average Fair Value
Nonvested restricted stock at beginning of period	1,412	\$ 35.42
Granted	-	-
Vested	-	-
Nonvested restricted stock at end of period	<u>1,412</u>	<u>\$ 35.42</u>

There were no restricted stock awards granted during the six months ended June 30, 2024 and 2023.

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Stock Awards – Stock awards represent the issuance of the Company’s common stock, without restriction. The issuance of stock awards results in compensation expense that is equal to the fair market value of the stock on the grant date and is expensed immediately upon grant.

The following table provides the compensation cost and income tax benefit for stock-based compensation related to stock awards:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Stock-based compensation within operations and maintenance expenses	\$ 840	\$ 570	\$ 840	\$ 780
Income tax benefit	233	160	233	219

The following table summarizes stock award transactions for the six months ended June 30, 2024:

	Number of Stock Awards	Weighted Average Fair Value
Nonvested stock awards at beginning of period	-	\$ -
Granted	22,813	36.82
Vested	(22,813)	36.82
Nonvested stock awards at end of period	-	-

The weighted-average fair value at the date of grant for stock awards granted during the six months ended June 30, 2024 and 2023 was \$36.82 and \$41.78, respectively.

Note 10 – Pension Plans and Other Postretirement Benefits

The Company maintains a qualified defined benefit pension plan (the “Pension Plan”), a nonqualified pension plan, and other postretirement benefit plans for certain of its employees.

The following tables provide the components of net periodic benefit cost for the Company’s pension and other postretirement benefit plans:

	Pension Benefits			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Service cost	\$ 357	\$ 400	\$ 714	\$ 801
Interest cost	3,908	4,309	7,816	8,617
Expected return on plan assets	(4,696)	(5,673)	(9,392)	(11,345)
Amortization of prior service cost	81	171	162	342
Amortization of actuarial loss	751	809	1,502	1,618
Net periodic benefit cost	\$ 401	\$ 16	\$ 802	\$ 33

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	Other Postretirement Benefits			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Service cost	\$ 363	\$ 337	\$ 726	\$ 674
Interest cost	1,112	1,119	2,224	2,238
Expected return on plan assets	(1,105)	(1,093)	(2,210)	(2,186)
Amortization of actuarial gain	(267)	(330)	(534)	(659)
Net periodic benefit cost	<u>\$ 103</u>	<u>\$ 33</u>	<u>\$ 206</u>	<u>\$ 67</u>

The net periodic benefit cost is based on estimated values and an extensive use of assumptions about the discount rate, expected return on plan assets, the rate of future compensation increases received by the Company's employees, mortality, turnover, and medical costs. The Company presents the components of net periodic benefit cost other than service cost in the condensed consolidated statements of operations and comprehensive income on the line item "Other, net".

There were no cash contributions made to the Pension Plan during the first six months of 2024.

Note 11 – Rate Activity

On May 23, 2024, Aqua Pennsylvania filed an application with the Pennsylvania Public Utility Commission designed to increase rates by \$126,675 or 18.9% on an annual basis. The Company anticipates a final order to be issued by February 2025.

On January 19, 2024, Aqua New Jersey filed an application with the New Jersey Board of Public Utilities designed to increase water rates by \$8,328 or 17.3% on an annual basis. The Company anticipates a final order to be issued by September 2024.

On January 2, 2024, Aqua Illinois filed an application with the Illinois Commerce Commission designed to increase water and wastewater rates by \$19,196 or 18.9% on an annual basis. The Company anticipates a final order to be issued by December 2024.

On December 29, 2023, Peoples Natural Gas filed an application with the Pennsylvania Public Utility Commission designed to increase natural gas rates by \$156,024 or 18.7% on an annual basis. The Company received a recommended decision from the administrative law judge on July 15, 2024 and anticipates a final order to be issued by September 2024.

On December 13, 2023, the Company's regulated water and wastewater utility operating divisions in Ohio received an order from the Public Utilities Commission of Ohio designed to increase operating revenues by \$4,850 annually. New rates for water and sewer service went into effect on December 13, 2023.

On September 28, 2023, the Company's regulated water and wastewater operating subsidiary in Texas, Aqua Texas, received a final order from the Public Utility Commission of Texas approving infrastructure rehabilitation surcharges designed to increase revenues by \$8,388 annually. The rates

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authorized on March 28, 2023 and implemented on an interim basis effective April 1, 2023 did not change with the final order.

On July 27, 2023, the Company's regulated water and wastewater operating subsidiary in Virginia, Aqua Virginia, filed an application with the State Corporation Commission designed to increase revenues by \$6,911 or 29.5% on an annual basis. In February 2024, the Company implemented interim rates which may be subject to refund for the difference between interim and final approved rates pending the final order.

On June 5, 2023, the Company's regulated water and wastewater operating subsidiary in North Carolina, Aqua North Carolina, received an order from the North Carolina Utilities Commission designed to increase rates by \$14,001 in the first year of new rates being implemented, then by an additional \$3,743 and \$4,130 in the second and third years, respectively. In February 2023, the Company had implemented interim rates, based on an estimate of the final outcome of the order, and no refunds or additional billings are required for the difference between interim and final approved rates.

During the first six months of 2024, two of the Company's water utility operating divisions in Ohio implemented base rate increases designed to increase total operating revenues on an annual basis by \$1,627. Further, during the first six months of 2024, the Company implemented infrastructure rehabilitation surcharges designed to increase total operating revenues on an annual basis by \$15,729 in its water and wastewater utility operating divisions in Pennsylvania and Illinois, and by \$2,293 in its natural gas operating division in Kentucky.

Note 12 – Taxes Other than Income Taxes

The following table provides the components of taxes other than income taxes:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Property	\$ 8,535	\$ 8,431	\$ 17,411	\$ 16,535
Gross receipts, excise and franchise	4,297	4,175	8,600	8,205
Payroll	5,009	4,935	12,520	11,567
Regulatory assessments	1,925	1,715	3,825	3,398
Pumping fees	1,882	181	3,377	1,647
Other	585	911	1,524	1,874
Total taxes other than income	\$ 22,233	\$ 20,348	\$ 47,257	\$ 43,226

ESSENTIAL UTILITIES, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
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Note 13 – Segment Information

The Company has eleven operating segments and two reportable segments. The Regulated Water segment is comprised of eight operating segments representing its water and wastewater regulated utility companies, which are organized by the states where the Company provides water and wastewater services. The eight water and wastewater utility operating segments are aggregated into one reportable segment, because each of these operating segments has the following similarities: economic characteristics, nature of services, production processes, customers, water distribution or wastewater collection methods, and the nature of the regulatory environment. The Regulated Natural Gas segment is comprised of one operating segment representing natural gas utility companies, acquired in the Peoples Gas Acquisition, for which the Company provides natural gas distribution services.

In addition to the Company's two reportable segments, we include two of our operating segments within the Other category below. These segments are not quantitatively significant and are comprised of our non-regulated natural gas operations and Aqua Resources. Our non-regulated natural gas operations consist of utility service line protection solutions and repair services to households and the operation of gas marketing and production entities. Aqua Resources offers, through a third party, water and sewer service line protection solutions and repair services to households. In addition to these segments, Other is comprised of business activities not included in the reportable segments, corporate costs that have not been allocated to the Regulated Water and Regulated Natural Gas segments, and intersegment eliminations. Corporate costs include general and administrative expenses, and interest expense. The Company reports these corporate costs within Other as they relate to corporate-focused responsibilities and decisions and are not included in internal measures of segment operating performance used by the Company to measure the underlying performance of the operating segments.

The following table presents information about the Company's reportable segments:

	Three Months Ended June 30, 2024				Three Months Ended June 30, 2023			
	Regulated Water	Regulated Natural Gas	Other	Consolidated	Regulated Water	Regulated Natural Gas	Other	Consolidated
Operating revenues	\$ 302,479	\$ 128,188	\$ 3,739	\$ 434,406	\$ 293,672	\$ 138,983	\$ 4,045	\$ 436,700
Operations and maintenance expense	95,575	49,709	(2,772)	142,512	93,227	41,114	(833)	133,508
Purchased gas	-	32,680	1,048	33,728	-	39,665	2,268	41,933
Depreciation and amortization	57,625	32,632	389	90,646	53,231	32,188	242	85,661
Interest expense, net (a)	34,450	20,869	17,450	72,769	30,523	20,982	16,707	68,212
Allowance for funds used during construction	(3,962)	(1,267)	-	(5,229)	(2,940)	(484)	-	(3,424)
Provision for income taxes (benefit)	14,505	(9,830)	(2,811)	1,864	15,859	(13,314)	(2,808)	(263)
Net income (loss)	87,679	(1,717)	(10,577)	75,385	90,027	13,630	(12,389)	91,268

	Six Months Ended June 30, 2024				Six Months Ended June 30, 2023			
	Regulated Water	Regulated Natural Gas	Other	Consolidated	Regulated Water	Regulated Natural Gas	Other	Consolidated
Operating revenues	\$ 582,372	\$ 452,519	\$ 11,584	\$ 1,046,475	\$ 560,972	\$ 580,278	\$ 21,900	\$ 1,163,150
Operations and maintenance expense	186,258	95,626	(2,472)	279,412	176,029	98,264	(2,791)	271,502
Purchased gas	-	158,222	5,181	163,403	-	281,521	16,727	298,248
Depreciation and amortization	114,819	65,043	588	180,450	106,698	62,316	441	169,455
Interest expense, net (a)	69,240	46,225	29,588	145,053	60,236	48,489	31,336	140,061
Allowance for funds used during construction	(7,650)	(2,260)	-	(9,910)	(7,886)	(1,226)	-	(9,112)
Provision for income taxes (benefit)	35,315	(38,980)	(5,113)	(8,778)	29,373	(56,798)	(4,475)	(31,900)
Net income (loss)	151,583	208,223	(18,649)	341,157	167,429	137,176	(21,903)	282,702
Capital expenditures	302,085	246,783	-	548,868	329,862	215,212	2,526	547,600

(a) The regulated water and regulated natural gas segments report interest expense that includes long-term debt that was pushed-down to the regulated operating subsidiaries from Essential Utilities, Inc.

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	June 30, 2024	December 31, 2023
Total assets:		
Regulated water	\$ 9,638,046	\$ 9,386,347
Regulated natural gas	7,156,351	6,965,350
Other	457,719	489,762
Consolidated	<u>\$ 17,252,116</u>	<u>\$ 16,841,459</u>

Note 14 – Commitments and Contingencies

The Company is routinely involved in various disputes, claims, lawsuits and other regulatory and legal matters, including both asserted and unasserted legal claims, in the ordinary course of business. The status of each such matter, referred to herein as a loss contingency, is reviewed and assessed in accordance with applicable accounting rules regarding the nature of the matter, the likelihood that a loss will be incurred, and the amounts involved. As of June 30, 2024, the aggregate amount of \$23,052 is accrued for loss contingencies and is reported in the Company’s condensed consolidated balance sheet as other accrued liabilities and other liabilities. These accruals represent management’s best estimate of probable loss (as defined in the accounting guidance) for loss contingencies or the low end of a range of losses if no single probable loss can be estimated. For some loss contingencies, the Company is unable to estimate the amount of the probable loss or range of probable losses. Further, Essential Utilities has insurance coverage for certain of these loss contingencies, and as of June 30, 2024, estimates that approximately \$855 of the amount accrued for these matters are probable of recovery through insurance, which amount is also reported in the Company’s condensed consolidated balance sheet as deferred charges and other assets, net.

During a portion of 2019, the Company initiated a do not consume advisory for some of its customers in one division served by the Company’s Illinois subsidiary. The do not consume advisory was lifted in 2019 and, in 2022, the water system was determined to be in compliance with the federal Lead and Copper Rule. The Company has accrued for the penalty and other fees that will be paid as a result of a settlement that was reached with the state and local regulators and approved by the Illinois court with jurisdiction over this matter in July, 2024. In addition, on September 3, 2019, two individuals, on behalf of themselves and those similarly situated, commenced an action against the Company’s Illinois subsidiary in the State court in Will County, Illinois related to this do not consume advisory. The complaint seeks class action certification, attorney’s fees, and “damages, including, but not limited to, out of pocket damages, and discomfort, aggravation, and annoyance” based upon the water provided by the Company’s subsidiary to a discrete service area in University Park, Illinois. The complaint contains allegations of damages as a result of supplied water that exceeded the standards established by the federal Lead and Copper Rule. The complaint is in the discovery phase and class certification has not been granted. The Company has an accrual for the amount of loss asserted in the complaint that we determined to be probable and estimable of being incurred. The Company is vigorously defending against this claim. While the final outcome of this claim cannot be predicted with certainty, and unfavorable outcomes could negatively impact the Company, at this time in the opinion of management, the final resolution of this matter is not expected to have a material adverse effect on the Company’s financial position, results of operations, or cash flows. Further, the Company submitted a claim for the

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expenses incurred to its insurance carrier for potential recovery of a portion of these costs and is currently in litigation with one of its carriers seeking to enforce its claims. The Company continues to assess the potential loss contingency on this matter.

A number of the Company's subsidiaries are parties to several lawsuits against manufacturers of certain per- and polyfluoroalkyl substances or compounds ("PFAS") for damages, contribution and reimbursement of costs incurred and continuing to be incurred to address the presence of such PFAS in public water supply systems owned and operated by these utility subsidiaries throughout its service area. One such suit to which the Company is a party is a multi-district litigation (the "MDL") lawsuit which commenced on December 7, 2018, in the United States District Court for the District of South Carolina. Several defendants in such lawsuit have agreed to settle. In February and April 2024, the MDL court issued its final approval of the DuPont and 3M class action settlements, respectively. In April 2024 and May 2024, Tyco Fire Products LP and BASF Corp, respectively, filed similar class action settlements in the MDL court to resolve claims. In June 2024, Tyco Fire Products LP settlement was granted preliminary approval by the MDL court. The Company submitted the phase one public water system claims requirements pursuant to the Dupont and 3M settlement agreements and will submit other requirements within the time period provided by the MDL court. The amount of recovery, if any, by the Company is uncertain.

Although the results of legal proceedings cannot be predicted with certainty, other than disclosed above, there are no pending legal proceedings to which the Company or any of its subsidiaries is a party or to which any of its properties is the subject that are material or are expected to have a material effect on the Company's financial position, results of operations, or cash flows.

In addition to the aforementioned loss contingencies, the Company self-insures a portion of its employee medical benefit program, and maintains stop-loss coverage to limit the exposure arising from these claims. The Company's reserve for these claims totaled \$1,846 at June 30, 2024 and represents a reserve for unpaid claim costs, including an estimate for the cost of incurred but not reported claims.

Note 15 – Income Taxes

The Company's effective tax rate was an expense of 2.4% and a benefit of 2.6% for the three and six months ended June 30, 2024, respectively. The Company's effective tax rate was a benefit of 0.3% and 12.7% for the three and six months ended June 30, 2023, respectively. The change in the effective tax rate for the second quarter is mainly due to the decrease in tax benefit associated with the tax deduction for continued qualifying infrastructure investment. The decrease in income tax benefit for the first half of the year is primarily attributed to the gain recognized from the sale of the Company's interest in three non-utility local microgrid and distributed energy projects in the first quarter of 2024. In determining its interim tax provision, the Company reflects its estimated permanent and flow-through tax differences for the taxable year. The Company uses the flow-through method to account for the tax deduction for qualifying utility infrastructure at its regulated Pennsylvania and New Jersey subsidiaries.

The statutory Federal tax rate is 21.0% for the six months ended June 30, 2024 and 2023. For states with a corporate net income tax, the state corporate net income tax rates range from 2.5% to 9.50% for all periods presented.

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In April 2023, the Internal Revenue Service issued Revenue Procedure 2023-15 which provides a safe harbor method of accounting that taxpayers may use to determine whether expenses to repair, maintain, replace, or improve natural gas transmission and distribution property must be capitalized for tax purposes. The Company evaluated the safe harbor and intends to adopt the methodology on its 2023 tax return. In the second quarter of 2023, based on the tax legislative guidance that was issued, the Company reevaluated the uncertain tax positions related to the Regulated Water Segment and ultimately released a portion of its historical income tax reserves. Concurrently, the Company deferred this tax benefit from the reserve release as a regulatory liability, as the accounting treatment is expected to be determined in the next rate case that was filed in May 2024.

Note 16 – Recent Accounting Pronouncements and Disclosure Rules

Pronouncements to be adopted upon the effective date:

In December 2023, the FASB issued ASU 2023-09, “Income Taxes (Topic 740): Improvements to Income Tax Disclosures”.

The ASU enhances the transparency and decision usefulness of income tax disclosures and is effective for annual periods beginning after December 15, 2024 on a prospective basis. Early adoption is permitted. The Company is currently evaluating the impact of this ASU on its condensed consolidated financial statements and related disclosures.

In November 2023, the FASB issued ASU 2023-07 Segment Reporting – Improving Reportable Segment Disclosures (Topic 280). The update is intended to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant expenses. The ASU requires disclosures to include significant segment expenses that are regularly provided to the chief operating decision maker (CODM), a description of other segment items by reportable segment, and any additional measures of a segment’s profit or loss used by the CODM when deciding how to allocate resources. The ASU also requires all annual disclosures currently required by Topic 280 to be included in interim periods. The update is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted and requires retrospective application to all prior periods presented in the financial statements. The Company is currently assessing the timing and impact of adopting the updated provisions.

In March 2024, the U.S. Securities and Exchange Commission (SEC) issued its final climate disclosure rule, which requires the disclosure of Scope 1 and Scope 2 greenhouse gas emissions and other climate-related topics in annual reports and registration statements, when material. A number of petitions have been filed in federal courts seeking to challenge the SEC’s climate disclosure rule. As a result, in April 2024, the SEC placed a pause on its implementation of the new rule. We are currently evaluating the impact of the new rule and, depending on the outcome of the proceedings, will include the required disclosures once it becomes effective.

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

(In thousands of dollars, except per share amounts)

Item 2 – Management's Discussion and Analysis of Financial Condition and Results of Operations

Forward-looking Statements

This Management's Discussion and Analysis of Financial Condition and Results of Operations and other sections of this Quarterly Report contain, in addition to historical information, forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements address, among other things: the expected timing of closing of our acquisitions; the projected impact of various legal proceedings; the projected effects of recent accounting pronouncements; prospects, plans, objectives, expectations and beliefs of management, as well as information contained in this report where statements are preceded by, followed by or include the words "believes," "expects," "estimates," "anticipates," "plans," "future," "potential," "probably," "predictions," "intends," "will," "continue," "in the event" or the negative of such terms or similar expressions. Forward-looking statements are based on a number of assumptions concerning future events, and are subject to a number of risks, uncertainties and other factors, many of which are outside our control, which could cause actual results to differ materially from those expressed or implied by such statements. These risks and uncertainties include, among others, the effects of regulation, abnormal weather, geopolitical forces, the impact of inflation and supply chain pressures, the threat of cyber-attacks and data breaches, changes in capital requirements and funding, our ability to close acquisitions, changes to the capital markets, impact of public health threats, and our ability to assimilate acquired operations, as well as those risks, uncertainties and other factors discussed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in such reports. As a result, readers are cautioned not to place undue reliance on any forward-looking statements. We undertake no obligation to update or revise forward-looking statements, whether as a result of new information, future events or otherwise.

General Information

Essential Utilities, Inc. ("we", "us", "our" or the "Company"), a Pennsylvania corporation, is the holding company for regulated utilities providing water, wastewater, or natural gas services to an estimated 5.5 million people in Pennsylvania, Ohio, Texas, Illinois, North Carolina, New Jersey, Indiana, Virginia, and Kentucky under the Aqua and Peoples brands. One of our largest operating subsidiaries, Aqua Pennsylvania, Inc. ("Aqua Pennsylvania"), provides water or wastewater services to approximately one-half of the total number of water or wastewater customers we serve, who are located in the suburban areas in counties north and west of the City of Philadelphia and in 27 other counties in Pennsylvania. Our other regulated water or wastewater utility subsidiaries provide similar services in seven additional states. Our Peoples subsidiaries provide natural gas distribution services to customers in western Pennsylvania and Kentucky. Approximately 95% of the total number of natural gas utility customers we serve are in western Pennsylvania. The Company also operates market-based businesses, conducted through its non-regulated subsidiaries, that provide utility service line protection solutions and repair services to households and gas marketing and production activities. Currently, the Company seeks to acquire businesses in the U.S. regulated sector, focusing on water and wastewater utilities and to opportunistically pursue growth ventures in select market-based activities, such as infrastructure opportunities that are supplementary and complementary to our regulated water utility businesses.

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On October 1, 2023, the Company sold its regulated natural gas utility assets in West Virginia, which represented approximately two percent of the Company's regulated natural gas customers. Initially the sale closed for an estimated purchase price of \$39,965, subject to working capital and other adjustments. In March 2024, the Company received an additional \$1,213 from the buyer. The additional proceeds were based on finalizing closing working capital and other adjustments, resulting in a final purchase price of \$41,178 and a loss of an inconsequential amount. In October 2023, the Company entered into an agreement to sell its interest in three non-utility local microgrid and distributed energy projects for \$165,000. The sale was completed in January 2024, and the Company recognized a gain of \$91,236 in the first quarter of 2024. These transactions are consistent with the Company's long-term strategy of focusing on its core business and will allow the Company to prioritize the growth of its utilities in states where it has scale. The Company used the proceeds from these transactions to finance its capital expenditures and water and wastewater acquisitions, in place of external funding from equity and debt issuances.

The following discussion and analysis of our financial condition and results of operations should be read together with our condensed consolidated financial statements and related notes.

Recent Developments

Macroeconomic Factors

Our industry has been significantly impacted by inflation, higher interest rates, and other macroeconomic factors. This resulted in an increase in our operating and capital spending requirements in 2022 and 2023. As of the current period, inflation decelerated compared with the prior year, however, it is still above historical levels. Additionally, interest rates remain elevated to curb inflation. We experienced moderate macroeconomic pressures during the first half of 2024, which we expect to continue through the remainder of 2024. We continue to pursue enhancements to our regulatory practices to facilitate the efficient recovery of the increased cost of providing services and infrastructure improvements in our rates and mitigate the inherent regulatory lag associated with traditional rate making processes.

Environmental Compliance

On April 10, 2024, the U.S. Environmental Protection Agency ("EPA") announced the final National Primary Drinking Water Regulation ("NPDWR") for the treatment of six per- and polyfluoroalkyl substances or compounds ("PFAS"). The NPDWR established the maximum contaminant levels (MCLs) in drinking water and allows for a five-year window to comply. In 2023, the Company performed its initial analysis of the NPDWR and estimated an investment of at least \$450,000 of capital expenditures to install additional treatment facilities over the Compliance Period in order to comply (i.e. 2029 pending no delays due to lawsuits). This figure could increase as plans for construction execution are refined or if additional sites require treatment in the future. Additionally, the Company estimated annual operating expenses of approximately five percent of the installed capital expenditures, in today's dollars, related to testing, treatment, and disposal. These were preliminary estimates and actual capital expenditures and expenses may differ based upon a variety of factors, including supply chain issues and site-by-site

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requirements. Capital expenditures and operating costs required as a result of water quality standards have been traditionally recognized by state utility commissions as appropriate for inclusion in establishing rates; however, we are also actively applying for grants and low interest loans, whenever possible, to reduce the overall cost to customers.

On April 19, 2024, the U.S. Environmental Protection Agency ("EPA") announced a final rule that designated two PFAS chemicals, perfluorooctanoic acid ("PFOA") and perfluorooctanesulfonic acid ("PFOS"), as hazardous substances under the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), also known as Superfund. This final action will address PFOA and PFOS contamination by enabling investigation and cleanup of these harmful chemicals and ensuring that leaks, spills, and other releases are reported. In addition to the final rule, EPA issued a separate CERCLA enforcement discretion policy that makes it clear that EPA will focus enforcement on parties who significantly contributed to the release of PFAS chemicals into the environment, including parties that have manufactured PFAS or used PFAS in the manufacturing process, federal facilities, and other industrial parties. The policy identifies examples for operators of public water systems and wastewater systems or entities performing a public service role in providing safe drinking water, handling municipal solid waste, treating or managing stormwater and wastewater, disposing of pollution control residuals, or ensuring beneficial application of wastewater products as a fertilizer substitute. The potential liabilities to the Company, if any, resulting from this rule are currently being evaluated. As of July 2024, multiple lawsuits were filed by various companies and industry groups against the EPA's PFAS rule and are awaiting court action.

The Company continues to advocate for actions to hold polluters accountable and is part of the Multi-District Litigation and other legal actions against multiple PFAS manufacturers and polluters to attempt to ensure that the ultimate responsibility for the cleanup of these contaminants is attributed to the polluters and is seeking damages and other costs to address the contamination of its public water supply systems by PFAS. The Company is also monitoring ongoing litigation and settlement activity with manufacturers of PFAS in these proceedings. For more information, see Part I - Item I - Note 14 to the Company's condensed consolidated financial statements.

Act 12 Recent Development

On June 13, 2024, the Pennsylvania Public Utility Commission approved revised guidelines and procedures designed to increase public involvement and provide a consistent process for evaluating the acquisition and valuation of municipal or authority-owned water and wastewater systems under Act 12 of 2016 ("Act 12"). The Company supports refinements to Act 12 that would provide transparency in the acquisition process and timely regulatory review in Pennsylvania.

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Liquidity and Capital Resources

Our regulated water and gas business is capital intensive and requires a significant level of capital spending. The liquidity required to fund our working capital, capital expenditures and other cash needs is provided from a combination of internally generated cash flows and external debt and equity financing. The Company's condensed consolidated balance sheet historically has had a negative working capital position whereby our current liabilities routinely exceed our current assets. Management believes that internally generated funds along with existing credit facilities, and the proceeds from the issuance of long-term debt and equity will be adequate to provide sufficient working capital to maintain normal operations and to meet our financing requirements for at least the next twelve months.

Our operating cash flow can be significantly affected by changes in operating working capital, especially during periods with significant changes in natural gas commodity prices and also the timing of our natural gas inventory purchases. Cash flow from operations was \$426,426 for the first half of 2024, compared to \$621,422 for the first half of 2023. The net change in working capital and other assets and liabilities resulted in a decrease in cash from operations of \$8,617 for the first half of 2024 compared to an increase of \$185,901 for the first half of 2023. The change in working capital in 2024 as compared to 2023 was primarily driven by the year over year decrease in accounts receivable, unbilled revenues and deferred purchased gas cost balances, and most significantly in gas inventory. In 2023, there was a larger decline in natural gas commodity prices as compared to in 2024.

During the first six months of 2024, we incurred \$548,868 of capital expenditures, issued \$789,946 of long-term debt, received \$166,982 from the sale of assets, repaid short-term debt, and made sinking fund contributions and other long-term debt repayments in aggregate of \$664,829. The capital expenditures were related to new and replacement water, wastewater, and natural gas mains, improvements to treatment plants, tanks, hydrants, and service lines, well and booster improvements, information technology improvements, and other enhancements and improvements. The proceeds from the issuance of long-term debt, including borrowings from our revolving credit facility, and proceeds from the sale of the non-utility energy projects were used for capital expenditures, repayment of existing indebtedness, and general corporate purposes. Cash flows used in financing activities were lower during the first half of 2024 principally as a result of the decrease in the amount of the paydown of loans payable associated with the financing of inventory.

On January 8, 2024, the Company issued \$500,000 of long-term debt (the "2024 Senior Notes"), less expenses of \$4,610, due in 2034 with an interest rate of 5.375%. In August 2023, the Company's subsidiary, Aqua Pennsylvania, issued \$225,000 in aggregate principal amount of first mortgage bonds. The bonds consisted of \$175,000 of 5.48% first mortgage bonds due in 2053; and \$50,000 of 5.56% first mortgage bonds due in 2061. In January 2023, Aqua Pennsylvania issued \$75,000 of first mortgage bonds, due in 2043, and with an interest rate of 5.60%. The proceeds from these borrowings were used to repay existing indebtedness and for general corporate purposes.

On October 14, 2022, the Company entered into at-the market sales agreements ("2022 ATM") with third-party sales agents, under which the Company offered and sold shares of its common stock, from time to time, at its option, pursuant to the Company's then-effective shelf registration statement on Form

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S-3 (File No. 333-255235) that expired in April 2024. During the six months ended June 30, 2024, there were no sales of common stock under the 2022 ATM. As of December 31, 2023, the Company had issued 10,260,833 shares of common stock for net proceeds of \$386,023 under the 2022 ATM. The Company used the net proceeds from the sales of shares through the 2022 ATM for working capital, capital expenditures, water and wastewater utility acquisitions, and repaying outstanding indebtedness.

At June 30, 2024, we had \$18,819 of cash and cash equivalents compared to \$4,612 at December 31, 2023. During the first six months of 2024, we used the proceeds from long-term debt, the proceeds from issuance of common stock, and proceeds from the sale of the non-utility energy projects, as well as internally generated funds, to fund the cash requirements discussed above and to pay dividends.

At June 30, 2024 our \$1,000,000 unsecured revolving credit facility, which expires in December 2027, had \$553,226 available for borrowing. Additionally, at June 30, 2024, we had short-term lines of credit of \$435,500, primarily used for working capital, of which \$342,233 was available for borrowing. On June 12, 2024, Aqua Pennsylvania and Peoples Natural Gas Companies amended the terms of its respective \$100,000 and \$300,000 364-day revolving credit agreements by extending the maturity dates to June 10, 2025 and revised the interest rate index from the Bloomberg Short-Term Bank Yield Index (BSBY) to the Secured Overnight Financing Rate (SOFR). Our short-term lines of credit of \$435,500 are subject to renewal on an annual basis. Although we believe we will be able to renew these facilities, there is no assurance that they will be renewed, or what the terms of any such renewal will be.

In March 2024, the Company filed a new universal shelf registration with the Securities and Exchange Commission (SEC) to allow for the potential future offer and sale by the Company, from time to time, in one or more public offerings, of an indeterminate amount of our common stock, preferred stock, debt securities, and other securities specified therein at indeterminate prices. This registration statement is effective for three years and replaces a similar filing that expired in the second quarter of 2024.

As of June 30, 2024, our credit ratings remained at investment grade levels. On March 19, 2024, S&P lowered its credit rating for the Company, Aqua Pennsylvania, and Peoples Natural Gas Companies from A to A-, citing weakening financial measures as a result of inflationary pressures and our significant capital spending; and revised its outlook from negative to stable for the companies. However, as can be noted in their report, S&P continues to assess our business risk profile as excellent, considering our low-risk and rate-regulated water and gas distribution operations in credit-supportive regulatory environments, our geographic and regulatory diversity, our large and stable residential and commercial customer base, and our solid and reliable operations. On August 29, 2023, Moody's Investors Service ("Moody's") affirmed the Company's senior unsecured notes rating of Baa2 and stable outlook; and, affirmed Peoples Natural Gas Companies' senior secured notes rating of Baa1 and revised its outlook from stable to negative. The Company's ability to maintain its credit rating depends, among other things, on adequate and timely rate relief, its ability to fund capital expenditures in a balanced manner using both debt and equity, and its ability to generate cash flow. A material downgrade of our credit rating may result in the imposition of additional financial and/or other covenants, impact the market prices of equity and debt securities, increase our borrowing costs, and adversely affect our liquidity, among other things. Management continues to enhance our regulatory practices to address regulatory lag and recover capital

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project costs and increases in operating costs efficiently and timely through various rate-making mechanisms.

Results of Operations

Consolidated Results of Operations

Consolidated financial and operational highlights for the periods ended June 30, 2024 and 2023 are presented below.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Operating revenues	\$ 434,406	\$ 436,700	\$ 1,046,475	\$ 1,163,150
Operations and maintenance expense	\$ 142,512	\$ 133,508	\$ 279,412	\$ 271,502
Purchased gas	\$ 33,728	\$ 41,933	\$ 163,403	\$ 298,248
Net income	\$ 75,385	\$ 91,268	\$ 341,157	\$ 282,702
Operating Statistics				
Selected operating results as a percentage of operating revenues:				
Operations and maintenance	32.8%	30.6%	26.7%	23.3%
Purchased gas	7.8%	9.6%	15.6%	25.6%
Depreciation and amortization	20.9%	19.6%	17.2%	14.6%
Taxes other than income taxes	5.1%	4.7%	4.5%	3.7%
Interest expense, net of interest income	16.8%	15.6%	13.9%	12.0%
Net income	17.4%	20.9%	32.6%	24.3%
Effective tax rate	2.4%	-0.3%	-2.6%	-12.7%

Three months ended June 30, 2024 compared with three months ended June 30, 2023

Consolidated operating revenues decreased by \$2,294 or 0.5% as compared to the same period in 2023. Revenues from our Regulated Water segment increased by \$8,807. Revenues from our Regulated Natural Gas segment and Other business segment decreased by \$10,795 and \$306, respectively. A detailed discussion of the factors contributing to the changes in segment revenue is included below under the section, Segment Results of Operations.

ESSENTIAL UTILITIES, INC. AND SUBSIDIARIES
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FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)
(In thousands of dollars, except per share amounts)

Consolidated operations and maintenance expense increased by \$9,004 or 6.7%, primarily due to:

an increase in customer assistance surcharge costs of \$2,563 in our Regulated Natural Gas segment, which has an equivalent offsetting amount in revenues;
additional operating costs resulting from acquired water and wastewater utility systems and higher customer base of \$1,286;
an increase in employee related costs of \$625;
an increase in production costs for water and wastewater operations of \$387;
lower capitalization of overhead costs of \$4,391 in our Regulated Natural Gas segment; offset by
a decrease in bad debt expense of \$975; and,
a decrease in operations and maintenance expense of \$2,422 as a result of the sale of both the regulated natural gas utility assets in West Virginia in October 2023 and the three non-utility local microgrid and distributed energy projects in January 2024.

Purchased gas decreased by \$8,205 or 19.6%. Purchased gas represents the cost of gas sold by Peoples, which for the regulated gas business has a corresponding offset in revenue. The decrease is the result of lower gas usage of \$8,669 due to warmer weather conditions during the second quarter of 2024 as well as the sale of Peoples West Virginia, offset by an increase in the average cost of gas of \$464.

Depreciation and amortization expense increased by \$4,985 or 5.8% principally due to continued capital expenditures to expand and improve our utility facilities and our acquisitions of new utility systems.

Taxes other than income taxes increased by \$1,885 or 9.3% largely due to an increase in pumping fees in our Aqua Texas subsidiary during the second quarter of 2024 as compared to the prior period.

Interest expense increased by \$4,557 or 6.7% for the quarter. Interest expense increased by \$3,927 in our Regulated Water segment and decreased by \$113 in our Regulated Natural Gas segment. Refer to Segment Results of Operations below for further details. Interest expense in Other relates to our corporate operations, and this increased by \$743 during the second quarter of 2024.

Allowance for funds used during construction (AFUDC) increased by \$1,805 or 52.7% due to an increase in the average balance of utility plant construction work in progress, to which AFUDC is applied.

Our effective income tax rate was an expense of 2.4% and a benefit of 0.3% in the second quarter of 2024 and 2023, respectively. The decrease in the income tax benefit is primarily the result of a decrease in income tax benefit associated with the tax deduction for continued qualifying infrastructure investment.

Six months ended June 30, 2024 compared with six months ended June 30, 2023

Consolidated operating revenues decreased by \$116,675 or 10.0% for the six months ended June 30, 2024, as compared to the same period in 2023. Revenues from our Regulated Water segment increased by \$21,400. Revenues from our Regulated Natural Gas segment and Other business segment decreased

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by \$127,759 and \$10,316, respectively. A detailed discussion of the factors contributing to the changes in segment net revenue is included below under the section, Segment Results of Operations. The decrease in our Other business segment revenue is due to lower revenues from our non-regulated natural gas operations primarily as a result of lower average gas prices and lower gas usage in the current period as compared to the prior period.

Consolidated operations and maintenance increased by \$7,910 or 2.9%, primarily due to:

- an increase in employee related costs of \$2,628, primarily resulting from higher salary, medical, and prescription costs and increased contributions to the Company's defined contribution plan;
- an increase in production costs for water and wastewater operations of \$2,784, primarily due to increased purchased water, wastewater, and power costs; and
- additional operating costs resulting from acquired water and wastewater utility systems and higher customer base of \$2,413;
- lower capitalization of overhead costs of \$2,046 in our Regulated Natural Gas segment;
- an increase in bad debt expense of \$2,249; offset by,
- a decrease in operation and maintenance expense of \$4,134 as a result of the sale of both the regulated natural gas utility assets in West Virginia in October 2023 and the three non-utility local microgrid and distributed energy projects in January 2024; and
- a decrease in customer assistance surcharge costs of \$234 in our Regulated Natural Gas segment, which has an equivalent offsetting amount in revenues.

Purchased gas decreased by \$134,845 or 45.2%. Purchased gas represents the cost of gas sold by Peoples for the Regulated Natural Gas business and has a corresponding offset in revenue. The decrease is the result of the lower average cost of gas of \$107,452 during the six month period compared to prior period, and the impact of lower gas usage of \$27,393 due to warmer weather conditions as well as the sale of Peoples West Virginia.

Depreciation and amortization expense increased by \$10,995 or 6.5% principally due to continued capital expenditures to expand and improve our utility facilities and our acquisitions of new utility systems.

Taxes other than income taxes increased by \$4,031 or 9.3% largely due to an increase in property taxes and payroll taxes in our Regulated Natural Gas segment during the first quarter of 2024 and an increase in pumping fees in our Aqua Texas subsidiary during the second quarter of 2024 as compared with the prior period.

Interest expense increased by \$4,992 or 3.6% for the first six months of 2024. Interest expense increased by \$9,004 in our Regulated Water segment and decreased by \$2,264 for our Regulated Natural Gas segment. Refer to Segment Results of Operations below for further details. Interest expense in Other relates to our corporate operations, and this decreased by \$1,748 primarily due to lower average borrowings on our revolving credit facility in 2024.

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Allowance for funds used during construction ("AFUDC") increased by \$798 or by 8.8% due to the increase in the average balance of utility plant construction work in progress, to which AFUDC is applied.

Gain on sale of assets was \$91,828 and \$469 during the first half of 2024 and 2023, respectively. During the first quarter of 2024, the Company completed the sale of its interest in three non-utility local microgrid and distributed energy projects and recognized a gain of \$91,236.

Our effective income tax rate was a benefit of 2.6% in the first six months of 2024 and a benefit of 12.7% in the first six months of 2023. The decrease in the income tax benefit is primarily attributed to the gain recognized from the sale of the Company's interest in three non-utility local microgrid and distributed energy projects in the first quarter of 2024, partially offset by increase in tax benefit associated with the tax deduction for continued qualifying infrastructure investment in our Regulated Natural Gas segment.

Segment Results of Operations

Regulated Water Segment

Our Regulated Water segment is comprised of eight operating segments representing its water and wastewater regulated utility companies which are organized by the states where the Company provides water and wastewater services. The Regulated Water segment is aggregated into one reportable segment.

The following tables present selected operating results and statistics for our Regulated Water segment for the periods ended June 30, 2024 and 2023:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Operating revenues	\$ 302,479	\$ 293,672	\$ 582,372	\$ 560,972
Operations and maintenance expense	\$ 95,575	\$ 93,227	\$ 186,258	\$ 176,029
Segment net income	\$ 87,679	\$ 90,027	\$ 151,583	\$ 167,429

Operating Statistics

Selected operating results as a percentage of operating revenues:

Operations and maintenance	31.6%	31.7%	32.0%	31.4%
Depreciation and amortization	19.1%	18.1%	19.7%	19.0%
Taxes other than income taxes	5.4%	4.8%	5.6%	5.3%
Interest expense, net of interest income	11.4%	10.4%	11.9%	10.7%
Segment net income	29.0%	30.7%	26.0%	29.8%
Effective tax rate	14.2%	15.0%	18.9%	14.9%

ESSENTIAL UTILITIES, INC. AND SUBSIDIARIES
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Three months ended June 30, 2024 compared with three months ended June 30, 2023

Revenues from our Regulated Water segment increased by \$8,807 or 3.0% for the second quarter of 2024 as compared to the same period in 2023, mainly due to the following:

- an increase in water and wastewater rates, including infrastructure rehabilitation surcharges, of \$15,082;
- additional water and wastewater revenues of \$3,113 associated with a larger customer base due to utility acquisitions and organic growth; offset by a decrease in volume consumption of \$9,681.

Operations and maintenance expense increased by \$2,348 or 2.5% primarily due to the following:

- additional operating costs resulting from acquired water and wastewater utility systems and higher customer base of \$1,286;
- an increase in employee related costs of \$998 primarily resulting from higher medical and prescription expenses;
- an increase in production costs for water and wastewater operations of \$387; offset by a decrease in bad debt expense of \$772.

Depreciation and amortization increased by \$4,394 or 8.3% primarily due to continued capital investment to expand and improve our utility facilities and our acquisitions of new utility systems.

Interest expense, net, increased by \$3,927 or 12.9% for the quarter primarily due to higher push down debt borrowings and operating company debt issuances for the Regulated Water segment.

AFUDC increased by \$1,022 or by 34.8% due to the increase in the average balance of utility plant construction work in progress, to which AFUDC is applied.

Our effective income tax rate for our Regulated Water Segment was an expense of 14.2% in the second quarter of 2024, compared to an expense of 15.0% in the second quarter of 2023. The decrease in the effective tax rate is primarily the result of the increase in the income tax benefit associated with the tax deduction for qualifying infrastructure.

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Six months ended June 30, 2024 compared with six months ended June 30, 2023

Revenues increased by \$21,400 or 3.8% for the first six months of 2024 as compared to the same period in 2023, mainly due to the following:

an increase in water and wastewater rates, including infrastructure rehabilitation surcharges, of \$26,460; additional water and wastewater revenues of \$6,103 associated with a larger customer base due to utility acquisitions and organic growth; offset by a decrease in non-utility revenue of \$2,622, primarily due to higher developer fees earned during the first quarter of 2023; and a decrease in volume consumption of \$8,589.

Operations and maintenance expense increased by \$10,229 or 5.8% primarily due to the following:

an increase in employee related costs of \$2,813 primarily resulting from higher salary, medical, and prescription costs and increased contributions to the Company's defined contribution plan; an increase in production costs for water and wastewater operations of \$2,784, primarily due to increased purchased water, wastewater, and power costs; additional operating costs resulting from acquired water and wastewater utility systems and higher customer base of \$2,413; and, an increase in bad debt expense of \$3,686.

Depreciation and amortization increased by \$8,121 or 7.6% primarily due to continued capital investment to expand and improve our utility facilities and our acquisitions of new utility systems.

Interest expense, net, increased by \$9,004 or 14.9% primarily due to higher push down debt borrowings and operating company debt issuances for the Regulated Water segment.

Our effective income tax rate for our Regulated Water Segment was an expense of 18.9% in the first six months of 2024 and an expense of 14.9% in the first six months of 2023. The increase in effective tax rate is primarily the result of changes in the jurisdictional earnings mix, decrease in the amortization of certain regulatory liabilities associated with deferred taxes and decrease in the income tax benefit associated with the tax deduction for qualifying infrastructure.

Regulated Natural Gas Segment

Our Regulated Natural Gas segment recognizes revenues by selling gas directly to customers at approved rates or by transporting gas through our pipelines at approved rates to customers that have purchased gas directly from other producers, brokers, or marketers. Natural gas sales to residential, commercial and industrial customers are seasonal, which results in higher demand for natural gas for heating purposes during the colder months.

ESSENTIAL UTILITIES, INC. AND SUBSIDIARIES
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The following tables present selected operating results and statistics for our Regulated Natural Gas segment, for the periods ended June 30, 2024 and 2023:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Operating revenues	\$ 128,188	\$ 138,983	\$ 452,519	\$ 580,278
Operations and maintenance expense	\$ 49,709	\$ 41,114	\$ 95,626	\$ 98,264
Purchased gas	\$ 32,680	\$ 39,665	\$ 158,222	\$ 281,521
Segment net income (loss)	\$ (1,717)	\$ 13,630	\$ 208,223	\$ 137,176
Operating Statistics				
Selected operating results as a percentage of operating revenues:				
Operations and maintenance	38.8%	29.6%	21.1%	16.9%
Purchased gas	25.5%	28.5%	35.0%	48.5%
Depreciation and amortization	25.5%	23.2%	14.4%	10.7%
Taxes other than income taxes	4.0%	3.9%	2.7%	1.9%
Interest expense, net of interest income	16.3%	15.1%	10.2%	8.4%
Segment net income (loss)	-1.3%	9.8%	46.0%	23.6%
Effective tax rate	85.1%	-4213.3%	-23.0%	-70.7%

Three months ended June 30, 2024 compared with three months ended June 30, 2023

Operating revenues from the Regulated Natural Gas segment decreased by \$10,795 or by 7.8% due to:

a decrease in purchased gas costs of \$6,985; refer to purchased gas costs discussion below for further information; impact of lower volumes of \$726 due to the sale of Peoples West Virginia in 2023 and \$5,567 primarily due to warmer weather conditions in 2024 compared to prior period; decrease in other utility revenues of \$2,013 resulting from the sale of the Company's interest in three non-utility local microgrid and distributed energy projects; offset by an increase of \$3,267 due to higher rates and other surcharges, and an increase in customer assistance surcharge of \$2,563, which has an equivalent offsetting amount in operations and maintenance expense.

Operations and maintenance expense for the three months ended June 30, 2024 increased by \$8,595 or 20.9% primarily due to the following:

an increase in customer assistance surcharge costs of \$2,563, which has an equivalent offsetting amount in revenues; lower capitalization of overhead costs of \$4,391; offset by a decrease in operation and maintenance expense of \$2,422 as a result of the sale of both the regulated natural gas utility assets in West Virginia in October 2023 and the three non-utility local microgrid and distributed energy projects in January 2024.

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Our Regulated Natural Gas segment is affected by the cost of natural gas, which is passed through to customers using a purchased gas adjustment clause and includes commodity price, transportation and storage costs. These costs are reflected in the condensed consolidated statement of operations and comprehensive income as purchased gas expenses. Fluctuations in the cost of purchased gas impact operating revenues on a dollar-for-dollar basis. Purchased gas decreased by \$6,985 or 17.6% as a result of the impact of: lower gas usage of \$7,187 due to warmer weather conditions and \$1,567 from the sale of Peoples West Virginia, offset by an increase in the average cost of gas of \$1,769 during the current period compared to the prior period.

Depreciation and amortization increased by \$444 or 1.4% primarily due to continued capital investment.

AFUDC increased by \$783 or by 161.8% due to the increase in the average balance of utility plant construction work in progress, to which AFUDC is applied.

Our effective income tax benefit decreased in the second quarter of 2024 compared to second quarter of 2023. The decrease in the income tax benefit is primarily attributed to the decrease in income tax benefit associated with the tax deduction for continued qualifying infrastructure investment.

Six months ended June 30, 2024 compared with six months ended June 30, 2023

Operating revenues from the Regulated Natural Gas segment decreased by \$127,759 or 22.0% due to:

- a decrease in purchased gas costs of \$123,299; refer to purchased gas costs discussion below for further information;
- lower gas usage of \$3,639 due to the sale of Peoples West Virginia and \$2,314 primarily due to warmer weather conditions; and
- a decrease in other utility revenues of \$3,142 resulting from the sale of the Company's interest in three non-utility local microgrid and distributed energy projects; offset by an increase of \$5,746 due to higher rates and other surcharges.

The Regulated Natural Gas segment is subject to seasonal fluctuations with the peak usage period occurring in the heating season which generally runs from October to March. A heating degree day (HDD) is each degree that the average of the high and low temperatures for a day is below 65 degrees Fahrenheit in a specific geographic location. Particularly during the heating season, this measure is used to reflect the demand for natural gas needed for heating based on the extent to which the average temperature falls below a reference temperature above which no heating is required (65 degrees Fahrenheit). During the first half of 2024, we experienced actual HDDs of 2,616 days, which was warmer by 10.7% than the actual HDDs of 2,931 days in the first six months of 2023 for Pittsburgh Pennsylvania, which we use as a proxy for our western Pennsylvania service territory.

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Operations and maintenance expense decreased by \$2,638 or 2.7% primarily due to the following:

- a decrease in bad debt expense of \$1,464;
- lower capitalization of overhead costs of \$2,046;
- a decrease in operation and maintenance expense of \$4,134 as a result of the sale of both the regulated natural gas utility assets in West Virginia in October 2023 and the three non-utility local microgrid and distributed energy projects in January 2024;
- a decrease in customer assistance surcharge costs of \$234, which has an equivalent offsetting amount in revenues; offset by an increase in materials and supplies of \$1,422.

Purchased gas decreased by \$123,299 or 43.8% during the second half of 2024 compared with the same period in 2023 as a result of the impact of: (1) a decrease in the average cost of gas of \$105,353; and (2) lower gas usage of \$13,181 due to warmer weather conditions and \$4,765 due to the sale of Peoples West Virginia in October 2023.

Depreciation and amortization increased by \$2,727 or 4.4% primarily due to continued capital investment in pipe replacement.

Taxes other than income taxes increased by \$1,213 or 10.9% mainly due to an increase in property taxes and payroll taxes.

Interest expense, net, decreased by \$2,264 or 4.7% due to interest incurred in the first quarter of 2023 on refunded gas cost collections, partially offset by an increase in interest expense resulting from higher push down debt borrowings of the Regulated Natural Gas segment with Essential Utilities, Inc.

AFUDC increased by \$1,034 due to the increase in the average balance of utility plant construction work in progress, to which AFUDC is applied.

Gain on sale of assets was \$91,581 and \$0 during the first half of 2024 and 2023, respectively. During the first quarter of 2024, the Company completed the sale of its interest in three non-utility local microgrid and distributed energy projects and recognized a gain of \$91,236.

Our effective income tax rate was a benefit of 23.0% in the first six months of 2024 and a benefit of 70.7% in the first six months of 2023. The decrease in income tax benefit is primarily attributed to the gain recognized from the sale of the Company's interest in three non-utility local microgrid and distributed energy projects in the first quarter of 2024, partially offset by an increase in tax benefit associated with the tax deduction for continued qualifying infrastructure investment.

Impact of Recent Accounting Pronouncements

We describe the impact of recent accounting pronouncements in Note 16, *Recent Accounting Pronouncements*, to the condensed consolidated financial statements in this report.

Item 3 – Quantitative and Qualitative Disclosures About Market Risk

We are subject to market risks in the normal course of business, including changes in interest rates and equity prices. Refer to Item 7A of the Company’s Annual Report on Form 10-K for the year ended December 31, 2023, filed February 29, 2024, for additional information on market risks.

Item 4 – Controls and Procedures

(a) Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures as of the end of the period covered by this report are effective such that the information required to be disclosed by us in reports filed under the Securities Exchange Act of 1934 is (i) recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission’s rules and forms and (ii) accumulated and communicated to our management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding disclosure.

(b) Changes in Internal Control over Financial Reporting

No change in our internal control over financial reporting occurred during the quarter ended June 30, 2024 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Part II. Other Information

Item 1 – Legal Proceedings

For a discussion of the Company’s legal proceedings, see Part I – Item I – Note 14 to the Company’s condensed consolidated financial statements.

Item 1A – Risk Factors

Please review the risks disclosed in our Annual Report on Form 10-K for the year ended December 31, 2023, under “Part 1, Item 1A – Risk Factors”.

Item 5 - Other Information

Security Trading Plans of Directors and Executive Officers

During the quarter ended June 30, 2024, none of the Company's directors or executive officers adopted, modified or terminated any contract, instruction or written plan for the purchase or sale of Company securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement", except as follows:

Name & Title	Character of Trading Arrangement	Date of Adoption/ Termination	Aggregate Number of Shares of Common Stock to be Purchased/Sold Pursuant to Trading Arrangement	Duration of Plan
Christopher Luning, Executive Vice President & General Counsel	Rule 10b5-1(c) Trading Arrangement	Terminated - April 2, 2024	Up to 30,000 shares to be sold	3/5/2024 - 3/31/2025

Item 6 – Exhibits

Exhibit No.	Description
10.1*	Eighth Amendment to Credit Agreement, dated June 12, 2024, by and between Aqua Pennsylvania, Inc. PNC National Bank Association, Citizens Bank N.A., and The Huntington National Bank
10.2*	Fourth Amendment to Credit Agreement, dated June 12, 2024, by and between PNG Companies LLC, PNC National Bank Association, Citizens Bank N.A., and The Huntington National Bank
31.1*	Certification of Chief Executive Officer, filed pursuant to Rule 13a-14(a) under the Securities and Exchange Act of 1934
31.2*	Certification of Chief Financial Officer, filed pursuant to Rule 13a-14(a) under the Securities and Exchange Act of 1934
32.1*	Certification of Chief Executive Officer, furnished pursuant to 18 U.S.C. Section 1350
32.2*	Certification of Chief Financial Officer, furnished pursuant to 18 U.S.C. Section 1350
101.INS	Inline XBRL Instance Document – The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRES	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	The cover page from the Company’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2024, formatted in Inline XBRL (included in Exhibit 101)

*Filed herewith.

SIGNATURES

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

August 6, 2024

Essential Utilities, Inc.

Registrant

/s/ Christopher H. Franklin

Christopher H. Franklin
Chairman, President and
Chief Executive Officer

/s/ Daniel J. Schuller

Daniel J. Schuller
Executive Vice President and
Chief Financial Officer

EIGHTH AMENDMENT TO CREDIT AGREEMENT

THIS EIGHTH AMENDMENT TO CREDIT AGREEMENT (this "Amendment") is made as of this 12th day of June, 2024 (the "Effective Date"), by and among AQUA PENNSYLVANIA, INC., a Pennsylvania corporation (the "Borrower"), the several banks and other financial institutions or entities parties on the date hereof to the Existing Credit Agreement (as defined below) and listed on the signature pages hereto as a "Continuing Bank" (each a "Continuing Bank" and, collectively, the "Continuing Banks"), the bank party on the date hereof to the Existing Credit Agreement and listed on the signature page hereto as the "Departing Bank" (the "Departing Bank"; together with the Continuing Banks, each a "Bank" and collectively, the "Banks"), and PNC BANK, NATIONAL ASSOCIATION in its capacity as agent for the Continuing Banks (in such capacity, the "Agent").

BACKGROUND

A. The Borrower, the Agent and the Banks are parties to an Amended and Restated Credit Agreement, dated as of November 17, 2016 (as heretofore amended, supplemented, modified, or restated, the "Existing Credit Agreement"; the Existing Credit Agreement, as amended by this Amendment and as may be further amended, supplemented, modified or restated from time to time, the "Amended Credit Agreement"), pursuant to which the Banks have made available to the Borrower a revolving credit facility in an aggregate amount of \$100,000,000 (the "Facility"). The loans under the Facility are evidenced by the Borrower's Notes to the Banks in the aggregate principal amount of \$100,000,000.

B. The Departing Bank has agreed to be replaced as a Bank.

C. The Borrower, the Agent and the Continuing Banks desire to (i) extend the Termination Date; (ii) transition the interest rate provisions in the Existing Credit Agreement from BSBY based rates to SOFR based rates and (iii) modify certain other provisions of the Existing Credit Agreement, all on the terms and subject to the conditions herein set forth.

D. The Departing Bank has agreed to execute its signature page hereto solely as the Departing Bank in acceptance of the termination of its commitment and obligations under the Existing Credit Agreement as a "Bank" (as defined in the Existing Credit Agreement) thereunder, and not as a Bank party to the Amended Credit Agreement, as described in further detail in its signature page.

NOW THEREFORE, the parties hereto, intending to be legally bound hereby, agree as follows:

AGREEMENT

1. Terms. Capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Amended Credit Agreement.

2. Amendments to Existing Credit Agreement. Effective on the Effective Date, the text of each of the Existing Credit Agreement and each of the Schedules and Exhibits thereto are hereby amended to read in full as set forth in the pages of the Amended Credit Agreement, Schedules and Exhibits attached as Annex A hereto.

3. New Notes. The Borrower shall execute and deliver to the Agent on the Effective Date an amended and restated Note for each Continuing Bank in an amount equal to the amount of such Continuing Bank's Revolving Commitment outstanding immediately after giving effect to this Amendment (such Notes being collectively referred to as the "New Notes" and each as a "New Note").

4. Effective Date Reallocations; Treatment of Outstanding Loans.

(a) On the Effective Date (i) all "Revolving Credit Loans" (as defined in the Existing Credit Agreement) made under the Existing Credit Agreement which are outstanding on the Effective Date shall continue as Revolving Credit Loans under (and shall be governed by the terms of) the Amended Credit Agreement and shall have the same Interest Periods as in effect under the Existing Credit Agreement, (ii) all "Swing Line Loans" (as defined in the Existing Credit Agreement) made under the Existing Credit Agreement which are outstanding on the Effective Date shall continue under (and shall be governed by the terms of) the Amended Credit Agreement and the other Loan Documents, (iii) the Departing Bank's outstanding "Revolving Credit Loans" under (and as defined in) the Existing Credit Agreement as of the Effective Date shall be repaid in full in cash in immediately available funds (accompanied by any accrued and unpaid interest and fees thereon and any other amounts or liabilities owing to the Departing Bank under the Existing Credit Agreement), the Departing Bank's "Revolving Commitment" under and as defined in the Existing Credit Agreement shall be terminated and be of no further force and effect, the Departing Bank shall not be a Bank for any purpose under the Amended Credit Agreement and the other Loan Documents (provided that the Departing Bank shall retain its rights as a "Bank", as defined in the Existing Credit Agreement, under the Existing Credit Agreement to expense reimbursement and indemnification pursuant to, and in accordance with, the terms of the Existing Credit Agreement), and the Departing Bank shall be released from any obligation or liability under the Existing Credit Agreement, (iv) all obligations under the Existing Credit Agreement or any Loan Document owed to any Continuing Bank (but not, for the avoidance of doubt, owed to the Departing Bank or an Affiliate of the Departing Bank) which are outstanding on the Effective Date and are not being paid on such date shall continue as obligations under Amended Credit Agreement and the other Loan Documents, (v) the Agent shall make such reallocations, sales, assignments or other relevant actions in respect of each Continuing Bank's credit and loan exposure under the Existing Credit Agreement as are necessary in order that such Continuing Bank's pro rata share of the outstanding Revolving Credit Loans under the Amended Credit Agreement reflect such Continuing Bank's pro rata share of the outstanding aggregate Revolving Credit Loans on the Effective Date based on its Commitment Percentage after giving effect to this Amendment, and (vi) the Borrower shall compensate the Departing Bank for any and all losses, costs and expenses incurred by the Departing Bank in connection with the repayment of any "BSBY Rate Loans" (as defined in the Existing Credit Agreement), on the terms and in the manner set forth in the Existing Credit Agreement, provided, however, that, for the avoidance of

doubt, the Continuing Banks under this Amendment agree to waive any right to compensation under Section 2.13 of the Existing Credit Agreement in connection with the reallocation and transactions described above. Without limiting the foregoing, the parties hereto (including, without limitation, the Departing Bank) hereby agree that the consent of the Departing Bank shall be limited to the acknowledgments and agreements set forth in this Section 4, and shall not be required as a condition to the effectiveness of any other amendments, restatements, supplements or modifications to the Existing Credit Agreement or the Loan Documents.

(b) On the Effective Date, to the extent necessary, each Continuing Bank shall fund Revolving Credit Loans (or receive payment of its "Revolving Credit Loans", as defined in the Existing Credit Agreement), such that the Revolving Credit Loans of each of the Continuing Banks on the Effective Date are equal to its Commitment Percentage of the Revolving Credit Loans of all of the Continuing Banks outstanding on the Effective Date, in each case after giving effect to this Amendment. The requirements under Section 9.6 of the Existing Credit Agreement and requirements in respect of minimum borrowing, pro rata borrowing and pro rata payment requirements contained elsewhere in the Amended Credit Agreement shall not apply to the transactions effected pursuant to this Section 4.

(c) As described in more detail in Section 5 hereof, it is the express intent of the parties hereto that the Amended Credit Agreement is entered into not in substitution for, and not in payment of, the obligations of the Borrower under the Existing Credit Agreement and is in no way intended to constitute a novation of any of the Borrower's indebtedness which was evidenced by the Existing Credit Agreement or any of the other Loan Documents.

5. No Novation; Transitional Arrangements. This Amendment shall not constitute a termination of the Existing Credit Agreement nor a novation of any indebtedness or other obligations owing to the Agent or any Bank under the Existing Credit Agreement. On the Effective Date, the credit facilities described in the Existing Credit Agreement shall be amended, supplemented and modified in their entirety by the facilities described in the Amended Credit Agreement; provided, however, that any BSBY Rate Loan (as defined in the Existing Credit Agreement) outstanding immediately before giving effect to this Amendment shall continue to bear interest after the Effective Date at the applicable BSBY Rate (as defined in the Existing Credit Agreement) for the Interest Period (as defined in the Existing Credit Agreement) in effect for such outstanding BSBY Rate Loan immediately before giving effect to this Amendment plus seventy (70) basis points (0.70%) until the end of such Interest Period. At the end of the applicable Interest Period for any such outstanding BSBY Rate Loan, the Borrower shall either (a) convert such Loan to a Base Rate Loan or a Term SOFR Rate Loan in accordance with the terms of the Amended Credit Agreement or (b) repay such Loan in full in accordance with the terms of the Amended Credit Agreement.

6. Borrower's Ratification. The Borrower agrees that it has no defenses, set-offs, counterclaims or challenges against the Continuing Banks or the Agent or their respective officers, directors, employees, agents or attorneys, with respect to the Loan Documents, all of which are in full force and effect, and that all of the terms and conditions of the Loan Documents not inconsistent herewith shall remain in full force and effect unless and until modified or amended

in writing in accordance with their terms. The Borrower hereby ratifies and confirms its obligations under the Loan Documents as amended hereby and agrees that the execution and delivery of this Amendment does not in any way diminish or invalidate any of its obligations thereunder.

7. Representations and Warranties. The Borrower hereby represents and warrants to the Agent and the Continuing Banks that:

(a) Immediately before giving effect to this Amendment, the representations and warranties of the Borrower set forth in the Existing Credit Agreement, and immediately after giving effect to this Amendment, the representations and warranties of the Borrower set forth in the Amended Credit Agreement and the other Loan Documents, are in each case true and correct in all material respects (it being understood that the materiality qualifier shall not be applicable with respect to any clause of any representation or warranty which itself contains a materiality qualification) as of the Effective Date (except representations and warranties which relate solely to an earlier date or time, which representations and warranties shall be true and correct in all material respects (or all respects, as applicable) on and as of the specific dates or times referred to therein); provided, however, that for purposes of the representations in Section 3.1 thereof, the annual and quarterly financial information referred to in such Section shall be deemed to be the most recent such information furnished to each Continuing Bank;

(b) Immediately before giving effect to this Amendment, there exists no Default or Event of Default under the Existing Credit Agreement, and immediately after giving effect to this Amendment there exists no Default or Event of Default under the Amended Credit Agreement;

(c) This Amendment (including the Amended Credit Agreement) has been duly authorized, executed and delivered so as to constitute the legal, valid and binding obligation of the Borrower, enforceable in accordance with its terms; and

(d) No consent, approval or authorization of, filing, registration or recording with, notice to or other act by or in respect of, any Governmental Authority or any other Person is required in connection with the execution, delivery or performance by the Borrower of this Amendment or the Amended Credit Agreement (except for those which have been obtained on or prior to the date hereof).

All of the above representations and warranties shall survive the making of this Amendment.

8. Conditions Precedent. The effectiveness of the amendments set forth herein is subject to the fulfillment, to the satisfaction of the Agent and its counsel, of the following conditions precedent on or before the Effective Date:

(a) The Agent shall have received the following, all of which shall be in form and substance satisfactory to the Agent and shall be duly completed and executed by the Borrower, the Agent and the Banks, as applicable:

- (i) This Amendment;
- (ii) The New Notes;
- (iii) Copies, certified by the Secretary or an Assistant Secretary of the Borrower as of a recent date, of resolutions of the board of directors of the Borrower in effect on the date hereof authorizing the execution, delivery and performance of this Amendment and the other documents and transactions contemplated hereby;
- (iv) Copies, certified by its corporate secretary as of a recent date, of the articles of incorporation, certificate of formation, and by-laws of the Borrower as in effect, or a certificate stating that there have been no changes to any such documents since the most recent date, true and correct copies thereof were delivered to the Agent;
- (v) If the Borrower qualifies as a legal entity customer under the Beneficial Ownership Regulations, an executed Certificate of Beneficial Ownership for the Borrower and such other documentation and other information requested by the Agent and the Continuing Banks in connection with applicable “know your customer” and anti-money laundering rules and regulations, including the USA Patriot Act;
- (vi) A good standing certificate for the Borrower in the State of its formation dated as of a recent date; and
- (vii) Such additional documents, certificates and information as the Agent or the Continuing Banks may require pursuant to the terms hereof or otherwise reasonably request.

(b) After giving effect to this Amendment, the representations and warranties set forth in the Credit Agreement shall be true and correct in all material respects on and as of the date hereof; provided, however, that for purposes of the representations in Section 3.1 thereof, the annual and quarterly financial information referred to in such Section shall be deemed to be the most recent such information furnished to each Bank.

(c) No Default or Event of Default shall have occurred and be continuing as of the date hereof.

(d) All Revolving Credit Loans of the Departing Bank outstanding under the Existing Credit Agreement as of the Effective Date, including any accrued interest thereon, and all fees owed to the Departing Bank under the Existing Credit Agreement, shall have been paid in full.

(e) The Agent shall have received such fees as shall have been agreed.

(f) The Agent shall have received, to the extent invoiced, reimbursement of all fees and expenses of counsel to the Agent required to be paid or reimbursed by the Borrower hereunder.

All of the foregoing fees shall be in all respects, fully earned, due and payable on the Effective Date and non-refundable and non-creditable thereafter.

9. Integration. This Amendment constitutes the sole agreement of the parties hereto with respect to the transactions contemplated hereby and shall supersede all oral negotiations and the terms of prior writings with respect thereto. From and after the Effective Date, all references in the Amended Credit Agreement and each of the other Loan Documents to the Credit Agreement shall be deemed to be references to the Amended Credit Agreement as modified hereby. This Amendment shall constitute a Loan Document for all purposes under the Amended Credit Agreement and each of the other Loan Documents.

10. Severability. Any provision of this Amendment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

11. Miscellaneous.

(a) The Borrower agrees to pay all of the Agent's reasonable out-of-pocket fees and expenses incurred in connection with this Amendment and the transactions contemplated hereby, including, without limitation, the reasonable fees and expenses of counsel to the Agent.

(b) All terms, conditions, provisions and covenants in the Loan Documents and all other documents delivered to the Agent and the Banks in connection therewith shall remain unaltered and in full force and effect except as expressly modified or amended hereby. To the extent that any term or provision of this Amendment is or may be deemed expressly inconsistent with any term or provision in any Loan Document or any other document executed in connection therewith, the terms and provisions hereof shall control.

(c) The execution, delivery and effectiveness of this Amendment shall neither operate as a waiver of any right, power or remedy of the Agent or the Continuing Banks under any of the Loan Documents nor constitute a waiver of any Default or Event of Default thereunder.

(d) In consideration of the Agent's and the Continuing Banks' agreement to amend the existing revolving credit facility on the terms hereof, the Borrower hereby waives and releases the Agent and the Continuing Banks and their respective officers, attorneys, agents and employees from any liability, suit, damage, claim, loss or expense of any kind or failure whatsoever and howsoever arising that it ever had up until, or has as of, the date of this Amendment.

(e) This Amendment constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous understandings and agreements.

(f) This Amendment shall be governed by and construed according to the laws of the Commonwealth of Pennsylvania.

(g) This Amendment shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors and assigns.

(h) The headings used in this Amendment are for convenience of reference only, do not form a part of this Amendment and shall not affect in any way the meaning or interpretation of this Amendment.

(i) This Amendment may be executed in one or more counterparts, each of which counterparts when executed and delivered shall be deemed to be an original, and all of which shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Amendment by facsimile or other electronic transmission will be effective as delivery of a manually executed counterpart hereof.

(j) No modification hereof or any agreement referred to herein shall be binding or enforceable unless in writing and signed on behalf of the party against whom enforcement is sought.

IN WITNESS WHEREOF, the Borrower, the Agent and the Banks have caused this Amendment to be executed by their duly authorized officers as of the date first above written.

AQUA PENNSYLVANIA, INC.

By: /s/ Brian Dingerdissen

Name: Brian Dingerdissen

Title: Vice President Investor Relations & Treasurer

CONTINUING BANKS:

PNC BANK, NATIONAL ASSOCIATION,
as Agent and as a Bank

By: /s/ Domenic D’Ginto
Name: Domenic D’Ginto
Title: Managing Director

CITIZENS BANK, N.A., as a Bank

By: /s/ A. Paul Dawley
Name: A. Paul Dawley
Title: Senior Vice President

THE HUNTINGTON NATIONAL BANK,
as a Bank

By: /s/ Christopher Olsen
Name: Christopher Olsen
Title: Vice President

SIGNATURE PAGE TO
THE EIGHTH AMENDMENT TO CREDIT AGREEMENT OF
AQUA PENNSYLVANIA, INC.

The undersigned is executing this signature page solely as the Departing Bank in its acceptance of the termination of its commitments and obligations under the Existing Credit Agreement as a Bank thereunder, and not as a Bank party to the Amended Credit Agreement. The undersigned hereby acknowledges that the Existing Credit Agreement is being amended pursuant to the Eighth Amendment to Credit Agreement (the "Eighth Amendment") to which this signature page is attached and the undersigned shall not constitute a party to said Eighth Amendment as a Bank other than as the Departing Bank for purposes of effectuating the amendments to the Existing Credit Agreement contemplated by the Eighth Amendment.

TD BANK, N.A., as the Departing Bank

By: /s/ Jennifer L. Suspenski

Name: Jennifer L. Suspenski

Title: Vice President

AMENDED AND RESTATED CREDIT AGREEMENT

among

AQUA PENNSYLVANIA, INC.

and

THE BANKS PARTY HERETO

and

**PNC BANK, NATIONAL ASSOCIATION
as Agent**

Dated as of November 17, 2016

As Amended by the First Amendment to Credit Agreement, dated as of November 16, 2017, Second Amendment to Credit Agreement, dated as of November 9, 2018, Third Amendment to Credit Agreement, dated as of November 6, 2019, Fourth Amendment to Credit Agreement, dated as of November 6, 2020, Fifth Amendment to Credit Agreement, dated as of November 5, 2021, Sixth Amendment to Credit Agreement dated as of June 30, 2022, Seventh Amendment to Credit Agreement, dated as of June 29, 2023, and Eighth Amendment to Credit Agreement, dated as of June 12, 2024

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AMENDED AND RESTATED CREDIT AGREEMENT

THIS AMENDED AND RESTATED CREDIT AGREEMENT (this “Agreement”) dated as of November 17, 2016, by and among AQUA PENNSYLVANIA, INC., a Pennsylvania corporation (the “Borrower”), the several banks and other financial institutions from time to time parties to this Agreement (the “Banks”), and PNC BANK, NATIONAL ASSOCIATION, a national banking association, as administrative agent (in such capacity, the “Agent”).

BACKGROUND

A. The Banks have made available to the Borrower a revolving credit facility in the maximum principal amount of \$100,000,000 on the terms and conditions contained in that certain Credit Agreement dated as of November 30, 2010 (as amended and in effect immediately prior to the date hereof, the “Existing Credit Agreement”) by and among the Borrower, the Banks and the Agent.

B. The Borrower, the Banks and the Agent desire to amend and to restate the terms of the Existing Credit Agreement, all upon the terms and conditions set forth herein.

NOW, THEREFORE, the parties hereto, in consideration of their mutual covenants and agreements hereinafter set forth and intending to be legally bound hereby, covenant and agree that the Existing Credit Agreement is amended and restated in its entirety as follows:

SECTION 1. DEFINITIONS

1.1 Defined Terms. As used in this Agreement, the following terms shall have the following meanings:

“Adjusted Revolving Credit Commitment Percentage”: with respect to any non-Defaulting Bank, the quotient (expressed as a percentage) of such Bank’s aggregate Commitment divided by the aggregate Commitments of all non-Defaulting Banks.

“Affected Financial Institution”: (a) any EEA Financial Institution or (b) any UK Financial Institution.

“Affiliate”: as to any Person, any other Person that, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, “control” of a Person means the power, directly or indirectly, either to (a) vote 10% or more of the securities having ordinary voting power for the election of directors (or persons performing similar functions) of such Person or (b) direct or cause the direction of the management and policies of such Person, whether by contract or otherwise.

“Anti-Corruption Laws”: (a) the U.S. Foreign Corrupt Practices Act of 1977, as amended; (b) the U.K. Bribery Act 2010, as amended; and (c) any other applicable Law relating to anti-bribery or anti-corruption in any jurisdiction in which the Borrower is located or doing business.

“Anti-Terrorism Laws”: any Laws relating to terrorism, trade sanctions programs and embargoes, import/export licensing, money laundering, bribery or anti-corruption (including the FCPA) and any regulation, order, or directive promulgated, issued or enforced pursuant to such Laws (including, without limitation, any of the foregoing promulgated by the U.S. Department of the Treasury’s Office of Foreign Assets Control, the U.S. Department of State, the United Nations Security Council, the European Union and member states, His Majesty’s Treasury of the United Kingdom, the Hong Kong Monetary Authority, or other relevant sanctions authority and the Bank Secrecy Act, 31 U.S.C. § 5311 et seq.), all as amended, supplemented or replaced from time to time.

“Assignment and Acceptance”: an assignment and acceptance entered into by a Bank and an assignee, and acknowledged by the Agent, in the form of Exhibit C or such other form as shall be approved by the Agent.

“Bail-In Action”: the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

“Bail-In Legislation”: (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“Base Rate”: for any day, a fluctuating per annum rate of interest equal to the highest of (i) the Overnight Bank Funding Rate, plus 0.5%, (ii) the Prime Rate, and (iii) the Daily Simple SOFR, plus 1.00%, so long as the Daily Simple SOFR is offered, ascertainable and not unlawful; provided, however, if the Base Rate as determined above would be less than zero, then such rate shall be deemed to be zero. Any change in the Base Rate (or any component thereof) shall take effect at the opening of business on the day such change occurs. Notwithstanding anything to the contrary contained herein, in the case of any event specified in Section 2.10(a) or Section 2.10(b), to the extent any such determination affects the calculation of the Base Rate, the definition hereof shall be calculated without reference to clause (iii) until the circumstances giving rise to such event no longer exist.

“Base Rate Borrowing”: a Borrowing comprised of Base Rate Loans.

“Base Rate Loan”: any Revolving Credit Loan bearing interest at a rate determined by reference to the Base Rate.

“Base Rate Option”: the option of the Borrower to have Revolving Credit Loans bear interest at the rate and under the terms specified in Section 2.6(a).

“Benchmark Replacement”: as defined in Section 2.10(d).

“Beneficial Owner”: for the Borrower, each of the following: (i) each individual, if any, who, directly or indirectly, owns 25% or more of the Borrower’s Capital Stock; and (ii) a single individual with significant responsibility to control, manage, or direct the Borrower.

“Beneficial Ownership Regulations”: means 31 C.F.R. § 1010.230.

“Borrower”: as defined in the heading of this Agreement.

“Borrowing”: a Swing Line Loan made by the Swing Line Bank or each group of Revolving Credit Loans of a single Type made by the Banks on a single date and, in the case of Term SOFR Rate Loans, as to which a single Interest Period is in effect.

“Borrowing Request”: a request made pursuant to Section 2.1(c) in the form of Exhibit A.

“Business Day”: a day other than a Saturday, Sunday or other day on which commercial banks in Philadelphia, Pennsylvania are authorized or required by law to be closed, or are in fact closed, for business; provided, that, for purposes of any direct or indirect calculation or determination of, or when used in connection with any interest rate settings, fundings, disbursements, settlements, payments, or other dealings with respect to SOFR, the term “Business Day” means any such day that is also a U.S. Government Securities Business Day.

“Capital Lease”: at any time, a lease with respect to which the lessee is required to recognize the acquisition of an asset and the incurrence of a liability in accordance with GAAP.

“Capital Stock”: any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation) and any and all warrants or options to purchase any of the foregoing.

“Certificate of Beneficial Ownership”: for the Borrower, a certificate in form and substance acceptable to the Agent (as amended or modified by the Agent from time to time in its sole discretion), certifying, among other things, the Beneficial Owner of the Borrower.

“Change in Law”: the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any Law, (b) any change in any Law or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of Law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, regulations, guidelines, interpretations or directives thereunder or issued in connection therewith (whether or not having the force of Law) and (y) all requests, rules, regulations, guidelines, interpretations or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities (whether or not having the force of Law), in each case pursuant to Basel III, shall in each case be deemed to be a Change in Law regardless of the date enacted, adopted, issued, promulgated or implemented.

“Class”: when used in reference to any Loan, refers to whether such Loan, or the advances comprising such Loans, are Revolving Credit Loans or Swing Line Loans and, when used in reference to any Bank, refers to whether such Bank has any outstanding Revolving Credit Loans.

“Closing”: as defined in Section 4.3.

“Closing Date”: as defined in Section 4.3.

“Code”: the Internal Revenue Code of 1986, as amended from time to time.

“Commitment”: as to any Bank, the obligation of such Bank to make Loans to the Borrower hereunder in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Bank’s name on Schedule I or in the Assignment and Acceptance pursuant to which such Bank becomes a party to this Agreement, as the same may be permanently terminated, reduced and extended from time to time pursuant to the provisions of Section 2.9 or changed by subsequent assignments pursuant to subsection 9.6(b).

“Commitment Percentage”: as to any Bank at any time, the proportion (expressed as a percentage) that such Bank’s Commitment bears to the Total Commitment (or, at any time after the Commitments shall have expired or been terminated, the percentage which the amount of such Bank’s Loans constitutes of the aggregate amount of the Loans of the Banks then outstanding).

“Commonly Controlled Entity”: an entity, whether or not incorporated, which is under common control with the Borrower within the meaning of Section 4001 of ERISA or is part of a group which includes the Borrower and which is treated as a single employer under Section 414 of the Code.

“Compliance Authority” means (a) the United States government or any agency or political subdivision thereof, including, without limitation, the U.S. Department of State, the U.S. Department of Commerce, the U.S. Department of the Treasury and its Office of Foreign Assets Control, and the U.S. Customs and Border Protection agency; (b) the government of Canada or any agency thereof; (c) the European Union or any agency thereof; (d) the government of the United Kingdom or any agency thereof; (e) the United Nations Security Council; and (f) any other Governmental Authority with jurisdiction to administer Anti-Corruption Laws or Anti-Terrorism Laws with respect to the conduct of a Covered Entity.

“Conforming Changes”: with respect to the Term SOFR Rate or any Benchmark Replacement in relation thereto, any technical, administrative or operational changes (including changes to the definition of “Base Rate,” the definition of “Business Day,” the definition of “Interest Period,” the definition of “U.S. Government Securities Business Day,” timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Agent decides may be appropriate to reflect the adoption and implementation of the Term SOFR Rate or such Benchmark Replacement and to permit the administration thereof by the Agent in a manner substantially consistent with market practice (or, if the Agent decides that adoption of

any portion of such market practice is not administratively feasible or if the Agent determines that no market practice for the administration of the Term SOFR Rate or the Benchmark Replacement exists, in such other manner of administration as the Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

“Consolidated Assets”: at any time, the amount at which all assets (including, without duplication, the capitalized value of any leasehold interest under any Capital Lease) of the Borrower would be reflected on a consolidated balance sheet of the Borrower at such time.

“Consolidated EBIT”: for any period, Consolidated Net Income for such period, plus the amount of income taxes and interest expense deducted from earnings in determining such Consolidated Net Income.

“Consolidated Funded Debt”: at any time, all Debt of the Borrower determined on a consolidated basis consisting of, without duplication (a) borrowed money Debt, including without limitation capitalized lease obligations;(b) reimbursement obligations in respect of letters of credit, bank guarantees and the like; and (c) Debt in the nature of a Contingent Obligation, whether or not required to be reflected on a balance sheet of the Borrower in accordance with GAAP.

“Consolidated Interest Expense”: for any period, the amount of cash interest expense deducted from earnings of the Borrower in determining Consolidated Net Income for such period in accordance with GAAP.

“Consolidated Net Income”: for any fiscal period, net earnings (or loss) after income and other taxes computed on the basis of income of the Borrower for such period determined on a consolidated basis in accordance with GAAP, but excluding:

- (a) the amount of any extraordinary items included in such calculation of net earnings (or loss);
- (b) any gain or loss resulting from the write-up or write-off of fixed assets;
- (c) earnings of any Subsidiary accrued prior to the date it became a Subsidiary;
- (d) earnings of any Person, substantially all assets of which have been acquired in any manner, realized by such Person prior to the date of such acquisition; and
- (e) any gain arising from the acquisition of any Securities of the Borrower or any Subsidiary thereof.

“Consolidated Shareholders’ Equity”: at a particular date, the net book value of the shareholders’ equity of the Borrower as would be shown on a consolidated balance sheet at such time determined in accordance with GAAP.

“Contingent Obligation”: with respect to any Person (for the purpose of this definition, the “Obligor”) any obligation (except the endorsement in the ordinary course of business of instruments for deposit or collection) of the Obligor guaranteeing or in effect guaranteeing any indebtedness of any other Person (for the purpose of this definition, the “Primary Obligor”) in any manner, whether directly or indirectly, including (without limitation) indebtedness incurred through an agreement, contingent or otherwise, by the Obligor:

(a) to purchase such indebtedness of the Primary Obligor or any Property or assets constituting security therefor;

(b) to advance or supply funds

(i) for the purpose of payment of such indebtedness (except to the extent such indebtedness otherwise appears on Borrower’s balance sheet as indebtedness), or

(ii) to maintain working capital or other balance sheet condition or any income statement condition of the Primary Obligor or otherwise to advance or make available funds for the purchase or payment of such indebtedness or obligation; or

(c) to lease Property or to purchase Securities or other Property or services primarily for the purpose of assuring the owner of such indebtedness or obligation of the ability of the Primary Obligor to make payment of the indebtedness or obligation.

For purposes of computing the amount of any Contingent Obligation, in connection with any computation of indebtedness or other liability, it shall be assumed that, without duplication, the indebtedness or other liabilities of the Primary Obligor that are the subject of such Contingent Obligation are direct obligations of the issuer of such Contingent Obligation.

“Contractual Obligation”: as to any Person, any provision of any Security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

“Covered Entity”: (a) the Borrower, each of the Borrower’s Subsidiaries and all Guarantors and (b) each Person that, directly or indirectly, is in control of a Person described in clause (a) above. For purposes of this definition, control of a Person shall mean the direct or indirect (x) ownership of, or power to vote, 25% or more of the issued and outstanding equity interests having ordinary voting power for the election of directors of such Person or other Persons performing similar functions for such Person, or (y) power to direct or cause the direction of the management and policies of such Person whether by ownership of equity interests, contract or otherwise.

“Daily Simple SOFR” means, for any day (a “SOFR Rate Day”), the interest rate per annum determined by the Agent (rounded upwards, at the Agent’s discretion, to the nearest 1/100th of 1%) equal to SOFR for the day (the “SOFR Determination Date”) that is 2 Business Days prior to (i) such SOFR Rate Day if such SOFR Rate Day is a Business Day or (ii) the Business Day immediately preceding such SOFR Rate Day if such SOFR Rate Day is not a

Business Day, in each case, as such SOFR is published by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate) on the website of the Federal Reserve Bank of New York, at <http://www.newyorkfed.org>, or any successor source identified by the Federal Reserve Bank of New York or its successor administrator for the secured overnight financing rate from time to time. If Daily Simple SOFR as determined above would be less than the SOFR Floor, then Daily Simple SOFR shall be deemed to be the SOFR Floor. If SOFR for any SOFR Determination Date has not been published or replaced with a Benchmark Replacement by 5:00 p.m. (Pittsburgh, Pennsylvania time) on the second Business Day immediately following such SOFR Determination Date, then SOFR for such SOFR Determination Date will be SOFR for the first Business Day preceding such SOFR Determination Date for which SOFR was published in accordance with the definition of "SOFR"; provided that SOFR determined pursuant to this sentence shall be used for purposes of calculating Daily Simple SOFR for no more than 3 consecutive SOFR Rate Days. If and when Daily Simple SOFR as determined above changes, any applicable rate of interest based on Daily Simple SOFR will change automatically without notice to the Borrower, effective on the date of any such change.

"Debt": with respect to any Person, at any time, without duplication, all of (i) its liabilities for borrowed money, (ii) liabilities secured by any Lien existing on property owned by such Person (whether or not such liabilities have been assumed), (iii) its liabilities in respect to Capital Leases; (iv) its liabilities under Contingent Obligations; and (v) all other obligations which are required by GAAP to be shown as liabilities on its balance sheet but excluding (x) deferred taxes and other deferred or long-term liabilities and other amounts not in respect of borrowed money and (y) the aggregate amount of accounts receivable sold, factored or otherwise transferred for value without recourse (other than for breach of representations).

"Debtor Relief Laws": the Bankruptcy Code of the United States of America, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect.

"Default": any of the events specified in Section 7, whether or not any requirement for the giving of notice, the lapse of time, or both, or any other condition precedent therein set forth, has been satisfied.

"Defaulting Bank": any Bank, as determined by the Agent, that has (a) failed to fund any portion of its Revolving Credit Loans or participations in Swing Line Loans within three Business Days of the date required to be funded by it hereunder, (b) notified the Borrower, the Agent, the Swing Line Bank or any Bank in writing that it does not intend to comply with any of its funding obligations under this Agreement or has made a public statement to the effect that it does not intend to comply with its funding obligations under this Agreement or under other agreements in which it commits to extend credit, (c) failed, within three Business Days after request by the Agent, to confirm that it will comply with the terms of this Agreement relating to its obligations to fund prospective Revolving Credit Loans or participations in Swing Line Loans, (d) otherwise failed to pay over to the Agent or any other Bank any other amount required to be paid by it hereunder within three Business Days of the date when due, unless the subject of a good faith dispute, or (e) (i) become or is insolvent or has a parent company that has become or is insolvent, (ii) become the subject of a Bail-In Action, or (iii) become the subject of a bankruptcy

or insolvency proceeding, or has had a receiver, conservator, trustee or custodian appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment or has a parent company that has become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee or custodian appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment (it being understood that a Defaulting Bank shall cease to be a Defaulting Bank if the Borrower, the Agent and the Swing Line Bank shall each agree that such Defaulting Bank has adequately remedied all matters that caused such Bank to be a Defaulting Bank).

“Distribution”: in respect of any corporation, (a) dividends, distributions or other payments on account of any capital stock of the corporation (except distributions in common stock of such corporation); (b) the redemption or acquisition of such stock or of warrants, rights or other options to purchase such stock (except when solely in exchange for common stock of such corporation); and (c) any payment on account of, or the setting apart of any assets for a sinking or other analogous fund for, the purchase, redemption, defeasance, retirement or other acquisition of any share of any class of capital stock of such corporation or any warrants or options to purchase any such stock.

“Dollars” and “\$”: dollars in lawful currency of the United States of America.

“EEA Financial Institution”: (i) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (ii) any entity established in an EEA Member Country which is a parent of an institution described in clause (i) of this definition, or (iii) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (i) or (ii) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country”: any of the member states of the European Union, Iceland, Liechtenstein and Norway.

“EEA Resolution Authority”: any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Eighth Amendment”: the Eighth Amendment to Credit Agreement by and among the Borrower, the Banks party thereto and the Agent, dated as of the Eighth Amendment Effective Date.

“Eighth Amendment Effective Date” means June 12, 2024.

“Environmental Laws”: any and all applicable foreign, Federal, state, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees or binding requirements of any Governmental Authority, or binding Requirement of Law (including common law) regulating, relating to or imposing liability or standards of conduct concerning protection of the environment or public health, remediation of environmental conditions, or damages arising from such conditions, as now or may at any time hereafter be in effect.

“Equity to Capital Ratio”: at the date of determination, the ratio of Consolidated Shareholders’ Equity to the sum of (i) Consolidated Funded Debt and (ii) Consolidated Shareholders’ Equity.

“ERISA”: the Employee Retirement Income Security Act of 1974, as amended from time to time.

“Erroneous Payment”: has the meaning assigned to it in Section 8.13(a).

“Erroneous Payment Deficiency Assignment”: has the meaning assigned to it in Section 8.13(d).

“Erroneous Payment Impacted Class”: has the meaning assigned to it in Section 8.13(d).

“Erroneous Payment Return Deficiency”: has the meaning assigned to it in Section 8.13(d).

“Erroneous Payment Subrogation Rights”: has the meaning assigned to it in Section 8.13(d).

“EU Bail-In Legislation Schedule”: the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

“Event of Default”: any of the events specified in Section 7, provided that any requirement for the giving of notice, the lapse of time, or both, or any other condition, has been satisfied.

“Excluded Taxes”: as defined in subsection 2.12(a).

“Existing Credit Agreement”: as defined in the Background to this Agreement.

“Exposure”: as to any Bank at any date, an amount equal to the sum of (a) the aggregate principal amount of all Loans made by such Bank then outstanding and (b) the principal amount of such Bank’s pro rata share of Swing Line Loans then outstanding based on its Commitment Percentage.

“FATCA”: Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantially comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreement entered into pursuant to Section 1471(b)(1) of the Code.

“FCPA” shall mean the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder.

“Fee Letter”: the collective reference to the letter or letters from the Agent to the Borrower regarding certain fees payable by the Borrower, including, without limitation, the letter dated May 29, 2024.

“Fees”: as defined in subsection 2.4(a).

“Foreign Bank”: any Bank that is not created or organized under the Laws of the United States, any State thereof or the District of Columbia.

“GAAP”: at any time with respect to the determination of the character or amount of any asset or liability or item of income or expense, or any consolidation or other accounting computation, generally accepted accounting principles as applied to the public utility industry, as such principles shall be in effect on the date of, or at the end of the period covered by, the financial statements from which such asset, liability, item of income, or item of expense, is derived, or, in the case of any such computation, as in effect on the date when such computation is required to be determined, subject to Section 1.3(b).

“Governmental Authority”: shall mean the government of the United States of America or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank) and any group or body charged with setting financial accounting or regulatory capital rules or standards (including, without limitation, the Financial Accounting Standards Board, the Bank for International Settlements or the Basel Committee on Banking Supervision or any successor or similar authority to any of the foregoing).

“Guarantor”: any Material Subsidiary which becomes a “Guarantor” after the date hereof pursuant to Section 5.11.

“Guaranty”: any Guaranty Agreement entered into by a Guarantor pursuant to Section 5.11.

“Indenture”: means the Indenture of Mortgage dated as of January 1, 1941 between the Borrower and The Bank of New York Mellon Trust Company, N.A., as successor Trustee, as amended and supplemented.

“Insolvency”: with respect to any Multiemployer Plan, the condition that such Plan is insolvent within the meaning of Section 4245 of ERISA.

“Insolvent”: pertaining to a condition of Insolvency.

“Interest Coverage Ratio”: at the date of determination, the ratio of Consolidated EBIT to Consolidated Interest Expense, in each case for the prior four (4) consecutive fiscal quarters.

“Interest Payment Date”: (a) as to any Base Rate Loan or Swing Line Loan, the last day of each month, (b) as to any Term SOFR Rate Loan having an Interest Period of three months or less, the last day of such Interest Period, and (c) as to any Term SOFR Rate Loan having an Interest Period longer than three months, each day which is three months, or a whole multiple thereof, after the first day of such Interest Period and the last day of such Interest Period.

“Interest Period”: with respect to any Term SOFR Rate Loan:

(i) initially the period commencing on the borrowing or conversion date, as the case may be, with respect to such Term SOFR Rate Loan and ending one, three or six months thereafter, as selected by the Borrower in their notice of borrowing or notice of conversion, given with respect thereto; and

(ii) thereafter, each period commencing on the last day of the next preceding Interest Period applicable to such Term SOFR Rate Loan and ending one, three or six months thereafter, as selected by the Borrower by irrevocable notice to the Agent not less than three Business Days prior to the last day of the then current Interest Period with respect thereto;

provided that, the foregoing provisions relating to Interest Periods are subject to the following:

(i) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(ii) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of a calendar month;

(iii) an Interest Period that otherwise would extend beyond the Termination Date shall end on the Termination Date; and

(iv) the Borrower shall select Interest Periods so as not to require a payment or prepayment of any Term SOFR Rate Loan during an Interest Period for such Loan.

“International Trade Laws” means all Laws relating to economic and financial sanctions, trade embargoes, export controls, customs and anti-boycott measures.

“Investments”: investments (by loan or extension of credit, purchase, advance, guaranty, capital contribution or otherwise) made in cash or by delivery of Property, by the Borrower (i) in any Person, whether by acquisition of stock or other ownership interest, indebtedness or other obligation or Security, or by loan, advance or capital contribution, or (ii) in any Property or (iii) any agreement to do any of the foregoing.

“Law”: any law(s) (including common law), constitution, statute, treaty, regulation, rule, ordinance, opinion, issued guidance, release, ruling, order, executive order, injunction, writ, decree, bond, judgment, authorization or approval, lien or award of or any settlement arrangement, by agreement, consent or otherwise, with any Governmental Authority, foreign or domestic.

“Lien”: any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or other security interest or any preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including, without limitation, any conditional sale or other title retention agreement and any Capital Lease having substantially the same economic effect as any of the foregoing).

“Loan Documents”: this Agreement, the Notes and any Guaranty.

“Loans”: the collective reference to the Revolving Credit Loans and the Swing Line Loans.

“Material” means material in relation to the business, operations, affairs, financial condition, assets or properties of the Borrower and its subsidiaries taken as a whole.

“Material Adverse Effect”: a material adverse effect on (a) the validity or enforceability of this Agreement or any other Loan Document, (b) the business, Property, assets, financial condition or results of operations of the Borrower, (c) the ability of the Borrower duly and punctually to pay its Debts and perform its obligations hereunder, or (d) the ability of the Agent or any of the Banks, to the extent permitted, to enforce their legal remedies pursuant to this Agreement or any other Loan Document.

“Material Subsidiary”: a Subsidiary of the Borrower the assets or net earnings of which, determined in accordance with GAAP, constitute more than 5% of the Borrower’s Consolidated Assets or Consolidated Net Income, as the case may be.

“Materials of Environmental Concern”: any gasoline or petroleum (including crude oil or any fraction thereof) or petroleum products or any hazardous or toxic substances, materials or wastes, or pollutants or contaminants defined or regulated as such in or under any Environmental Law, including, without limitation, asbestos, polychlorinated biphenyls, and ureaformaldehyde insulation.

“Moody’s”: Moody’s Investors Service, Inc.

“Multiemployer Plan”: a Plan which is a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

“Non-Defaulting Bank”: at any time, all Banks other than any Defaulting Banks at such time.

“Notes”: the Revolving Credit Notes and the Swing Line Notes.

“Other Taxes”: as defined in subsection 2.12(b).

“Overnight Bank Funding Rate”: for any day, the rate comprised of both overnight federal funds and overnight eurocurrency borrowings by U.S.-managed banking offices of depository institutions, as such composite rate shall be determined by the Federal Reserve Bank of New York (“NYFRB”), as set forth on its public website from time to time, and as published on the next succeeding Business Day as the overnight bank funding rate by the NYFRB (or by

such other recognized electronic source (such as Bloomberg) selected by the Agent for the purpose of displaying such rate); provided, that if such day is not a Business Day, the Overnight Bank Funding Rate for such day shall be such rate on the immediately preceding Business Day; provided, further, that if such rate shall at any time, for any reason, no longer exist, a comparable replacement rate determined by the Agent at such time (which determination shall be conclusive absent manifest error). If the Overnight Bank Funding Rate determined as above would be less than zero, then such rate shall be deemed to be zero. The rate of interest charged shall be adjusted as of each Business Day based on changes in the Overnight Bank Funding Rate without notice to the Borrower.

“Parent Company”: Essential Utilities, Inc., a Pennsylvania corporation.

“Participant”: as defined in Section 9.6(f).

“PBGC”: the Pension Benefit Guaranty Corporation established pursuant to Subtitle A of Title IV of ERISA.

“Permitted Acquisition”: an acquisition by the Borrower of the stock or assets of a Person engaged in businesses similar or incidental or ancillary to Borrower’s existing business, provided that at least 30 days prior to the consummation of any such acquisition for which cash consideration paid by the Borrower (including the assumption of Debt in connection therewith) exceeds \$70,000,000, no Default or Event of Default shall exist or would exist if such acquisition were consummated on such date (assuming for purposes of the covenants contained in Section 6.1 that pro forma adjustments are made to the financial statements of the Borrower reflecting such acquisition; provided, that historical EBIT of the Person to be acquired (or the assets of which are to be acquired) shall be included for purposes of calculating such covenant compliance only if historical financial statements of such Person are received by the Agent at least 30 days prior to the consummation of such acquisition), and the Borrower shall have delivered to the Agent a certificate of a Responsible Officer showing calculations in reasonable detail demonstrating such pro forma compliance with the covenants contained in Section 6.1, and provided further, that any such acquisition for which cash consideration paid by the Borrower (including the assumption of Debt in connection therewith) exceeds \$75,000,000, shall also have been consented to by the Required Banks.

“Permitted Investments”: Investments in:

- (a) one or more Material or Wholly-Owned Subsidiaries thereof;
- (b) Property to be used in the ordinary course of business of the Borrower;
- (c) current assets arising from the sale or purchase of goods and services in the ordinary course of business of the Borrower;
- (d) direct obligations of the United States of America, or any agency or instrumentality thereof or obligations guaranteed by the United States of America, provided that such obligations mature within one (1) year from the date of acquisition thereof;

(e) certificates of deposit, time deposits or banker's acceptances, maturing within one (1) year from the date of acquisition, with banks or trust companies organized under the laws of the United States, the unsecured long-term debt obligations of which are rated "A3" or higher by Moody's or "A-" or higher by S&P, and issued, or in the case of banker's acceptance, accepted, by a bank or trust company having capital, surplus and undivided profits aggregating at least \$250,000,000;

(f) commercial paper given the highest rating by either S&P or Moody's maturing not more than 270 days from the date of creation thereof;

(g) mutual funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 that hold themselves out as "money market funds;"

(h) trade credit extended on usual and customary terms in the ordinary course of business;

(i) advances to employees to meet expenses incurred by such employees in the ordinary course of business;

(j) Permitted Acquisitions; and

(k) other loans, advances and investments not exceeding in the aggregate \$2,000,000 at any one time outstanding.

(l) investments in tax exempt obligations of any state of the United States of America, or any municipality of any such State, in each case rated "Aa2" or higher by Moody's or "AA" or higher by S&P or an equivalent credit rating by another credit rating agency of recognized national standing, provided that such obligations mature or can be tendered by the holder within 365 days from the date of acquisition thereof; and

(m) investments in repurchase agreements.

"Person": an individual, partnership, corporation, business trust, joint stock company, limited liability company, trust, unincorporated association, joint venture, Governmental Authority or other entity of whatever nature.

"Plan": at a particular time, any employee benefit plan which is covered by ERISA and in respect of which the Borrower or a Commonly Controlled Entity is (or, if such plan were terminated at such time, would under Section 4069 of ERISA be deemed to be) an "employer" as defined in Section 3(5) of ERISA.

"Platform": Debt Domain, Intralinks, Syndtrak or a substantially similar electronic transmission.

"PNC": PNC Bank, National Association, a national banking association.

“Prime Rate”: the rate of interest per annum announced from time to time by Agent as its prime rate in effect at its principal office in Philadelphia, Pennsylvania, which rate may not be the lowest or most favorable rate then being charged to commercial borrowers or others by the Agent and may not be tied to any external rate of interest or index; each change in the Prime Rate shall be effective on the date such change is announced as effective.

“Property”: any interest in any kind of property or asset, whether real, personal or mixed, and whether tangible or intangible.

“Regulation U”: Regulation U of the Board of Governors of the Federal Reserve System as from time to time in effect, and all official rulings and interpretations thereunder or thereof.

“Regulation X”: Regulation X of the Board of Governors of the Federal Reserve System as from time to time in effect, and all official rulings and interpretations thereunder or thereof.

“Related Parties”: with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents and advisors of such Person and of such Person’s Affiliates.

“Reorganization”: with respect to any Multiemployer Plan, the condition that such plan is in reorganization within the meaning of Section 4241 of ERISA.

“Reportable Compliance Event”: any event or occurrence where a Covered Entity becomes a Sanctioned Person, or is charged by indictment, criminal complaint or similar charging instrument, arraigned, or custodially detained in connection with any Anti-Terrorism Law or Anti-Corruption Law or any predicate crime to any Anti-Terrorism Law or Anti-Corruption Law, or has knowledge of facts or circumstances to the effect that it is reasonably likely that any aspect of its operations is in actual or probable violation of any Anti-Terrorism Law or Anti-Corruption Law.

“Reportable Event”: any of the events set forth in Section 4043(b) of ERISA, except to the extent that notice thereof has been waived by the PBGC.

“Required Banks”: at any time, (a) Banks the Exposures of which aggregate at least 51% of the Total Exposure at such time of the Banks, or (b) if there are no Loans outstanding, Banks whose Commitments aggregate at least 51% of the Total Commitment at such time.

“Requirement of Law”: as to any Person, the Certificate of Incorporation, By-Laws, Operating Agreement or other organizational or governing documents of such Person, and any law, treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case binding upon such Person or any of its property or to which such Person or any of its property is subject.

“Resolution Authority”: an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“Responsible Officer”: as to the Borrower, any officer of the Borrower.

“Revolving Credit Loans”: the revolving loans made by the Banks to the Borrower pursuant to Section 2.1(a). Each Loan shall be a Term SOFR Rate Loan or a Base Rate Loan.

“Revolving Credit Note”: a promissory note of the Borrower in the form of Exhibit B-1, as the same may be amended, supplemented or otherwise modified from time to time.

“Sanctioned Jurisdiction”: at any time, any country, area, territory, or jurisdiction that is the subject or target of comprehensive U.S. sanctions, which countries, territories, and regions include, as of the Sixth Amendment Effective Date, the Crimea region of Ukraine, Cuba, Iran, North Korea, Syria, and the separatist-controlled portions of the Donetsk and Luhansk regions of Ukraine.

“Sanctioned Person”: at any time, any Person that is (a) located in, organized under the laws of, or ordinarily resident in a Sanctioned Jurisdiction; (b) identified on any sanctions-related list maintained by any Compliance Authority; or (c) owned 50% or more, in the aggregate, directly or indirectly by, controlled by, or acting for, on behalf of, or at the direction of, one or more Persons described in clauses (a) or (b) above.

“S&P”: S&P Global Ratings, a business unit of Standard & Poor’s Financial Services, LLC, or any successor thereto.

“Security”: “security” as defined in Section 2(1) of the Securities Act of 1933, as amended.

“Single Employer Plan”: any Plan which is covered by Title IV of ERISA, but which is not a Multiemployer Plan.

“Sixth Amendment”: the Sixth Amendment to Credit Agreement by and among the Borrower, the Banks party thereto and the Agent, dated as of the Sixth Amendment Effective Date.

“Sixth Amendment Effective Date” means June 30, 2022.

“SOFR”: for any day, a rate equal to the secured overnight financing rate as administered by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“SOFR Adjustment”: ten (10) basis points (0.10%).

“SOFR Floor”: a rate of interest per annum equal to zero basis points (0.00%).

“Solvent”: as to any Person, as of the time of determination, the financial condition under which the following conditions are satisfied:

- (a) the fair market value of the assets of such Person will exceed the debts and liabilities, subordinated, contingent or otherwise, of such Person; and
- (b) the present fair saleable value of the Property of such Person will be greater than the amount that will be required to pay the probable liability of

such Person on its debts and other liabilities, subordinated, contingent or otherwise, as such debts and other liabilities become absolute and matured; and

(c) such Person will be able to pay its debts and liabilities, subordinated, contingent or otherwise, as such debts and liabilities become absolute and matured; and

(d) such Person will not have unreasonably small capital with which to conduct the businesses in which it is engaged as such businesses are then conducted and are proposed to be conducted after the date thereof.

“Subsidiary”: as to any Person, (i) any corporation, limited liability company, company or trust of which 50% or more (by number of shares or number of votes) of the outstanding capital stock, interests, shares or similar items of beneficial interest normally entitled to vote for the election of one or more directors, managers or trustees (regardless of any contingency which does or may suspend or dilute the voting rights) is at such time owned directly or indirectly by such person or one or more of such Person’s Subsidiaries, or any partnership of which such Person is a general partner or of which 50% or more of the partnership interests is at the time directly or indirectly owned by such Person or one or more of such Person’s Subsidiaries, and (ii) any corporation, company, trust, partnership or other entity which is controlled or capable of being controlled by such Person or one or more of such Person’s subsidiaries. Unless otherwise indicated, all references to a “Subsidiary” or to “Subsidiaries” in this Agreement shall refer to a Subsidiary of the Borrower.

“Supplemental Indenture”: means the Sixty-Second Supplemental Indenture to the Indenture dated as of July 27, 2023.

“Swing Line Bank”: PNC Bank, National Association, or any other Bank to which the Swing Line Commitment is assigned pursuant to the terms of Section 9.6.

“Swing Line Collateral Account”: as defined in Section 2.17(b)(ii).

“Swing Line Commitment”: the amount set forth opposite the Swing Line Bank’s name under the heading “Swing Line Commitment” on Schedule I hereto, as such amount may be reduced pursuant to Section 2.2(f).

“Swing Line Loans”: as defined in Section 2.2(a).

“Swing Line Note”: as defined in Section 2.2(c), as the same may be amended, supplemented or otherwise modified from time to time.

“Swing Line Repayment Date”: as defined in Section 2.2(b).

“Taxes”: as defined in subsection 2.12(a).

“Term Loan Facilities”: means collectively: (i) the term loan facility evidenced by that certain Term Loan Agreement, dated as of September 29, 2014, by and among the Borrower, the lenders party thereto, and Agent; and (ii) the term loan facility evidenced by that certain Term

Loan Agreement, dated as of May 6, 2015, by and among the Borrower, the lenders party thereto, and Agent.

“Term SOFR Administrator”: CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Agent in its reasonable discretion).

“Term SOFR Rate”: with respect to any amount to which the Term SOFR Rate Option applies, for any Interest Period, the interest rate per annum determined by the Agent (rounded upwards, at the Agent’s discretion, to the nearest 1/100th of 1%) equal to the Term SOFR Reference Rate for a tenor comparable to such Interest Period, as such rate is published by the Term SOFR Administrator on the day (the “Term SOFR Determination Date”) that is two (2) Business Days prior to the first day of such Interest Period. If the Term SOFR Reference Rate for the applicable tenor has not been published or replaced with a Benchmark Replacement by 5:00 p.m. (Pittsburgh, Pennsylvania time) on the Term SOFR Determination Date, then the Term SOFR Reference Rate shall be the Term SOFR Reference Rate for such tenor on the first Business Day preceding such Term SOFR Determination Date for which such Term SOFR Reference Rate for such tenor was published in accordance herewith, so long as such first preceding Business Day is not more than three (3) Business Days prior to such Term SOFR Determination Date. If the Term SOFR Rate, determined as provided above, would be less than the SOFR Floor, then the Term SOFR Rate shall be deemed to be the SOFR Floor. The Term SOFR Rate shall be adjusted automatically without notice to the Borrower on and as of the first day of each Interest Period.

“Term SOFR Rate Borrowing”: a Borrowing comprised of Term SOFR Rate Loans.

“Term SOFR Rate Loan”: a Revolving Credit Loan that bears interest based on the Term SOFR Rate.

“Term SOFR Rate Option”: the option of the Borrower to have Revolving Credit Loans bear interest at the rate and under the terms specified in Section 2.6(b).

“Term SOFR Reference Rate”: the forward-looking term rate based on SOFR.

“Termination Date”: the earlier of (a) June 10, 2025 or any later date to which the Termination Date shall have been extended pursuant to subsection 2.8(d) hereof and (b) the date the Commitments are terminated as provided herein.

“Total Commitment”: at any time, the aggregate amount of the Banks’ Commitments, as in effect at such time.

“Total Exposure”: at any time, the aggregate amount of the Banks’ Exposures at such time.

“Tranche”: the collective reference to Term SOFR Rate Loans whose Interest Periods begin on the same date and end on the same later date (whether or not such Loans originally were made on the same date).

“Type”: when used in respect of any Revolving Credit Loan or Borrowing of Revolving Credit Loans, shall refer to the Rate by reference to which interest on such Revolving Credit Loan or on the Revolving Credit Loans comprising such Borrowing is determined. For purposes hereof, “Rate” shall include the Term SOFR Rate and the Base Rate.

“UK Financial Institution”: any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK Resolution Authority”: the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“USA Patriot Act”: shall mean the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107-56, as the same has been, or shall hereafter be, renewed, extended, amended or replaced.

“U.S. Government Securities Business Day”: any day except for (a) a Saturday or Sunday or (b) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“Wholly-Owned Subsidiary”: at any time, any Subsidiary one hundred percent (100%) of all of the equity Securities (except directors’ qualifying shares) and voting Securities of which are owned by any one or more of the Borrower at such time.

“Write-Down and Conversion Powers”: (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

1.2 Other Definitional Provisions. (a) Unless otherwise specified therein, all terms defined in this Agreement shall have the defined meanings when used in the Notes or any certificate or other document made or delivered pursuant hereto.

(b) The words “hereof”, “herein” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section, subsection, Schedule and Exhibit references are to this Agreement unless otherwise specified.

1.3 Construction. (a) Unless the context of this Agreement otherwise clearly requires, references to the plural include the singular, the singular the plural and the part the whole, “or” has the inclusive meaning represented by the phrase “and/or,” and “including” has the meaning represented by the phrase “including without limitation.” References in this Agreement to “determination” of or by the Agent or the Banks shall be deemed to include good faith estimates by the Agent or the Banks (in the case of quantitative determinations) and good faith beliefs by the Agent or the Banks (in the case of qualitative determinations). Whenever the Agent or the Banks are granted the right herein to act in their sole discretion or to grant or withhold consent such right shall be exercised in good faith, except as otherwise provided herein. Except as otherwise expressly provided, all references herein to the “knowledge of” or “best knowledge of” the Borrower shall be deemed to refer to the knowledge of a Responsible Officer thereof. The words “hereof,” “herein,” “hereunder,” “hereby” and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement. The section and other headings contained in this Agreement and the Table of Contents preceding this Agreement are for reference purposes only and shall not control or affect the construction of this Agreement or the interpretation thereof in any respect. Section, subsection, schedule and exhibit references are to this Agreement unless otherwise specified.

(b) Except as otherwise provided in this Agreement, all computations and determinations as to accounting or financial matters and all financial statements to be delivered pursuant to this Agreement shall be made and prepared in accordance with GAAP (including principles of consolidation where appropriate). As used herein and in the Notes, and any certificate or other document made or delivered pursuant hereto, accounting terms relating to the Borrower and any Subsidiary thereof not defined in subsection 1.1 and accounting terms partly defined in subsection 1.1, to the extent not defined, shall have the respective meanings given to them under GAAP. In the event that any future change in GAAP, without more, materially affects the Borrower’s compliance with any financial covenant herein, the Borrower, the Banks and the Agent shall use their best efforts to modify such covenant in order to account for such change and to secure for the Banks the intended benefits of such covenant.

1.4 Benchmark Replacement Notification; Conforming Changes. Section 2.10 of this Agreement provides a mechanism for determining an alternative rate of interest in the event that any Benchmark is no longer available or in certain other circumstances. The Agent does not warrant or accept any responsibility for and shall not have any liability with respect to, (a) the continuation of, administration of, submission of or calculation of, or any other matter related to, any Benchmark or any component definition thereof or rates referred to in the definition thereof, or any alternative or successor rate thereto, or replacement rate therefor (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, such Benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Conforming Changes. The Agent and its affiliates or other related entities may engage in transactions that affect the calculation of any Benchmark, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower or any other person or entity. The Agent may select information sources or services in its reasonable discretion to ascertain any Benchmark, any component definition thereof or rates referred to in

the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Bank or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

1.5 Divisions. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Capital Stock at such time.

SECTION 2. THE CREDITS

2.1 Revolving Credit Loans. (a) Subject to the terms and conditions and relying upon the representations and warranties herein set forth, each Bank, severally and not jointly, agrees to make Revolving Credit Loans to the Borrower, at any time or from time to time on or after the date hereof and until the Termination Date or until the Commitment of such Bank shall have been terminated in accordance with the terms hereof, in an aggregate principal amount at any time outstanding which, when added to such Bank's Commitment Percentage of the principal amount of Swing Line Loans then outstanding does not exceed such Bank's Commitment subject, however, to the conditions that (i) at no time shall (x) the sum of the outstanding aggregate principal amount of all Loans made by all Banks exceed (y) the Total Commitment and (ii) at all times the outstanding aggregate principal amount of all Revolving Credit Loans required to be made by each Bank shall equal the product of (x) its Commitment Percentage times (y) the outstanding aggregate principal amount of all Revolving Credit Loans required to be made pursuant to subsection 2.1 at such time. Such Commitments may be terminated or reduced from time to time pursuant to Section 2.8. Within the foregoing limits, the Borrower may borrow, repay and reborrow under the Commitment on or after the date hereof and prior to the Termination Date, subject to the terms, provisions and limitations set forth herein.

(b) Each Revolving Credit Loan shall be made as part of a Borrowing consisting of Revolving Credit Loans made by the Banks ratably in accordance with their Commitment Percentages; provided, however, that the failure of any Bank to make any Revolving Credit Loan shall not in itself relieve any other Bank of its obligation to lend hereunder (it being understood, however, that no Bank shall be responsible for the failure of any other Bank to make any Revolving Credit Loan required to be made by such other Bank). The Revolving Credit Loans comprising any Term SOFR Rate Borrowing shall be in a minimum aggregate principal amount of \$500,000 or a whole multiple of \$100,000 in excess thereof (or an aggregate principal amount equal to the remaining balance of the available Commitments) and the Revolving Credit Loans comprising any Base Rate Borrowing shall be in a minimum aggregate principal amount of \$250,000 or a whole multiple of \$50,000 in excess thereof (or an aggregate principal amount equal to the remaining balance of the available Commitments). Each

Borrowing of Revolving Credit Loans shall be comprised entirely of Term SOFR Rate Loans or Base Rate Loans, as the Borrower may request pursuant to Section 2.1.

(c) In order to request a Borrowing, the Borrower shall hand deliver or telecopy (or notify by telephone and promptly confirm by hand delivery or telecopy) to the Agent the information requested by the form of Borrowing Request attached as Exhibit A hereto (i) in the case of a Term SOFR Rate Borrowing, not later than 11:00 a.m., Philadelphia time, three Business Days before a proposed Borrowing and (ii) in the case of a Base Rate Borrowing, not later than 11:00 a.m., Philadelphia time, on the day of a proposed Borrowing. Such notice shall be irrevocable and shall in each case specify (x) whether the Borrowing then being requested is to be a Term SOFR Rate Borrowing or a Base Rate Borrowing; (y) the date of such Borrowing (which shall be a Business Day) and the amount thereof; and (z) if such Borrowing is to be a Term SOFR Rate Borrowing, the Interest Period with respect thereto. If no election as to the Type of Borrowing is specified in any such notice, then the requested Borrowing shall be a Base Rate Borrowing. If no Interest Period with respect to any Term SOFR Rate Borrowing is specified in any such notice, then the Borrower shall be deemed to have selected an Interest Period of one month's duration. The Agent shall promptly advise the Banks of any notice given pursuant to this Section 2.1 and of each Bank's portion of the requested Borrowing.

2.2 Swing Line Loans. (a) Subject to the terms and conditions hereof, the Swing Line Bank may in its discretion make swing line loans (the "Swing Line Loans") to the Borrower from time to time until the Termination Date or until the Swing Line Commitment is terminated in accordance with the terms hereof in the aggregate up to the amount of the Swing Line Commitment for periods requested by the Borrower and agreed to by the Swing Line Bank; provided, that, no Swing Line Loan shall be made if, after giving effect to the making of such Loan and the simultaneous application of the proceeds thereof, the Total Exposure would exceed the Total Commitment. Within the foregoing limits, the Borrower may borrow, repay and reborrow under the Swing Line Commitment, subject to and in accordance with the terms and limitations hereof.

(b) The Borrower may request a Swing Line Loan to be made on any Business Day. Each request for a Swing Line Loan shall be in writing (or by telephone promptly confirmed in writing) and delivered to the Swing Line Bank not later than 12:00 noon, Philadelphia time, on the Business Day such Swing Line Loan is to be made, specifying in each case (i) the amount to be borrowed, (ii) the requested borrowing date, (iii) whether the interest rate applicable to such Swing Line Loan is to be: (A) the Base Rate or (B) an interest rate mutually agreed upon by the Borrower and the Swing Line Bank and (iv) the date such Swing Line Loan is to be repaid (the "Swing Line Repayment Date"). The request for such Swing Line Loan shall be irrevocable. Provided that all applicable conditions precedent contained in Section 4.2 hereof have been satisfied, the Swing Line Bank shall, not later than 4:00 p.m., Philadelphia time, on the date specified in the Borrower's request for such Swing Line Loan, make such Swing Line Loan by crediting the Borrower's deposit account with the Swing Line Bank.

(c) The obligation of the Borrower to repay the Swing Line Loans shall be evidenced by a promissory note of the Borrower dated the date hereof, payable to the order of the Swing Line Bank in the principal amount of the Swing Line Commitment and

substantially in the form of Exhibit B-2 (as amended, supplemented or otherwise modified from time to time, the “Swing Line Note”).

(d) Interest shall accrue on the outstanding principal balance of a Swing Line Loan at the interest rate chosen by the Borrower in accordance with Section 2.2(b) with respect to such Swing Line Loan and shall be payable on each applicable Interest Payment Date and upon the repayment of such Swing Line Loan.

(e) A Swing Line Loan shall be repaid on the earlier of (i) the Termination Date and (ii) the Swing Line Repayment Date for such Swing Line Loan. Unless the Borrower shall have notified the Agent prior to 11:00 a.m., Philadelphia time, on such Swing Line Repayment Date that the Borrower intends to repay such Swing Line Loan with funds other than the proceeds of a Revolving Credit Loan, the Borrower shall be deemed to have given notice to the Agent requesting the Banks to make a Revolving Credit Loan which shall be a Base Rate Borrowing in accordance with Section 2.1 on the Swing Line Repayment Date in an aggregate amount equal to the amount of such Swing Line Loan plus interest thereon, and (A) subject to satisfaction or waiver of the conditions specified in Section 4.2, the Banks shall, on the Swing Line Repayment Date, make a Revolving Credit Loan which shall be a Base Rate Borrowing, in an aggregate amount equal to the amount of such Swing Line Loan plus interest thereon, the proceeds of which shall be applied directly by the Agent to repay the Swing Line Bank for such Swing Line Loan plus accrued interest thereon; and provided, further, that if for any reason the proceeds of such Base Rate Borrowing are not received by the Swing Line Bank on the Swing Line Repayment Date in an aggregate amount equal to the amount of such Swing Line Loan plus accrued interest, the Borrower shall reimburse the Swing Line Bank on the day immediately following the Swing Line Repayment Date, in same day funds, in an amount equal to the excess of the amount of such Swing Line Loan over the aggregate amount of such Base Rate Borrowing, if any, received plus accrued interest thereon.

(f) In the event that the Borrower shall fail to repay the Swing Line Bank as provided in Section 2.2(e) in an amount equal to the amount required under Section 2.2(e), the Agent shall promptly notify each Bank of the unpaid amount of such Swing Line Loan and of such Bank’s respective participation therein in an amount equal to such Bank’s Commitment Percentage of such Swing Line Loan. Each Bank shall make available to the Agent for payment to the Swing Line Bank an amount equal to its respective participation therein (including without limitation its pro rata share of accrued but unpaid interest thereon), in same day funds, at the office of the Agent specified in such notice, not later than 11:00 a.m., Philadelphia time, on the Business Day after the date the Agent notifies each Bank. In the event that any Bank fails to make available to the Agent the amount of such Bank’s participation in such unpaid amount as provided herein, the Swing Line Bank shall be entitled to recover such amount on demand from such Bank together with interest thereon at a rate per annum equal to the Base Rate for each day during the period between the Swing Line Repayment Date and the date on which such Bank makes available its participation in such unpaid amount. The failure of any Bank to make available to the Agent its pro rata share of any such unpaid amount shall not relieve any other Bank of its obligations hereunder to make available to the Agent its pro rata share of such unpaid amount on the Swing Line Repayment Date. The Agent shall distribute to each Bank which has paid all amounts payable by it under this Section 2.2(f) with respect to the unpaid amount of any Swing Line Loan, such Bank’s Commitment Percentage of all payments

received by the Agent from the Borrower in repayment of such Swing Line Loan when such payments are received. Notwithstanding anything to the contrary herein, each Bank which has paid all amounts payable by it under this Section 2.2(f) shall have a direct right to repayment of such amounts from the Borrower subject to the procedures for repaying Banks set forth in this Section 2.2.

(g) In the event the Commitments are terminated in accordance with Section 2.8 hereof, the Swing Line Commitment shall also be terminated automatically. In the event the Borrower reduces the Total Commitment to less than the Swing Line Commitment, the Swing Line Commitment shall immediately be reduced to an amount equal to the Total Commitment. In the event the Borrower reduces the Total Commitment to less than the outstanding principal amount of the Swing Line Loans, the Borrower shall immediately repay the amount by which the outstanding Swing Line Loans exceed the Swing Line Commitment as so reduced plus accrued interest thereon.

(h) At no time shall there be more than two outstanding Swing Line Loans.

(i) Each Swing Line Loan shall be in an original principal amount of \$100,000 or multiples of \$50,000 in excess thereof.

(j) The Borrower shall have the right at any time and from time to time to prepay any Swing Line Loan, in whole or in part, without premium or penalty, upon prior written, telecopy or telephonic notice to the Swing Line Bank given no later than 1:00 p.m., Philadelphia time, on the date of any proposed prepayment. Each notice of prepayment shall specify the Swing Line Loan to be prepaid and the amount to be prepaid, shall be irrevocable and shall commit the Borrower to prepay such amount on such date, with accrued interest thereon.

(k) In addition to making Swing Line Loans pursuant to the foregoing provisions of this Section 2.2, the Swing Line Bank may also make Swing Line Loans to the Borrower without the requirement for a specific request from the Borrower pursuant to Section 2.2(b) in accordance with the provisions of the agreements between the Borrower and the Swing Line Bank relating to the Borrower's deposit, sweep and other accounts at the Swing Line Bank and related arrangements and agreements regarding the management and investment of Borrower's cash assets as in effect from time to time (the "Cash Management Agreements") to the extent of the daily aggregate net negative balance in the Borrower's accounts which are subject to the provisions of the Cash Management Agreements. Swing Line Loans made pursuant to this Section 2.2(k) in accordance with the provisions of the Cash Management Agreements shall (i) be subject to the limitations as to aggregate amount set forth in Section 2.2(a), (ii) not be subject to the limitations as to number or individual amount set forth in Sections 2.2(h) and (i), (iii) be payable by the Borrower, both as to principal and interest, at the times set forth in the Cash Management Agreements (but in no event later than the Termination Date), (iv) not be made at any time after the Swing Line Bank has received written notice of the occurrence of an Event of Default and so long as such shall continue to exist, or, unless consented to by the Required Banks, a Default and so long as such shall continue to exist, (v) if not repaid by the Borrower in accordance with the provisions of the Cash Management Agreements, be subject to each Bank's obligation to purchase participating interests therein

pursuant to Section 2.2(f), and (vi) except as provided in the foregoing subsections (i) through (v), be subject to all of the terms and conditions of this Section 2.2.

2.3 General Provisions Regarding Loans. (a) Subject to Section 2.3(b), each Bank shall make each Revolving Credit Loan to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds to the Agent in Philadelphia, Pennsylvania, not later than 1:00 p.m., Philadelphia time, and the Agent shall by 3:00 p.m., Philadelphia time, credit the amounts so received to the general deposit account of the Borrower with the Agent or, if a Borrowing shall not occur on such date because any condition precedent herein specified shall not have been met, return the amounts so received to the respective Banks. Loans shall be made by the Banks pro rata in accordance with Section 2.14. Unless the Agent shall have received notice from a Bank prior to the date of any Borrowing that such Bank will not make available to the Agent such Bank's portion of such Borrowing, the Agent may assume that such Bank has made such portion available to the Agent on the date of such Borrowing in accordance with this paragraph (c) and the Agent may, in reliance upon such assumption, make available to the Borrower on such date a corresponding amount. If and to the extent that such Bank shall not have made such portion available to the Agent, such Bank and the Borrower severally agree to repay to the Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to the Borrower until the date such amount is repaid to the Agent at (i) in the case of the Borrower, the interest rate applicable at the time to the Revolving Credit Loans comprising such Borrowing and (ii) in the case of such Bank, the Overnight Bank Funding Rate. If such Bank shall repay to the Agent such corresponding amount, such amount shall constitute such Bank's Revolving Credit Loan as part of such Borrowing for purposes of this Agreement.

(b) The Borrower may refinance all or any part of any Borrowing with any other Borrowing, subject to the conditions and limitations set forth herein and elsewhere in this Agreement. Any Borrowing or part thereof so refinanced shall be deemed to be repaid in accordance with Section 2.5 with the proceeds of a new Borrowing hereunder and the proceeds of the new Borrowing, to the extent they do not exceed the principal amount of the Borrowing being refinanced, shall not be paid by the Banks to the Agent or by the Agent to the Borrower; provided, however, that (i) if the principal amount extended by a Bank in a refinancing is greater than the principal amount extended by such Bank in the Borrowing being refinanced, then such Bank shall pay such difference to the Agent for distribution to the Banks described in (ii) below, (ii) if the principal amount extended by a Bank in the Borrowing being refinanced is greater than the principal amount agreed to be extended by such Bank in the refinancing, the Agent shall return the difference to such Bank out of amounts received pursuant to (i) above, and (iii) to the extent any Bank fails to pay the Agent amounts due from it pursuant to (i) above, any Revolving Credit Loan or portion thereof being refinanced with such amounts shall not be deemed repaid in accordance with Section 2.5 and shall be payable by the Borrower without prejudice to the Borrower's rights against any such Bank.

(c) Each Bank may at its option fulfill its commitment hereunder with respect to any Term SOFR Rate Loan by causing any domestic or foreign branch or Affiliate of such Bank to make such Revolving Credit Loan; provided, however, that (A) any exercise of such option shall not affect the obligation of the Borrower to repay such Revolving Credit Loan in accordance with the terms of the Agreement and the applicable Note and (B) the Borrower

shall not be liable for increased costs under Sections 2.11 or 2.12 to the extent that (x) such costs could be avoided by the use of a different branch or Affiliate to make Term SOFR Rate Loans and (y) such use would not, in the judgment of such Bank, entail any significant additional expense for which such Bank shall not be indemnified hereunder or otherwise be disadvantageous to it; and

(d) All Borrowings, conversions and continuations of Revolving Credit Loans hereunder and all selections of Interest Periods hereunder shall be in such amounts and be made pursuant to such elections that, after giving effect thereto, (A) the aggregate principal amount of the Revolving Credit Loans comprising each Tranche of Term SOFR Rate Loans shall be equal to \$500,000 or a whole multiple of \$100,000 in excess thereof and (B) the Borrower shall not have outstanding at any one time more than in the aggregate five (5) separate Tranches of Term SOFR Rate Loans.

(e) Notwithstanding any other provision of this Agreement, the Borrower shall not be entitled to request any Borrowing if the Interest Period requested with respect thereto would end after the Termination Date.

2.4 Fees. (a) The Borrower agrees to pay to the Agent the fees at the times and in the amounts as are set forth in the Fee Letter (collectively, the "Fees").

(b) All Fees shall be paid on the dates due, in immediately available funds, to the Agent for distribution, if and as appropriate, among the Banks. Once paid, none of the Fees shall be refundable under any circumstances.

2.5 Revolving Credit Notes; Repayment of Revolving Credit Loans. The Revolving Credit Loans made by each Bank shall be evidenced by a single Revolving Credit Note duly executed on behalf of the Borrower, in substantially the form attached hereto as Exhibit B-1 with the blanks appropriately filled, payable to such Bank in a principal amount equal to the Commitment of such Bank. Each Revolving Credit Note shall bear interest from the date thereof on the outstanding principal balance thereof as set forth in Section 2.6. Each Bank shall, and is hereby authorized by the Borrower to, endorse on the schedule attached to the relevant Revolving Credit Note held by such Bank (or on a continuation of such schedule attached to each such Revolving Credit Note and made a part thereof), or otherwise to record in such Bank's internal records, an appropriate notation evidencing the date and amount of each Revolving Credit Loan of such Bank, each payment or prepayment of principal of any Revolving Credit Loan, and the other information provided for on such schedule; provided, however, that the failure of any Bank to make such a notation or any error therein shall not in any manner affect the obligation of the Borrower to repay the Revolving Credit Loans made by such Bank in accordance with the terms of the relevant Revolving Credit Note. The outstanding principal balance of each Revolving Credit Loan, as evidenced by the relevant Revolving Credit Note, shall be payable on the Termination Date.

2.6 Interest on Revolving Credit Loans. (a) Subject to the provisions of Section 2.7, each Base Rate Loan shall bear interest (computed on the basis of the actual number of days elapsed over a year of 360 days) at a rate per annum equal to the Base Rate.

(b) Subject to the provisions of Section 2.7, each Term SOFR Rate Loan shall bear interest (computed on the basis of the actual number of days elapsed over a year of 360 days) at a rate per annum equal to the Term SOFR Rate for the Interest Period in effect for such Loan plus the SOFR Adjustment plus seventy (70) basis points (0.70%).

(c) Interest on each Revolving Credit Loan shall be payable on each Interest Payment Date applicable to such Revolving Credit Loan; provided that, interest accruing on overdue amounts pursuant to Section 2.7 shall be payable on demand as provided in the Revolving Credit Notes. The Term SOFR Rate and the Base Rate shall be determined by the Agent, and such determination shall be conclusive absent error.

2.7 Default Rate; Additional Interest. To the extent not contrary to any Requirement of Law, upon the occurrence and during the continuation of an Event of Default, any principal, past due interest, fee or other amount outstanding hereunder shall, at the option of the Required Banks, bear interest for each day thereafter until paid in full (after as well as before judgment) at a rate per annum which shall be equal to two percent (2%) above the Base Rate (but in no event shall any such rate exceed the maximum rate permitted by any Requirement of Law). The Borrower acknowledges that such increased interest rate reflects, among other things, the fact that such loans or other amounts have become a substantially greater risk given their default status and that the Banks are entitled to additional compensation for such risk.

2.8 Termination, Reduction, Extension of Commitments; Additional Banks. (a) The Commitments shall be automatically terminated on the Termination Date.

(b) Subject to the last sentence of this paragraph, upon at least three Business Days' prior irrevocable written or telecopy notice to the Agent, the Borrower may at any time in whole permanently terminate, or from time to time permanently reduce, the Total Commitment. Each partial reduction of the Total Commitment shall be in a minimum principal amount of \$1,000,000 or in whole multiples of \$500,000 in excess thereof, and no such termination or reduction shall be made which would reduce the Total Commitment to an amount less than the aggregate outstanding principal amount of the Loans.

(c) Each reduction in the Total Commitment hereunder shall be made ratably among the Banks in accordance with their respective Commitment Percentages. In connection with any reduction of the Total Commitment, the Borrower shall make any prepayment required under subsection 2.9(b).

(d) During the period beginning ninety days prior to the Termination Date then in effect and ending sixty days prior to such Termination Date, the Borrower may deliver to the Agent (which shall promptly transmit to each Bank) a notice requesting that the Commitments be extended for a 364 day period beyond the Termination Date then in effect. Within thirty days after its receipt of any such notice, each Bank shall notify the Agent of its willingness or unwillingness so to extend its Commitment. Any Bank that shall fail so to notify the Agent within such period shall be deemed to have declined to extend its Commitment. If each (but only if each) Bank agrees to extend its Commitment, the Agent shall so notify the Borrower and each Bank, whereupon (i) the respective Commitments of the Banks shall without further act by any party hereto, be extended for a 364 day period beyond the Termination Date

then in effect and (ii) the term “Termination Date” shall thereafter mean the last day of such period. Any such extension shall be evidenced by a written agreement among the Agent, the Banks and the Borrower, such agreement to be in form and substance acceptable to the Agent, the Banks and the Borrower. In the event that one or more Banks (each a “Non-Electing Bank”) shall have declined or been deemed to have declined to extend its or their Commitment and Banks holding a majority in amount of the Commitments shall have notified the Agent of their desire to extend their Commitments, the Borrower shall have the right, but not the obligation, at its own expense, upon notice to each such Non-Electing Bank and the Agent, to replace all (but not less than all) such Non-Electing Banks (in accordance with and subject to the restrictions contained in Section 9.6) at any time before the twentieth (20th) day prior to the Termination Date with one or more assignees (each a “Replacement Bank”) willing to purchase the Non-Electing Banks’ interests hereunder and to agree to extend its or their Commitment in accordance with the notice referred to in the first sentence of this clause (d). In such event, each Non-Electing Bank shall promptly upon request transfer and assign without recourse (in accordance with and subject to the restrictions contained in Section 9.6) all its interests, rights and obligations under this Agreement to the applicable Replacement Bank; provided, however, that (i) no such assignment shall conflict with any law or any rule, regulation or order of any Governmental Authority, (ii) the applicable Replacement Bank shall pay to the applicable Non-Electing Bank in immediately available funds on the date of such assignment the principal of and interest accrued to the date of payment on the Loans made by such Non-Electing Bank hereunder and all other amounts accrued for such Non-Electing Bank’s account or owed to it hereunder (including any unpaid costs or expenses), and (iii) a Non-Electing Bank shall not be required to sell its interests hereunder unless the Borrower has arranged for one or more Replacement Banks to acquire the interests of all other Non-Electing Banks. If, as a result of the foregoing, each Bank (including Replacement Banks, but excluding Non-Electing Banks whose interests have been purchased as provided above) has agreed to extend its Commitment, the Commitments shall be extended as provided in clause (i) of the fourth sentence of this paragraph and the term Termination Date shall have the meaning set forth in clause (ii) in such fourth sentence of this clause (d).

(e) Any bank or financial institution becoming a party to this Agreement in compliance with the provisions of subsection 2.8(d) hereof shall execute and deliver to the Agent and the Banks and the Borrower a joinder and assumption agreement in form and substance satisfactory to the Agent. Upon execution and delivery of such joinder such additional bank or financial institution shall be a party hereto and one of the Banks hereunder for all purposes, all as of the date of such joinder. Simultaneously therewith the Borrower shall execute and deliver to such additional Bank an additional Note to the order of such additional Bank in an amount equal to the Commitment assumed by such additional Bank.

2.9 Optional and Mandatory Prepayments of Loans. (a) The Borrower shall have the right at any time and from time to time to prepay any Borrowing, in whole or in part, without premium or penalty (but in any event subject to Section 2.13), upon prior written, telecopy or telephonic notice to the Agent given no later than 11:00 a.m., Philadelphia time, one Business Day before any proposed prepayment; provided, however, that each such partial prepayment of a Term SOFR Rate Borrowing shall be in the principal amount of at least \$500,000 or in whole multiples of \$100,000 in excess thereof and each such partial prepayment of a Base Rate

Borrowing shall be in the principal amount of at least \$250,000 or in whole multiples of \$50,000 in excess thereof.

(b) On the date of any termination or reduction of the Total Commitment pursuant to Section 2.8, the Borrower shall pay or prepay so much of the Borrowings as shall be necessary in order that the aggregate principal amount of the Loans then outstanding will not exceed the Total Commitment after giving effect to such termination or reduction.

Each notice of prepayment shall specify the prepayment date and the principal amount of each Borrowing to be prepaid, shall be irrevocable and shall commit the Borrower to prepay such Borrowing (or portion thereof) by the amount stated therein. All prepayments under this Section on other than Base Rate Borrowings shall be accompanied by accrued interest on the principal amount being prepaid to the date of prepayment.

2.10 Term SOFR Rate Unascertainable; Increased Costs; Illegality; Benchmark Replacement Setting.

(a) Unascertainable; Increased Costs. If, at any time:

(i) the Agent shall have determined (which determination shall be conclusive and binding absent manifest error) that the Term SOFR Rate cannot be determined pursuant to the definition thereof, or

(ii) the Required Banks determine that for any reason in connection with any request for a Term SOFR Rate Loan or a conversion thereto or a continuation thereof that the Term SOFR Rate does not adequately and fairly reflect the cost to such Banks of funding, establishing or maintaining such Loan during the applicable Interest Period, and the Required Banks have provided notice of such determination to the Agent,

then the Agent shall have the rights specified in subsection 2.10(c).

(b) Illegality. If at any time any Bank shall have determined, or any Governmental Authority shall have asserted, that the making, maintenance or funding of any Term SOFR Rate Loan, or the determination or charging of interest rates based on the Term SOFR Rate, has been made impracticable or unlawful by compliance by such Bank in good faith with any Law or any interpretation or application thereof by any Governmental Authority or with any request or directive of any such Governmental Authority (whether or not having the force of Law), then the Agent shall have the rights specified in Section 2.10(c).

(c) Agent's and Bank's Rights. In the case of any event specified in subsection 2.10(a) above, the Agent shall promptly so notify the Banks and the Borrower thereof, and in the case of an event specified in subsection 2.10(b) above, such Bank shall promptly so notify the Agent and endorse a certificate to such notice as to the specific circumstances of such notice, and the Agent shall promptly send copies of such notice and certificate to the other Banks and the Borrower. Upon such date as shall be specified in such notice (which shall not be earlier than the date such notice is given), the obligation of (i) the

Banks, in the case of such notice given by the Agent, or (ii) such Bank, in the case of such notice given by such Bank, to allow the Borrower to select, convert to, renew or continue a Term SOFR Rate Loan shall be suspended (to the extent of the affected Term SOFR Rate Loan or Interest Periods) until the Agent shall have later notified the Borrower, or such Bank shall have later notified the Agent, of the Agent's or such Bank's, as the case may be, determination that the circumstances giving rise to such previous determination no longer exist. If at any time the Agent makes a determination under subsection 2.10(a) and the Borrower has previously notified the Agent of its selection of, conversion to or renewal of a Term SOFR Rate Option and the Term SOFR Rate Option has not yet gone into effect, such notification shall be deemed to provide for selection of, conversion to or renewal of the Base Rate Option otherwise available with respect to such Loans. If any Bank notifies the Agent of a determination under subsection 2.10(b), the Borrower shall, subject to the Borrower's indemnification obligations under Section 2.13, as to any Loan of the Bank to which a Term SOFR Rate Option applies, on the date specified in such notice either convert such Loan to the Base Rate Option otherwise available with respect to such Loan or prepay such Loan in accordance with Section 2.9. Absent due notice from the Borrower of conversion or prepayment, such Loan shall automatically be converted to the Base Rate Option otherwise available with respect to such Loan upon such specified date.

(d) Benchmark Replacement Setting.

(i) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Loan Document (and any agreement executed in connection with an interest rate hedge agreement or contract shall be deemed not to be a "Loan Document" for purposes of this Section titled "Benchmark Replacement Setting"), if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to any setting of the then-current Benchmark, then (A) if a Benchmark Replacement is determined in accordance with clause (1) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (B) if a Benchmark Replacement is determined in accordance with clause (2) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Banks without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Banks comprising the Required Banks.

(ii) Benchmark Replacement Conforming Changes. In connection with the use, administration, adoption or implementation of a

Benchmark Replacement, the Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(iii) Notices; Standards for Decisions and Determinations.

The Agent will promptly notify the Borrower and the Banks of (A) the implementation of any Benchmark Replacement, and (B) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement. The Agent will notify the Borrower of (x) the removal or reinstatement of any tenor of a Benchmark pursuant to paragraph (iv) below and (y) the commencement of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Agent or, if applicable, any Bank (or group of Banks) pursuant to this Section, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document except, in each case, as expressly required pursuant to this Section.

(iv) Unavailability of Tenor of Benchmark.

Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (A) if the then-current Benchmark is a term rate or based on a term rate and either (I) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Agent in its reasonable discretion or (II) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative, then the Agent may modify the definition of “Interest Period” (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor; and (B) if a tenor that was removed pursuant to clause (A) above either (I) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (II) is not, or is no longer, subject to an announcement that it is not or will not be representative for a Benchmark (including a Benchmark Replacement), then the Agent may modify the definition of “Interest Period” (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(v) Benchmark Unavailability Period.

Upon the Borrower’s receipt of notice of the commencement of a Benchmark Unavailability Period with respect to a given Benchmark, the Borrower may revoke any pending request for a Loan bearing interest based on or with reference to such Benchmark or conversion to or continuation of Loans bearing interest based on or with reference

to such Benchmark to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a Base Rate Loan or conversion to a Base Rate Loan. During a Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of the Base Rate based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of the Base Rate.

(vi) Definitions. As used in this Section:

“Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an interest period pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor of such Benchmark that is then-removed from the definition of “Interest Period” pursuant to clause (iv) of this Section.

“Benchmark” means, initially, SOFR and the Term SOFR Reference Rate; provided that if a Benchmark Transition Event has occurred with respect to the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to this Section.

“Benchmark Replacement” means, with respect to any Benchmark Transition Event, the first alternative set forth in the order below that can be determined by the Agent for the applicable Benchmark Replacement Date:

(1) the sum of: (A) Daily Simple SOFR and (B) the SOFR Adjustment; or

(2) the sum of (A) the alternate benchmark rate that has been selected by the Agent and the Borrower, giving due consideration to (x) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (y) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for U.S. dollar-denominated syndicated credit facilities at such time and (B) the related Benchmark Replacement Adjustment;

provided that if the Benchmark Replacement as determined pursuant to the foregoing would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents; and provided further, that any Benchmark Replacement shall be administratively feasible as determined by the Agent in its sole discretion.

“Benchmark Replacement Adjustment” means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark

Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Agent and the Borrower, giving due consideration to (A) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (B) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated syndicated credit facilities at such time.

“Benchmark Replacement Date” means a date and time determined by the Agent, which date shall be no later than the earliest to occur of the following events with respect to the then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of “Benchmark Transition Event,” the later of (A) the date of the public statement or publication of information referenced therein and (B) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate or is based on a term rate, all Available Tenors of such Benchmark (or such component thereof); or

(2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the date determined by the Agent, which date shall promptly follow the date of the public statement or publication of information referenced therein;

For the avoidance of doubt, if such Benchmark is a term rate or is based on a term rate, the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Event” means, the occurrence of one or more of the following events, with respect to the then-current Benchmark:

(1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate or is based on a term rate, all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor

administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by a Governmental Authority having jurisdiction over the Agent, the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate or is based on a term rate, all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate or is based on a term rate, any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) or a Governmental Authority having jurisdiction over the Agent announcing that such Benchmark (or such component thereof) or, if such Benchmark is a term rate or is based on a term rate, all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

For the avoidance of doubt, if such Benchmark is a term rate or is based on a term rate, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Unavailability Period” means the period (if any) (x) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with this Section 2.10(d) titled “Benchmark Replacement Setting” and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with this Section 2.10(d) titled “Benchmark Replacement Setting.”

“Floor” means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification,

amendment or renewal of this Agreement or otherwise) with respect to the Term SOFR Rate or, if no floor is specified, zero.

“Relevant Governmental Body” means the Board of Governors of the Federal Reserve System and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System and/or the Federal Reserve Bank of New York, or any successor thereto.

“Unadjusted Benchmark Replacement” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

2.11 Requirements of Law. (a) In the event that any Change in Law shall:

(i) subject any Bank or the Agent to any tax of any kind whatsoever with respect to this Agreement, any Note or Term SOFR Rate Loan made by it, or change the basis of taxation of payments to such Bank in respect thereof (except for Taxes or Other Taxes covered by Section 2.12 and the imposition of, or any change in the rate of, any Excluded Tax payable by any Bank);

(ii) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Bank; or

(iii) impose on any Bank or the relevant market any other condition, cost or expense affecting this Agreement or any Loan made by such Bank;

and the result of any of the foregoing shall be to increase the cost to such Bank or the Agent of making, converting to, continuing or maintaining any Loan (or of maintaining its obligation to make any such Loan), or to increase the cost to such Bank or the Agent, or to reduce the amount of any sum received or receivable by such Bank or the Agent hereunder (whether of principal, interest or any other amount) then, upon request of such Bank or the Agent, the Borrower will pay to such Bank or the Agent, such additional amount or amounts as will compensate such Bank or the Agent, for such additional costs incurred or reduction suffered; provided, that upon the occurrence of any Change in Law imposing a reserve percentage on any interest rate based on SOFR, the Agent, in its reasonable discretion, may modify the calculation of each such SOFR-based interest rate to add (or otherwise account for) such reserve percentage. Failure or delay on the part of any Bank or the Agent to demand compensation pursuant to this subsection shall not constitute a waiver of such Bank’s or the Agent’s right to demand such compensation; provided that the Borrower shall not be liable for any such amounts incurred or suffered by such Bank more than 180 days prior to the date of such Bank’s notification to the Borrower (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof). If any Bank becomes entitled to claim any additional amounts pursuant to this

subsection, it shall as promptly as practicable notify the Borrower, through the Agent, of the event by reason of which it has become so entitled. A certificate explaining and detailing any additional amounts payable pursuant to this subsection submitted by such Bank, through the Agent, to the Borrower shall be conclusive in the absence of clearly demonstrable error. If any such amount paid by the Borrower to such Bank is subsequently determined not to have been due and is refunded to such Bank, such Bank will reimburse the Borrower for amounts paid in respect of such refunded amount. This covenant shall survive the termination of this Agreement and the payment of the Notes and all other amounts payable hereunder.

(b) If any Bank determines that any Change in Law affecting such Bank or any lending office of such Bank or such Bank's holding company, if any, regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Bank's capital or on the capital of such Bank's holding company, if any, as a consequence of this Agreement, the Commitment of such Bank or the Loans made by, or participations in Swing Line Loans held by, such Bank, to a level below that which such Bank or such Bank's holding company could have achieved but for such Change in Law (taking into consideration such Bank's policies and the policies of such Bank's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Bank, such additional amount or amounts as will compensate such Bank or such Bank's holding company for any such reduction suffered. If any Bank becomes entitled to claim any additional amounts pursuant to this subsection, it shall as promptly as practicable notify the Borrower, through the Agent, of the event by reason of which it has become so entitled. A certificate explaining and detailing any additional amounts payable pursuant to this subsection submitted by such Bank, through the Agent, to the Borrower shall be conclusive in the absence of clearly demonstrable error. This covenant shall survive the termination of this Agreement and the payment of the Notes and all other amounts payable hereunder.

(c) Each Bank agrees that it will use reasonable efforts in order to avoid or to minimize, as the case may be, the payment by the Borrower of any additional amount under subsections 2.11(a) and (b); provided, however, that no Bank shall be obligated to incur any expense, cost or other amount in connection with utilizing such reasonable efforts. Notwithstanding any other provision of this Section 2.11, no Bank shall apply the provisions of subsections 2.11(a) or (b) hereof with respect to the Borrower if it shall not at the time be the general policy or practice of the Bank exercising its rights hereunder to apply the provisions similar to those of this Section 2.11 to other borrowers in substantially similar circumstances under substantially comparable provisions of other credit agreements.

2.12 Taxes. (a) All payments made by the Borrower under this Agreement and the Notes shall be made free and clear of, and without deduction for any present or future taxes, levies, imposts, deductions, charges, or withholdings, and all liabilities with respect thereto, including any interest, additions to tax or penalties applicable thereto (other than Excluded Taxes) (all such non-excluded taxes, levies, imposts, duties, charges, fees, deductions and withholdings being hereinafter called "Taxes"). If the Borrower shall be required by Law to deduct any Taxes from or in respect of any sum payable hereunder or under any Note, (i) the sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section) the Agent and each Bank receives an amount equal to the sum it would have received had no such deductions

been made, (ii) the Borrower shall make such deductions and (iii) the Borrower shall timely pay the full amount deducted to the relevant tax authority or other authority in accordance with applicable Law. As used herein, the term “Excluded Taxes” shall mean, with respect to the Agent, any Bank or any other recipient of any payment to be made by or on account of any obligation of the Borrower hereunder, (i) taxes imposed on or measured by its overall net income (however denominated), and franchise taxes imposed on it (in lieu of net income taxes), by the jurisdiction (or any political subdivision thereof) under the Laws of which such recipient is organized or in which its principal office is located or, in the case of any Bank, in which its applicable lending office is located, (ii) any branch profits taxes imposed by the United States of America or any similar tax imposed by any other jurisdiction in which the Borrower is located and (iii) in the case of a Foreign Bank, any withholding tax (including under FATCA) that is imposed on amounts payable to such Foreign Bank at the time such Foreign Bank becomes a party hereto (or designates a new lending office), except to the extent that such Foreign Bank (or its assignor, if any) was entitled, at the time of designation of a new lending office (or assignment), to receive additional amounts from the Borrower with respect to such withholding tax pursuant to this Section 2.12.

(b) In addition, the Borrower agrees to pay any present or future stamp or documentary taxes or any other excise or property taxes, charges, or similar levies which arise from any payment made hereunder, under the Notes or under any other Loan Document or from the execution, delivery, or registration of, or otherwise with respect to, this Agreement, any Note or any other Loan Document (hereinafter referred to as “Other Taxes”).

(c) The Borrower shall indemnify the Agent and each Bank for the full amount of Taxes or Other Taxes (including, without limitation, any Taxes or Other Taxes imposed by any jurisdiction on amounts payable under this subsection) paid by the Agent or any Bank and any liability (including penalties, interest, and expenses) arising therefrom or with respect thereto, whether or not such Taxes or Other Taxes were correctly or legally asserted. This indemnification shall be made within 30 days from the date the Agent or a Bank makes written demand therefor accompanied by a certificate explaining and detailing any such Taxes or Other Taxes paid by the Agent or such Bank which shall be conclusive in the absence of demonstrable error.

(d) Within 30 days after the date of any payment of any Taxes or Other Taxes by the Borrower, if available, the Borrower shall furnish to the Agent and each Bank, at its address referred to herein, the original or a certified copy of a receipt evidencing payment thereof.

(e) If as a result of a payment by the Borrower of Taxes or Other Taxes pursuant to subsections 2.12(a), (b) or (c) the Agent or a Bank receives a tax benefit or tax savings such as by receiving a credit against, refund of, or reduction in Taxes or Other Taxes which the Agent or such Bank would not have received but for the payment by the Borrower of such Taxes or Other Taxes, then the Agent or such Bank shall promptly pay to the Borrower the amount of such credit, refund, reduction or any other similar item. Without prejudice to the survival of any other agreement of the Borrower hereunder, the agreements and obligations of the Borrower contained in subsections 2.12(a) through (d) shall survive the payment in full of principal and interest hereunder and under any instrument delivered hereunder.

(f) Each Foreign Bank agrees that it will deliver to the Borrower and the Agent on or prior to the Closing Date in the case of each initial Bank and on or prior to the effective date of the Assignment and Acceptance pursuant to which it becomes a Bank in the case of each other Bank and on or prior to the date on which any such form or certification expires or becomes obsolete, after the occurrence of any event requiring a change in the most recent form or certification previously delivered by it pursuant to this subsection (f), and from time to time, if requested by the Borrower or the Agent, two completed originals of each of the following, as applicable; (A) Forms W-8ECI (claiming exemption from U.S. withholding tax because the income is effectively connected with a U.S. trade or business), W-8BEN or W-8BEN-E, as applicable, (claiming exemption from, or a reduction of, U.S. withholding tax under an income tax treaty) and/or W-8IMY (together with appropriate forms, certifications and supporting statements) or any successor forms, (B) in the case of a Foreign Bank claiming exemption under Sections 871(h) or 881(c) of the Code, Form W-8BEN or W-8BEN-E, as applicable (claiming exemption from U.S. withholding tax under the portfolio interest exemption) or any successor form and a certificate in form and substance acceptable to the Borrower and the Agent. Such Bank shall certify, in the case of a Form W-8ECI, W-8BEN or W-8BEN-E, as applicable or W-8IMY, that it is entitled to receive payments under this Agreement without deduction or withholding of any United States federal income taxes. If a payment made to a Foreign Bank would be subject to U.S. Federal withholding tax imposed by FATCA if such Bank were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Sections 1471(b) or 1472(b) of the Code, as applicable), such Bank shall deliver to the Borrower and the Agent, at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Agent, such documentation prescribed by applicable law (including any notice described in Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Agent as may be necessary for the Borrower or the Agent, as the case may be, to comply with their obligations under FATCA, to determine whether such Bank has or has not complied with such Bank's obligations under FATCA or to determine the amount to deduct and withhold from such payment. If any form provided by a Foreign Bank at the time such Bank first becomes a party to this Agreement indicates a United States interest withholding rate in excess of zero, withholding tax at such rate shall be considered excluded from "Taxes" as defined in subsection 2.12(a). Each Bank shall deliver to the Borrower and the Agent, with respect to Taxes imposed by any Governmental Authority other than the United States of America, similar forms, if available (or the information that would be contained in similar forms if such forms were available), to the forms which are required to be provided under this subsection with respect to Taxes of the United States of America.

(g) Notwithstanding the foregoing subsections 2.12(a) through (e), the Borrower shall not be required to pay any additional amounts to any Bank in respect of United States withholding or backup withholding tax pursuant to such subsections if (i) the obligation to pay such additional amounts would not have arisen but for a failure by such Bank to comply with the requirements of subsection 2.12(f) (other than by reason of a Change in Law) or (ii) such Bank shall not have furnished the Borrower with such forms and documentation described in subsection 2.12(f) and shall not have taken such other steps as reasonably may be available to it under applicable tax laws and any applicable tax treaty or convention to obtain an exemption from, or reduction (to the lowest applicable rate) of, such United States withholding tax.

2.13 Indemnity. The Borrower agrees to indemnify each Bank and to hold each Bank harmless from any loss or expense which such Bank may sustain or incur as a consequence of (a) default by the Borrower in payment when due of the principal amount of or interest on any Term SOFR Rate Loan, (b) default by the Borrower in making a borrowing of, conversion into or continuation of Term SOFR Rate Loans after the Borrower has given a notice requesting the same in accordance with the provisions of this Agreement, (c) default by the Borrower in making any prepayment after the Borrower has given a notice thereof in accordance with the provisions of this Agreement or (d) the making of a prepayment of Term SOFR Rate Loans on a day which is not the last day of an Interest Period with respect thereto, including, without limitation, in each case, any such loss or expense arising from the reemployment of funds obtained by it or from fees payable to terminate the deposits from which such funds were obtained. This covenant shall survive the termination of this Agreement and the payment of the Notes and all other amounts payable hereunder. For the purpose of calculation of all amounts payable to a Bank under this Section, each Bank shall be deemed to have actually funded its relevant Term SOFR Rate Loan or Swing Line Loan through the purchase of a deposit bearing interest at the Term SOFR Rate or the applicable rate on such Swing Line Loan, as the case may be, in an amount equal to the amount of that Term SOFR Rate Loan or Swing Line Loan, as the case may be, and having a maturity comparable to the relevant Interest Period or applicable period for such Term SOFR Rate Loan or Swing Line Loan; provided, however, that each Bank may fund each of its Term SOFR Rate Loans and the Swing Line Bank may fund its Swing Line Loans in any manner it sees fit, and the foregoing assumptions shall be utilized only for the calculation of amounts payable under this Section.

2.14 Pro Rata Treatment, etc. Except as required under Sections 2.2 and 2.10, each Borrowing, each payment or prepayment of principal of any Borrowing, each payment of interest on the Loans, each reduction of the Commitments, each refinancing of any Borrowing with a Borrowing of any Type and each conversion of Loans, shall be made pro rata among the Banks in accordance with their respective Commitment Percentages. Each Bank agrees that in computing such Bank's portion of any Borrowing to be made hereunder, the Agent may, in its discretion, round each Bank's percentage of such Borrowing to the next higher or lower whole dollar amount.

2.15 Payments. (a) The Borrower shall make each payment (including principal of or interest on any Loan or any Fees or other amounts) hereunder not later than 12:00 (noon), Philadelphia time, on the date when due in Dollars to the Agent at its offices at 1600 Market Street, Philadelphia, Pennsylvania, or at such other place as may be designated by the Agent, in immediately available funds.

(b) Whenever any payment (including principal of or interest on any Loan or any Fees or other amounts) hereunder shall become due, or otherwise would occur, on a day that is not a Business Day, such payment may be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of interest or Fees, if applicable.

2.16 Conversion and Continuation Options. The Borrower shall have the right at any time upon prior irrevocable notice to the Agent (i) not later than 11:00 a.m., Philadelphia time, on the Business Day of conversion, to convert any Term SOFR Rate Loan to a Base Rate Loan,

(ii) not later than 11:00 a.m., Philadelphia time, three Business Days prior to conversion or continuation, (y) to convert any Base Rate Loan into a Term SOFR Rate Loan, or (z) to continue any Term SOFR Rate Loan as a Term SOFR Rate Loan for any additional Interest Period, and (iii) not later than 11:00 a.m., Philadelphia time, three Business Days prior to conversion, to convert the Interest Period with respect to any Term SOFR Rate Loan to another permissible Interest Period, subject in each case to the following:

(a) a Term SOFR Rate Loan may not be converted at a time other than the last day of the Interest Period applicable thereto;

(b) any portion of a Revolving Credit Loan maturing or required to be repaid in less than one month may not be converted into or continued as a Term SOFR Rate Loan;

(c) no Term SOFR Rate Loan may be continued as such and no Base Rate Loan may be converted to a Term SOFR Rate Loan when any Default or Event of Default has occurred and is continuing;

(d) any portion of a Term SOFR Rate Loan that cannot be converted into or continued as a Term SOFR Rate Loan by reason of paragraph 2.16(b) or 2.16(c) automatically shall be converted at the end of the Interest Period in effect for such Revolving Credit Loan to a Base Rate Loan;

(e) if by the third Business Day prior to the last day of any Interest Period for Term SOFR Rate Loans, the Borrower has failed to give notice of conversion or continuation as described in this subsection, the Agent shall give notice thereof to the Banks and such Revolving Credit Loans shall be automatically converted to Base Rate Loans on the last day of such then expiring Interest Period; and

(f) each request by the Borrower to convert or continue a Revolving Credit Loan shall constitute a representation and warranty that each of the representations and warranties made by the Borrower herein is true and correct in all material respects on and as of such date as if made on and as of such date.

Accrued interest on a Revolving Credit Loan (or portion thereof) being converted shall be paid by the Borrower at the time of conversion.

2.17 Defaulting Banks. Notwithstanding any provision of this Agreement to the contrary, if any Bank becomes a Defaulting Bank, then the following provisions shall apply for so long as such Bank is a Defaulting Bank:

(a) such Defaulting Bank, or the Exposure and Commitment Percentage of such Defaulting Bank, as applicable, shall not be included in determining whether all Banks or Required Banks have taken or may take any action hereunder (including any consent to any amendment or waiver pursuant to Section 9.1), provided that any waiver, amendment or modification requiring the consent of all Banks or each affected Bank which affects such Defaulting Bank differently than other affected Banks shall require the consent of such Defaulting Bank;

(b) if any outstanding Swing Line Loans exist at the time a Bank becomes a Defaulting Bank then:

(i) such Defaulting Bank's pro rata portion of such Swing Line Loans shall be reallocated among the Non-Defaulting Banks in accordance with their respective Adjusted Revolving Credit Commitment Percentages but only to the extent the sum of (A) the Revolving Credit Loans of all Non-Defaulting Banks plus (B) all Non-Defaulting Banks' Adjusted Revolving Credit Commitment Percentages of the aggregate principal amount of all outstanding Swing Line Loans then outstanding does not exceed the aggregate amount of the Commitments of all Non-Defaulting Banks;

(ii) to the extent that all or any part of such Defaulting Bank's pro rata portion of Swing Line Loans cannot be reallocated pursuant to Section 2.17(b)(i), then the Borrower (A) shall, within 15 days following notice from the Agent until such Defaulting Bank ceases to be a Defaulting Bank under this Agreement, establish and, thereafter, maintain a special collateral account (the "Swing Line Collateral Account") at the Agent's office at the address specified pursuant to Section 9.2, in the name of the Borrower but under the sole dominion and control of the Agent, (B) grant to the Agent for the benefit of the Banks, solely as security for repayment of the unallocated portion of such Defaulting Bank's Commitment Percentage of outstanding Swing Line Loans, a security interest in and to the Swing Line Collateral Account and any funds that may thereafter be deposited therein and (C) shall maintain in the Swing Line Collateral Account an amount equal to the unallocated portion of such Defaulting Bank's Commitment Percentage of outstanding Swing Line Loans; and

(iii) the Swing Line Bank shall not be required to, but in its sole discretion may from time to time elect to, fund any Swing Line Loan, unless it is satisfied in its sole discretion that the related exposure will be 100% covered by the Non-Defaulting Banks and/or cash collateral will be provided by the Borrower in accordance with Section 2.17(b)(ii).

(iv) any amount payable to a Defaulting Bank hereunder (whether on account of principal, interest, fees or otherwise) shall, in lieu of being distributed to such Defaulting Bank, be retained by the Agent in a segregated account and, subject to any applicable requirements of law, be applied at such time or times as may be determined by the Agent (i) first, to the payment of any amounts owing by such Defaulting Bank to the Agent hereunder, (ii) second, pro rata, to the payment of any amounts owing by such Defaulting Bank to the Swing Line Bank hereunder, (iii) third, to the funding of any Revolving Credit Loan or the funding of any participating interest in any Swing Line Loan or in respect of which such Defaulting Bank has failed to fund its portion thereof as required by this Agreement, as determined by the Agent, (iv) fourth, if so determined by the Agent and the Borrower, held in such account as cash collateral for future funding obligations of the Defaulting Bank under this Agreement, (v) fifth, pro rata, to the payment of any amounts owing to the Borrower or the Banks as a result of any

judgment of a court of competent jurisdiction obtained by the Borrower or any Bank against such Defaulting Bank as a result of such Defaulting Bank's breach of its obligations under this Agreement; provided that, if an Event of Default shall have occurred and be continuing, any payments that would be made to the Borrower shall be applied by the Agent to the Loans and other obligations hereunder and under the other Loan Documents in such order as the Agent shall elect and (vi) sixth, to such Defaulting Bank or as otherwise directed by a court of competent jurisdiction; provided that if such payment is (x) a payment of the principal amount of any Revolving Credit Loans for which a Defaulting Bank has not fully funded its participation obligations and (y) made at a time when the conditions set forth in Section 4.2 are satisfied, the remaining portion of such payment shall be applied solely to prepay the Revolving Credit Loans of, and reimbursement obligations owed to, all Non-Defaulting Banks pro rata prior to being applied to the prepayment of any Revolving Credit Loans of, or reimbursement obligations owed to, any Defaulting Bank.

(v) In the event that the Borrower, the Agent and the Swing Line Bank each agrees that a Defaulting Bank has adequately remedied all matters that caused such Bank to be a Defaulting Bank, then the Swing Line Loans of the Banks shall be readjusted to reflect the inclusion of such Bank's Commitment Percentage and on such date such Bank shall purchase at par such of the Revolving Credit Loans of the other Banks (other than Swing Line Loans) as the Agent shall determine may be necessary in order for such Bank to hold such Revolving Credit Loans in accordance with its Commitment Percentage, subject to the provisions of Section 2.13.

2.18 Conforming Changes Relating to the Term SOFR Rate. With respect to the Term SOFR Rate, the Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document; provided that, the Agent shall provide written notice to the Borrower and the Banks of each such amendment implementing such Conforming Changes reasonably promptly after such amendment becomes effective.

SECTION 3. REPRESENTATIONS AND WARRANTIES

To induce the Banks to enter into this Agreement, and to make the Loans, the Borrower hereby represents and warrants to the Agent and each Bank that:

3.1 Financial Condition. (a) The audited consolidated balance sheet of the Borrower and its Subsidiaries as at December 31, 2023 and the related consolidated statements of income and of cash flows for the fiscal year ended on such date, and the consolidated balance sheet as at March 31, 2024 and the statements of income and cash flow of the Borrower and its Subsidiaries for the three-month period ended March 31, 2024, copies of all of which have heretofore been furnished to each Bank, present fairly the consolidated financial condition of the Borrower as at such dates, and the consolidated results of its operations and its consolidated cash flows for the

periods covered thereby. All such financial statements, including the related schedules and notes thereto, have been prepared in accordance with GAAP applied consistently throughout the periods involved. Neither the Borrower nor any of its Subsidiaries had, at the date of the most recent balance sheet referred to above, any material Contingent Obligation, liability for taxes, or any long-term lease or unusual forward or long-term commitment, including, without limitation, any interest rate or foreign currency swap or exchange transaction, which is required by GAAP to be but is not reflected in the foregoing statements or in the notes thereto.

(b) (i) As of the Closing Date and after giving effect to this Agreement and any Loans to be made on the Closing Date, the Borrower is Solvent.

(i) The Borrower does not intend to incur debts beyond its ability to pay such debts as they mature, taking into account the timing of and amounts of cash to be received by it and the timing of the amounts of cash to be payable on or in respect of its Debt.

3.2 No Adverse Change. Since December 31, 2015, there has been no development or event which has had a Material Adverse Effect.

3.3 Existence; Compliance with Law. The Borrower (a) is duly organized, and subsisting under the laws of the jurisdiction of its incorporation, (b) has the corporate power and authority to own and operate its property, to lease the property it operates as lessee and to conduct the business in which it is currently engaged, (c) is duly qualified to transact business in each jurisdiction where its ownership, lease or operation of property or the conduct of its business requires such qualification, except to the extent that the failure to be so qualified would not, in the aggregate, have a Material Adverse Effect and (d) is in compliance with all Requirements of Law the non-compliance with which would have a Material Adverse Effect.

3.4 Corporate Power; Authorization; Enforceable Obligations. The Borrower has the corporate power, authority, and legal right, to make, deliver and perform this Agreement, the Notes and the other Loan Documents to which it is a party and to borrow hereunder and has taken all necessary corporate action to authorize the borrowings on the terms and conditions of this Agreement and the Notes and to authorize the execution, delivery and performance of this Agreement, the Notes and the other Loan Documents to which it is a party. No consent or authorization of, filing with or other act by or in respect of, any Governmental Authority or any other Person (including stockholders and creditors of the Borrower) is required in connection with the borrowings hereunder or with the execution, delivery, performance, validity or enforceability of this Agreement, the Notes or the other Loan Documents. This Agreement has been, and each Note and other Loan Document will be, duly executed and delivered on behalf of the Borrower. This Agreement constitutes, and each Note and other Loan Document when executed and delivered will constitute, a legal, valid and binding obligation of the Borrower enforceable against the Borrower in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

3.5 No Legal Bar. The execution, delivery and performance of this Agreement, the Notes and the other Loan Documents by the Borrower, the borrowings hereunder and the use of the proceeds thereof will not violate any Requirement of Law or Contractual Obligation of the Borrower or of any of the Subsidiaries and will not result in, or require, the creation or imposition of any Lien on any of its or their respective properties or revenues pursuant to any such Requirement of Law or Contractual Obligation.

3.6 No Material Litigation. Except as set forth on Schedule 3.6, no litigation, investigation or proceeding of or before any arbitrator or Governmental Authority is pending or, to the knowledge of the Borrower, threatened against the Borrower or against any of the properties or revenues of the Borrower (a) with respect to this Agreement, the Notes or the other Loan Documents or any of the transactions contemplated hereby, or (b) as to which there is a reasonable likelihood of an adverse determination and which, if adversely determined, would have a Material Adverse Effect.

3.7 No Default. The Borrower is not in default under or with respect to any of its Contractual Obligations, including without limitation, those under the Indenture in any respect which would have a Material Adverse Effect. No Event of Default has occurred and is continuing.

3.8 Taxes. The Borrower has filed or caused to be filed all tax returns which are required to be filed (or has obtained authorized extensions for such filings) and has paid all taxes shown to be due and payable on said returns or on any assessments made against it or any of its property and all other taxes, fees or other charges imposed on it or any of its property by any Governmental Authority (other than any the amount or validity of which are currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided on the books of the Borrower, as the case may be); no material tax Lien has been filed against the Borrower, and, to the knowledge of the Borrower, no claim is being asserted, with respect to any such tax, fee or other charges.

3.9 Federal Regulations. No part of the proceeds of any Loans will be used for “purchasing” or “carrying” any “margin stock” within the respective meanings of each of the quoted terms under Regulation U or for any purpose which violates the provisions of Regulation U. If requested by any Bank or the Agent, the Borrower will furnish to the Agent and each Bank a statement to the foregoing effect in conformity with the requirements of FR Form U-1 referred to in said Regulation U. No part of the proceeds of the Loans hereunder will be used for any purpose which violates, or which is inconsistent with, the provisions of Regulation X.

3.10 ERISA.

(a) Each Plan has complied in all respects with the applicable provisions of the ERISA and the Code and has been administered in accordance with its terms, except to the extent that failure(s) to so comply, or to so administer the Plan, in the aggregate, has not resulted in and could not reasonably be expected to result in a Material Adverse Effect. No Reportable Event has occurred with respect to any Single Employer Plan which presents a material risk of termination of the Plan by the PBGC. There have been no “prohibited transactions” (as defined in Section 406 of ERISA or Section 4975 of the Code) in connection

with which the Borrower or any Commonly Controlled Entity could be subject to any Material civil penalty under 502(i) of ERISA or any Material excise tax under Section 4975 of the Code.

(b) With respect to each Single Employer Plan maintained by the Borrower or a Commonly Controlled Entity, the adjusted funding target attainment percentage (within the meaning of Section 436(j)(2) of the Code) of each such Single Employer Plan, as of the close of the most recent plan year for such Plan as certified by the Plan's actuary, is not less than eighty percent (80%).

(c) Neither the Borrower nor any Commonly Controlled Entity has incurred any withdrawal liabilities (and are not subject to contingent withdrawal liabilities) under Section 4201 or 4204 of ERISA in respect of Multiemployer Plans that individually or in the aggregate are Material. To the best of Borrower's knowledge, no Multiemployer Plan is in Reorganization as defined in Section 4241 of ERISA or is Insolvent.

(d) The expected post-retirement benefit obligation (determined as of the last day of the Borrower's most recently ended fiscal year in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification 715-60 (formerly FASB Statement No. 106), without regard to liabilities attributable to continuation coverage mandated by Section 4980B of the Code) of the Borrower and its Subsidiaries would not reasonably be expected to have a Material Adverse Effect.

3.11 Investment Company Act. Except as set forth on Schedule 3.11, the Borrower is not (a) an "investment company", or a company "controlled" by an "investment company", within the meaning of the Investment Company Act of 1940, as amended or (b) subject to any other federal or state law or regulation which purports to restrict or regulate its ability to borrow money.

3.12 Purpose of Loans. The proceeds of the Loans shall be used by the Borrower for refinancing existing indebtedness of the Borrower and the Borrower's general working capital purposes including the financing of Permitted Acquisitions.

3.13 Environmental Matters. To the best knowledge of the Borrower, except as may be disclosed on Schedule 3.13 and except to the extent that the aggregate cost of any remediation or other expense to the Borrower as a consequence of the failure of any of the following representations to be true and correct does not exceed \$1,000,000, each of the representations and warranties set forth in paragraphs (a) through (d) of this subsection is true and correct with respect to each parcel of real property owned or operated by the Borrower:

(a) the Borrower does not have any knowledge of any claim nor has it received any written notice of any claim, and no proceeding has been instituted of which it has received written notice, raising any claim against the Borrower or any of its real properties now or formerly owned, leased or operated by it, or other assets, alleging damage to the environment or any violation of or liability arising under any Environmental Laws, except, in each case, such as could not reasonably be expected to result in a Material Adverse Effect;

(b) the Borrower does not have knowledge of any facts which would give rise to any claim, public or private, for violation of or liability arising under Environmental

Laws or damage to the environment emanating from, occurring on or in any way related to real properties or to operation of other assets now or formerly owned, leased or operated by it or for its use, except, in each case, such as could not reasonably be expected to result in a Material Adverse Effect;

(c) the Borrower has not stored any Materials of Environment Concern on real properties now or formerly owned, leased or operated by it, and has not disposed of or released any Materials of Environment Concern in a manner that may give rise to liability under any Environmental Laws and in any manner that could reasonably be expected to result in a Material Adverse Effect; and

(d) all buildings on all real properties now owned, leased or operated by the Borrower are and have been constructed, maintained and operated in a manner that will not give rise to liability under applicable Environmental Laws, except where failure to comply could not reasonably be expected to result in a Material Adverse Effect.

3.14 Ownership of the Borrower. As of the Closing Date the Borrower is a wholly-owned Subsidiary of the Parent Company.

3.15 Patents, Trademarks, etc. The Borrower has obtained and holds in full force and effect all patents, trademarks, servicemarks, trade names, copyrights or licenses therefor and other such rights, free from burdensome restrictions, which are necessary for the operation of its business as presently conducted. To the Borrower's best knowledge, no material product, process, method, substance, part or other material presently sold by or employed by the Borrower in connection with such business infringes any patent, trademark, service mark, trade name, copyright, license or other right owned by any other Person so as to have a Material Adverse Effect. There is not pending or, to the Borrower's knowledge, threatened any claim or litigation against or affecting the Borrower contesting its right to sell or use any such product, process, method, substance, part or other material.

3.16 Ownership of Property. The Borrower has good and marketable fee simple title to or valid leasehold interests in all real property owned or leased by the Borrower (except in the case of certain properties not material to its business as to which its title was obtained by quit-claim or special warranty deed), and good title to all of its personal property subject to no Lien of any kind except Liens permitted hereby. The Borrower enjoys peaceful and undisturbed possession under all of its respective material leases.

3.17 Licenses, etc. The Borrower has obtained and holds in full force and effect, all franchises, licenses, permits, certificates, authorizations, qualifications, easements, rights of way and other rights, consents and approvals which are necessary for the operation of its business as presently conducted, except where the failure to obtain and hold such rights, consents or approvals could not reasonably be expected to have a Material Adverse Effect.

3.18 Labor Matters. The Borrower has not, within the last five years, suffered any strikes, walkouts, work stoppages or other labor difficulty involving a material number of employees which in any case had a Material Adverse Effect, and to the best of the Borrower's

knowledge, there are no such events which could reasonably be expected to have a Material Adverse Effect now threatened.

3.19 Partnerships. Except as disclosed on Schedule 3.19, as of the Closing Date, the Borrower is not a partner in any partnership or in any joint venture.

3.20 No Material Misstatements. To the best of the Borrower's knowledge, no information, report, financial statement, exhibit or schedule furnished by or on behalf of the Borrower to the Agent or any Bank in connection with the negotiation of this Agreement or any Note or other Loan Document or included therein contains any misstatement of fact, or omitted or omits to state any fact necessary to make the statements therein not misleading, where such misstatement or omission would in the Borrower's judgment be material to the interests of the Banks with respect to the Borrower's performance of its obligations hereunder.

3.21 No Covered Entity is a Sanctioned Person. No Covered Entity, either in its own right or through any third party (a) has any of its assets in a Sanctioned Jurisdiction or in the possession, custody or control of a Sanctioned Person in violation of any Anti-Terrorism Law; (b) does business in or with, or derives any of its income from investments in or transactions with, any Sanctioned Jurisdiction or Sanctioned Person in violation of any Anti-Terrorism Law; or (c) engages in any dealings or transactions prohibited by any Anti-Terrorism Law. The Borrower has instituted and maintains policies and procedures designed to promote and achieve continued compliance with Anti-Terrorism Laws.

3.22 EEA Financial Institutions. The Borrower is not an EEA Financial Institution.

3.23 Anti-Corruption. Neither the Borrower nor any of its Subsidiaries, nor, to the knowledge of any Responsible Officer of the Borrower, any director, officer, agent, employee or other person acting on behalf of the Borrower or any of its Subsidiaries, has taken any action, directly or indirectly, that would result in a violation by such persons of the FCPA or any other applicable anti-corruption law; and the Borrower has instituted and maintains policies and procedures designed to promote and achieve continued compliance therewith.

3.24 Certificate of Beneficial Ownership. If the Borrower qualifies as a legal entity customer under the Beneficial Ownership Regulations, the Certificate of Beneficial Ownership for the Borrower executed and delivered to the Agent and the Banks on or prior to the date of this Agreement, as updated from time to time in accordance with this Agreement, is accurate, complete and correct as of the date hereof and as of the date any such update is delivered. The Borrower acknowledges and agrees that the Certificate of Beneficial Ownership is one of the Loan Documents.

All of the foregoing representations and warranties shall survive the execution and delivery of the Notes and the making by the Banks of the Loans hereunder.

SECTION 4. CONDITIONS PRECEDENT; CLOSING

4.1 Conditions to Closing. The agreement of each Bank to enter into this Agreement and make its initial Loan hereunder is subject to the satisfaction, immediately prior to or concurrently with such Loans, of the following conditions precedent:

(a) Loan Documents. The Agent shall have received (i) this Agreement, executed and delivered by a duly authorized officer of the Borrower, with a counterpart for each Bank, (ii) for the account of each Bank, a Revolving Credit Note conforming to the requirements hereof and executed by a duly authorized officer of the Borrower and (iii) for the account of the Swing Line Bank, the Swing Line Note conforming to the requirements hereof and executed by a duly authorized officer of the Borrower.

(b) Corporate Proceedings of the Borrower. The Agent shall have received a copy of the resolutions or other corporate proceedings or action, in form and substance satisfactory to the Agent, taken on behalf of the Borrower authorizing (i) the execution, delivery and performance of this Agreement, the Notes and the other Loan Documents to which it is a party, and (ii) the borrowings contemplated hereunder, certified by a Responsible Officer of the Borrower as of the Closing Date, which certificate shall state that such resolutions, or other proceedings or action thereby certified have not been amended, modified, revoked or rescinded and shall be in form and substance satisfactory to the Agent.

(c) Representations and Warranties True; No Default. The representations and warranties of the Borrower contained in Section 3 hereof shall be true and accurate on and as of the Closing Date in all material respects with the same effect as though such representations and warranties had been made on and as of such date (except representations and warranties which relate solely to an earlier date or time, which representations and warranties shall be true and correct on and as of the specific dates or times referred to therein), and the Borrower shall have performed and complied with all covenants and conditions hereof; and no Event of Default or Default under this Agreement shall have occurred and be continuing or shall exist.

(d) Corporate Documents. The Agent shall have received, with a counterpart for each Bank, true and complete copies of (i) the articles of incorporation and bylaws of the Borrower, certified as of the Closing Date as complete and correct copies thereof by a Responsible Officer of the Borrower; and (ii) good standing certificates issued by the Secretaries of State (or the equivalent thereof) of each state in which the Borrower has been formed or is required to be qualified to transact business no earlier than thirty days prior to the Closing Date.

(e) Incumbency. The Agent shall have received a written certificate dated the Closing Date by a Responsible Officer of the Borrower as to the names and signatures of the officers of the Borrower authorized to sign this Agreement and the other Loan Documents. The Agent may conclusively rely on such certificate until it shall receive a further certificate by a Responsible Officer of the Borrower amending such prior certificate.

(f) Intentionally Omitted.

(g) Fees. The Borrower shall have paid or caused to be paid to the Agent (i) all Fees then due hereunder and (ii) all other fees and expenses due and payable hereunder on or before the Closing Date (if then invoiced), including without limitation the reasonable fees and expenses of counsel to the Agent.

(h) Legal Opinion. The Agent shall have received, with a counterpart for each Bank, the executed legal opinion of the General Counsel of the Borrower, addressed to the Banks and satisfactory in form and substance to the Agent and its counsel covering such matters incident to the transactions contemplated by this Agreement as the Agent may reasonably require. The Borrower hereby directs such counsel to deliver such opinion, upon which the Banks and the Agent may rely.

(i) No Material Adverse Change. There shall be no material adverse change in the business, operations, Property or financial or other condition of the Borrower nor any material change in the management of the Borrower or an event which would cause or constitute a Material Adverse Effect; and there shall be delivered to the Agent for the benefit of each Bank a certificate dated the Closing Date and signed on behalf of the Borrower by a Responsible Officer to each such effect.

(j) No Litigation. No action, proceeding, investigation, regulation or legislation shall have been instituted, or to the knowledge of the Borrower, threatened or proposed before any court, governmental agency or legislative body to enjoin, restrain or prohibit, or to obtain damages in respect of this Agreement or the consummation of the transactions contemplated hereby or which, in the Agent's sole discretion, would make it inadvisable to consummate the transactions contemplated by this Agreement.

(k) Evidence of Insurance. The Borrower shall have provided to each of the Banks copies of the evidence of insurance required by subsection 5.5(b).

(l) Intentionally Omitted.

(m) Evidence of Regulatory Approval. The Borrower shall have provided to the Agent a copy of each and every authorization, permit, consent, and approval of and other actions by, and notice to and filing with, every Governmental Authority which is required to be obtained or made by the Borrower for the due execution, delivery and performance of this Agreement and the other Loan Documents, if any.

(n) Additional Documents. The Agent shall have received such additional documents, certificates and information as the Agent may require pursuant to the hereof or as the Agent may otherwise reasonably request.

4.2 Conditions to Each Loan. The agreement of each Bank to make any Loan requested to be made by it on any date (including, without limitation, the first such Loan hereunder) is subject to the satisfaction of the following conditions precedent:

(a) Representations and Warranties. Each of the representations and warranties made by the Borrower herein or which are contained in any certificate, document or financial or other statement furnished at any time under or in connection herewith or therewith shall be true and correct in all material respects on and as of such date as if made on and as of such date; provided, however, that for purposes of the representations in Section 3.1 hereof, the annual and quarterly financial information referred to in such Section shall be deemed to be the most recent such information furnished to each Bank.

(b) No Default. No Default or Event of Default shall have occurred and be continuing on such date or after giving effect to the Loans requested to be made on such date.

(c) No Contravention of Law. The making of the Loans shall not contravene any Requirement of Law applicable to the Borrower or any of the Banks.

Each borrowing by the Borrower hereunder shall constitute a representation and warranty by the Borrower as of the date of such Loan that the conditions contained in this Section 4.2 have been satisfied.

4.3 Closing. The closing (the “Closing”) of the transactions contemplated hereby shall take place at the offices of Ballard Spahr LLP, commencing at 10:00 a.m., Philadelphia time, on November 17, 2016 or such other place or date as to which the Agent, the Banks and the Borrower shall agree. The date on which the Closing shall be completed is referred to herein as the “Closing Date”.

4.4 Transitional Arrangements.

(a) On the Closing Date, without the necessity of any further action by any party, the outstanding principal amount of the “Revolving Credit Loans” (as defined in the Existing Credit Agreement) shall be converted and continued as Revolving Credit Loans hereunder as if made by the Banks under and pursuant to this Agreement in accordance with their respective Commitment Percentages and the Banks hereunder shall make such additional Revolving Credit Loans and receive such repayments, as the case may be, if and to the extent necessary to result in each Bank holding its respective Commitment Percentage of the outstanding Revolving Credit Loans as of the date hereof.

(b) This Agreement amends and restates the Existing Credit Agreement in its entirety, and is not intended as and shall not be deemed to constitute a novation or discharge of the obligations evidenced by, or any transactions consummated under, the Existing Credit Agreement or the other Loan Documents (as defined in the Existing Credit Agreement), all of which remain in full force and effect as amended and restated by this Agreement and the other Loan Documents. Notwithstanding the amendment and restatement of the Existing Credit Agreement by this Agreement, the Borrower shall continue to be liable to the Agent and those Banks party to the Existing Credit Agreement with respect to agreements on the part of the Borrower under the Existing Credit Agreement to pay all principal, interest, fees and other amounts that have accrued on or before the Closing Date (and have not been paid on or before such date) and to indemnify and hold harmless the Agent and such Banks from and against all claims, demands, liabilities, damages, losses, costs, charges and expenses to which the Agent and such Banks may be subject arising in connection with the Existing Credit Agreement and as to which the Borrower has agreed under the Existing Credit Agreement to indemnify and hold harmless the Agent and such Banks.

SECTION 5. AFFIRMATIVE COVENANTS

The Borrower hereby agrees that, so long as the Commitments remain in effect, any Note remains outstanding and unpaid, or any other amount is owing to any Bank or the Agent hereunder, the Borrower shall:

5.1 Financial Statements. Furnish to each Bank (i) within 60 days after the end of each of the first three fiscal quarters of each fiscal year a consolidated balance sheet of the Borrower and its Subsidiaries as of the end of each such fiscal quarter and statements of income for the period from the beginning of such fiscal year to the end of such fiscal quarter, and (ii) within 120 days after the end of each fiscal year a consolidated balance sheet of the Borrower and its Subsidiaries as of the end of each fiscal year and statements of income, statements of retained earnings and cash flow for such fiscal year. All financial statements will be prepared in accordance with GAAP applied on a basis consistently maintained throughout the period involved and with the prior periods, such annual financial statements to be certified by independent certified public accountants selected by the Borrower and reasonably acceptable to the Agent, without (x) any exception or qualification arising out of the restricted or limited nature of the examination made by such accountants or (y) a “going concern” or like qualification, exception or emphasis (other than any qualification, exception or emphasis with respect to or resulting from an upcoming scheduled final maturity of any Debt or associated with a financial covenant).

5.2 Certificates; Other Information. Furnish to each Bank:

(a) concurrently with the delivery of the financial statements referred to in subsection 5.1, a certificate on behalf of the Borrower executed by a Responsible Officer, (i) showing in detail the calculations supporting such statements in respect of Section 6.1; and (ii) stating that, to the best of his or her knowledge, the Borrower during such period has kept, observed, performed and fulfilled each and every covenant and condition contained in this Agreement and in the Notes and the other Loan Documents applicable to it and that he or she obtained no knowledge of any Default or Event of Default except as specifically indicated;

(b) on or prior to February 15 of each fiscal year, a budgeted balance sheet, income statement and statement of cash flow for the current fiscal year; and

(c) promptly, such additional financial and other information as any Bank or the Agent may from time to time reasonably request.

5.3 Payment of Obligations. Pay, discharge or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, all its obligations of whatever nature, except (x) in the case of indebtedness other than that described in subsection 7.1(f), when the amount or validity thereof is currently being contested in good faith by appropriate proceedings and reserves in conformity with GAAP with respect thereto have been provided on the books of the Borrower or (y) where the failure so to pay such indebtedness is in the normal course of the Borrower’s business as now conducted and would not have a Material Adverse Effect.

5.4 Conduct of Business and Maintenance of Existence. Subject to Section 6.4 hereof, continue to engage in business of the same general type as now conducted by it and, except to the extent that failure to do so would not have a Material Adverse Effect, preserve,

renew and keep in full force and effect its corporate existence and take all reasonable action to maintain all rights, privileges, trademarks, trade names, licenses, franchises and other authorizations necessary or desirable in the normal conduct of its business; comply with all Contractual Obligations and Requirements of Law except to the extent that failure to comply therewith would not reasonably be expected to have, in the aggregate, a Material Adverse Effect.

5.5 Maintenance of Property; Insurance. (a) Maintain in good repair, working order and condition (ordinary wear and tear excepted) in accordance with the general practice of other businesses of similar character and size, all of those properties material or necessary to its business, and from time to time make or cause to be made all appropriate repairs, renewals or replacements thereof; provided, however, that this Section shall not prevent the Borrower from discontinuing the operation and the maintenance of any of its properties if such discontinuance is desirable in the conduct of its business and the Borrower has concluded that such discontinuance would not, individually or in the aggregate, have a Material Adverse Effect on its business, operations, affairs, financial condition, property or assets, taken as a whole.

(a) Insure its properties and assets against loss or damage by fire and such other insurable hazards as such assets are commonly insured (including fire, extended coverage, property damage, worker's compensation, public liability and business interruption insurance) and against other risks (including errors and omissions) in such amounts as similar properties and assets are insured by prudent companies in similar circumstances carrying on similar businesses, and with reputable and financially sound insurers, including self-insurance to the extent customary. The Borrower shall deliver at the request of the Agent from time to time a summary schedule indicating all insurance then in force with respect to the Borrower.

5.6 Inspection of Property; Books and Records; Discussions. (a) Permit any of the officers or authorized employees or representatives of the Agent or any of the Banks to visit and inspect during normal business hours any of its properties and to examine and make excerpts from its books and records and discuss its business affairs, finances and accounts (including those of its Affiliates) with its officers, all in such detail and at such times and as often as any of the Banks may reasonably request, provided that each Bank shall provide the Borrower and the Agent with reasonable notice prior to any visit or inspection. In the event Required Banks desire to conduct an audit of the Borrower (to which the Borrower hereby consents), such Banks shall make a reasonable effort to conduct such audit contemporaneously with any audit to be performed by the Agent.

(a) Maintain and keep proper books of record and account which enable the Borrower and the Parent Company to issue financial statements in accordance with GAAP and as otherwise required by applicable Requirements of Law, and in which full, true and correct entries shall be made in all material respects of all its dealings and business and financial affairs.

5.7 Notices. Promptly, upon the Borrower becoming aware, give notice to the Agent and each Bank of:

(a) the occurrence of any Default or Event of Default;

(b) any (i) default or event of default under any Contractual Obligation of the Borrower, including, without limitation, the Indenture, or (ii) litigation, investigation or proceeding which may exist at any time between the Borrower and any Governmental Authority, which in either case, if not cured or if adversely determined, as the case may be, would have a Material Adverse Effect;

(c) any litigation or proceeding which, if adversely determined, would have a Material Adverse Effect;

(d) the following events, as soon as possible and in any event within 30 days after the Borrower knows or has reason to know thereof: (i) the occurrence of any Reportable Event with respect to any Single Employer Plan which presents a material risk of termination of the Plan by the PBGC, (ii) any withdrawal from, or the termination, Reorganization or Insolvency of any Multiemployer Plan, (iii) the adjusted funding target attainment percentage (within the meaning of Section 436(j)(2) of the Code) with respect to any Single Employer Plan maintained by the Borrower or a Commonly Controlled Entity is certified by the Single Employer Plan's actuary to be less than eighty percent (80%) or deemed by operation of Section 436 of the Code in the absence of such certification to be less than eighty percent (80%), or (iv) the institution of proceedings or the taking of any action by the PBGC or the Borrower or any Commonly Controlled Entity or any Multiemployer Plan with respect to the termination of any Single Employer Plan in a distress termination under Section 4041(c) of ERISA or the withdrawal from or the termination, Reorganization or Insolvency, of any Multiemployer Plan;

(e) an event which has had a Material Adverse Effect;

and

(f) the occurrence of a Reportable Compliance Event.

Each notice pursuant to this subsection shall be accompanied by a statement of the Borrower, executed on its behalf by a Responsible Officer, setting forth details of the occurrence referred to therein and stating what action the Borrower proposes to take with respect thereto.

5.8 Environmental Laws. (a) Comply with, and require compliance by all tenants and to the extent possible, all subtenants, if any, with, all Environmental Laws and obtain and comply with and maintain, and require that all tenants and to the extent possible, all subtenants obtain and comply with and maintain, any and all licenses, approvals, registrations or permits required by Environmental Laws except to the extent that failure to so comply or obtain or maintain such documents would not have a Material Adverse Effect.

(b) Except as set forth in Schedule 3.13, comply with all lawful and binding orders and directives of all Governmental Authorities respecting Environmental Laws except to the extent that failure to so comply would not have a Material Adverse Effect.

(c) Defend, indemnify and hold harmless the Agent and the Banks, and their respective employees, agents, officers and directors, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs and expenses of whatever kind or nature known or unknown, contingent or otherwise, arising out of, or in any way relating to the violation of, noncompliance with or liability arising under any Environmental Laws

applicable to the real property owned or operated by or the operations of the Borrower, or any orders, requirements or demands of Governmental Authorities related thereto, including, without limitation, attorneys' and consultants' fees, investigation and laboratory fees, court costs and litigation expenses, except to the extent that any of the foregoing arise out of the negligence or willful misconduct of any of the foregoing enumerated parties.

5.9 Taxes. Pay when due all taxes, assessments and governmental charges imposed upon it or any of its properties or that it is required to withhold and pay over, except where contested in good faith and where adequate reserves have been set aside to the extent required under GAAP.

5.10 Covenants of the Indenture. Comply at all times with the covenants contained in the Indenture, as last supplemented by the Supplemental Indenture, without regard to any amendment of or supplement to the Indenture occurring after July 27, 2023.

5.11 Guarantees of Obligations. It is the intent of the parties hereto that all of the obligations of the Borrower hereunder shall be unconditionally guaranteed by all of its Material Subsidiaries to the maximum extent permitted under any Requirement of Law applicable to any such Material Subsidiary. Accordingly, in the event that any Material Subsidiary shall be formed, acquired or come into existence after the date hereof then the Borrower will cause such Material Subsidiary to (i) execute and deliver a Guaranty Agreement in form and substance satisfactory to the Agent pursuant to which such Material Subsidiary will become a "Guarantor" hereunder, and guarantee the obligations of the Borrower hereunder and under the Notes and other Loan Documents and (ii) deliver such proof of corporate or other action, incumbency of officers, opinions of counsel and other documents as is consistent with those delivered by the Borrower pursuant to Section 4.1 on the Closing Date or as the Agent shall have reasonably requested.

5.12 Anti-Money Laundering/International Trade Law Compliance. No Covered Entity will become a Sanctioned Person. No Covered Entity, either in its own right or through any third party, will (a) have any of its assets in a Sanctioned Jurisdiction or in the possession, custody or control of a Sanctioned Person in violation of any Anti-Terrorism Law; (b) do business in or with, or derive any of its income from investments in or transactions with, any Sanctioned Jurisdiction or Sanctioned Person in violation of any Anti-Terrorism Law; (c) engage in any dealings or transactions prohibited by any Anti-Terrorism Law, (d) directly or indirectly provide, use, or make available to the proceeds of any Loan hereunder (i) to fund or facilitate any operations in, finance any investments or activities in, or make any payments to, a Sanctioned Jurisdiction or Sanctioned Person, (ii) in any manner that could result in a violation by any Person (including the Agent, any Bank, underwriter, advisor, investor, or otherwise) of Anti-Corruption Law, Anti-Terrorism Laws or International Trade Law, or (iii) in violation of any applicable Law or International Trade Law, including, without limitation, any applicable Anti-Corruption Law, Anti-Terrorism Law or International Trade Law or (e) become a Sanctioned Person. The funds used to repay the Loans will not be derived from any unlawful activity or be Blocked Property. Each Covered Entity shall comply with all Anti-Terrorism Laws. The Borrower shall promptly notify the Agent in writing upon the occurrence of a Reportable Compliance Event. As used herein, the term "Blocked Property" means any property: (a) owned, directly or indirectly, by a Sanctioned Person; (b) due to or from a Sanctioned Person; (c) in

which a Sanctioned Person otherwise holds any interest; (d) located in a Sanctioned Jurisdiction; or (e) that otherwise could cause any actual or possible violation by the Banks or the Agent of any applicable International Trade Law if the Banks or the Agent were to obtain an encumbrance on, lien on, pledge of, or security interest in such property, or provide services in consideration of such property.

5.13 Certificate of Beneficial Ownership and Other Additional Information. The Borrower shall provide to the Agent and the Banks: (i) confirmation of the accuracy of the information set forth in the most recent Certificate of Beneficial Ownership, if any, provided to the Agent and the Banks; (ii) if applicable, a new Certificate of Beneficial Ownership when the individual(s) to be identified as a Beneficial Owner have changed; and (iii) such other information and documentation as may reasonably be requested by the Agent or any Bank from time to time for purposes of compliance by the Agent or such Bank with applicable Laws (including without limitation the USA Patriot Act and other “know your customer” and anti-money laundering rules and regulations), and any policy or procedure implemented by the Agent or such Bank to comply therewith.

SECTION 6. NEGATIVE COVENANTS

The Borrower hereby agrees that, so long as the Commitments remain in effect, any Note remains outstanding and unpaid or any other amount is owing to any Bank or the Agent hereunder, the Borrower shall not directly or indirectly:

6.1 Financial Covenants.

(a) Equity to Capital Ratio. Permit as of the end of any fiscal quarter the Equity to Capital Ratio to be less than thirty eight percent (38%).

(b) Interest Coverage Ratio. Permit as of the end of any fiscal quarter the Interest Coverage Ratio to be less than 1.8 to 1.

6.2 Limitation on Certain Debt. Except for the Loans and Commitments under the Loan Documents and the Term Loan Facilities, at any time enter into, assume or suffer to exist lines of credit or comparable extensions of credit from one or more commercial banks (or their Affiliates) under which the Borrower has incurred or may incur aggregate Debt in excess of \$15,000,000.

6.3 Limitation on Liens. Create, incur, assume or suffer to exist any Lien upon any of its property, assets or revenues, including, without limitation, the stock of its Subsidiaries, whether now owned or hereafter acquired, except for:

(a) The following, (i) if the validity or amount thereof is being contested in good faith by appropriate and lawful proceedings diligently conducted so long as levy and execution thereon have been stayed and continue to be stayed or (ii) if a final judgment is entered and such judgment is discharged within thirty (30) days of entry, and in either case they do not materially impair the ability of the Borrower to perform its obligations hereunder or under the other Loan Documents:

(A) Claims or Liens for taxes, assessments or charges due and payable and subject to interest or penalty, provided that the Borrower maintains such reserves or other appropriate provisions as shall be required by GAAP and pays all such taxes, assessments or charges forthwith upon the commencement of proceedings to foreclose any such Lien;

(B) Claims, Liens or encumbrances upon, and defects of title to, real or personal property including any attachment of personal or real property or other legal process prior to adjudication of a dispute on the merits; and

(C) Claims or Liens of mechanics, materialmen, warehousemen, carriers, or other statutory nonconsensual Liens;

(b) pledges or deposits in connection with workers' compensation, unemployment insurance and other social security legislation;

(c) deposits to secure the performance of bids, trade contracts (other than for borrowed money), leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business of the Borrower;

(d) easements, rights-of-way, restrictions and other similar encumbrances incurred in the ordinary course of business which, in the aggregate, are not substantial in amount and which do not interfere with the ordinary conduct of the business of the Borrower;

(e) Liens which were in existence on the date hereof and shown on Schedule 6.3 and replacements, extensions or replacements thereof;

(f) Liens on assets acquired by the Borrower in acquisitions permitted by Section 6.6 (which liens were in existence at the time of such acquisitions);

(g) Liens upon real property, which property was acquired after the Closing Date by the Borrower, each of which Liens existed on such property before the time of its acquisition or was created to finance, refinance or refund the cost (including the cost of construction) of the respective property; provided, however, that no such Lien shall extend to or cover any accounts receivable or inventory under any circumstances or any property of the Borrower other than the respective property so acquired and improvements thereon, and the principal amount of indebtedness secured by any such Lien shall not exceed the fair market value of the respective property at the time it was acquired;

(h) Capital Leases as and to the extent permitted under this Agreement;

(i) purchase money security interests on capital equipment purchased in the ordinary course of business;

(j) Liens granted to secure indebtedness permitted by Section 6.2(vii) to the extent such Liens are also permitted under the Indenture;

(k) the Lien of the Indenture and other Liens in connection with the issuance of industrial revenue bonds or pollution control bonds, to the extent such Liens are permitted under the Indenture; and

(l) in addition to the Liens permitted by the preceding subparagraphs (a) through (k), inclusive, of this Section 6.3, Liens securing Debt of the Borrower provided that the aggregate principal amount of Debt secured by Liens pursuant to this Section 6.3(l) shall not exceed \$10,000,000.

6.4 Limitations on Fundamental Changes. Enter into any merger, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or convey, sell, lease, assign, transfer or otherwise dispose of, all or substantially all of its property, business or assets except:

(a) the Borrower may merge into the Parent Company, so long as the Parent Company is the surviving entity;

(b) any corporation or limited liability company (other than the Parent Company) may be merged or consolidated with or into the Borrower (provided that the Borrower shall be the continuing or surviving corporation); and

(c) a merger in connection with a Permitted Acquisition in accordance with Section 6.6 in which the surviving entity is the Borrower;

provided that, immediately after each such transaction and after giving effect thereto, the Borrower is in compliance with this Agreement and no Default or Event of Default shall be in existence or result from such transaction.

6.5 Limitation on Sale of Assets. Convey, sell, lease, assign, transfer or otherwise dispose of any of its property, business or assets (including, without limitation, accounts receivable and leasehold interests), whether now owned or hereafter acquired, except:

(i) obsolete or worn out property disposed of in the ordinary course of business;

(ii) the sale of inventory or other assets, or the licensing of intellectual property, in each case in the ordinary course of business;

(iii) any sale, transfer or lease of assets (i) which are replaced by like-kind assets or (ii) the proceeds of the sale of which are used within one-hundred and twenty (120) days of such sale to purchase like-kind assets;

(iv) any sale, transfer or lease of assets the proceeds of the sale of which are used to permanently reduce the Commitments; and

(v) in addition to the above subsections 6.5(i) through 6.5(iv), inclusive, any such conveyances, sales, leases, assignments, transfers or other disposals, the aggregate amount of which for any fiscal year does not exceed 5% of the Borrower's Consolidated Shareholders' Equity as at the end of the immediately preceding fiscal year.

6.6 Limitations on Acquisitions. Purchase, hold or acquire beneficially any stock, other securities or evidences of indebtedness of, or make or permit any investment or acquire any interest whatsoever in, any other Person, except for Permitted Acquisitions.

6.7 Limitation on Distributions and Investments. (a) At any time make (or incur any liability to make) or pay any Distribution in respect of the Borrower (other than a Distribution payable to the Parent Company); provided, however, that as of the declaration date of any such Distribution and after giving effect to the declaration or payment of any such Distribution no Default or Event of Default would exist; or

(a) Make any Investments other than Permitted Investments.

6.8 Transactions with Affiliates. Except as expressly permitted in this Agreement, directly or indirectly enter into any transaction or arrangement whatsoever or make any payment to or otherwise deal with any Affiliate (other than transactions among the Borrower and its Subsidiaries not involving any other Affiliate of the Borrower), except, as to all of the foregoing in the ordinary course of and pursuant to the reasonable requirements of the Borrower's business and upon fair and reasonable terms not materially less favorable to the Borrower than would be obtained in a comparable arm's length transaction with a Person not an Affiliate of the Borrower.

6.9 Sale and Leaseback. Except if reasonably contemporaneous with the Borrower's purchase, enter into any arrangement with any Person providing for the leasing by the Borrower of real or personal property which has been or is to be sold or transferred by the Borrower to such Person or to any other Person to whom funds have been or are to be advanced by such Person on the security of such property or rental obligations of the Borrower.

6.10 Fiscal Year. Permit its Fiscal Year to end on a day other than December 31.

6.11 Continuation of or Change in Business. Discontinue any substantial part, or change the nature of, the existing business activities of the Borrower, or engage in any business either directly or through any Subsidiary except for businesses in which the Borrower is engaged on the date of this Agreement and any business activities directly related, similar or incidental or ancillary to such existing businesses.

SECTION 7. EVENTS OF DEFAULT

7.1 Events of Default. If any of the following events shall occur and be continuing:

(a) The Borrower shall fail to pay when due any principal of any Note, or shall fail to pay within five (5) days after the date when due any interest, Fees or other amount payable hereunder; or

(b) Any representation or warranty made or deemed made by the Borrower or any Guarantor herein or in any other Loan Document or which is contained in any certificate, document or financial or other statement furnished at any time under or in connection with this Agreement shall prove to have been incorrect in any material respect on or as of the date made or deemed made; or

(c) The Borrower shall default in the observance or performance of any agreement contained in Section 5.12 or in Section 6 or any representation or warranty contained in Section 3.21 is or becomes false or misleading at any time; or

(d) The Borrower or any Guarantor shall default in the observance or performance of any other agreement contained in this Agreement (other than as provided in paragraphs (a), (b) or (c) of this Section 7.1) or any other Loan Document, and such default shall continue unremedied for a period of thirty (30) days after notice of such default is given by the Agent; or

(e) One or more judgments or decrees shall be entered against the Borrower or any Guarantor involving in the aggregate a liability (not paid or fully covered by insurance) of \$10,000,000 or more and all such judgments or decrees shall not have been vacated, discharged, settled, satisfied or paid, or stayed or bonded pending appeal, within thirty (30) days from the entry thereof; or

(f) The Borrower shall (i) default in the payment of any amount due under any Debt of the Borrower in excess of \$10,000,000 in the aggregate (other than the Notes), beyond the period of grace, if any, provided in the instrument or agreement under which such Debt was created; or (ii) default in the observance or performance of any other agreement contained in any such Debt or in any instrument or agreement evidencing, securing or relating thereto beyond any applicable notice and grace period, or any other event shall occur the effect of which default or other event is to cause, or to permit the holder or holders or beneficiary or beneficiaries of such Debt (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause such Debt to become due and payable prior to its stated maturity or any such Debt is declared to be due and payable prior to its stated maturity unless such default, event or declaration referred to in this subparagraph (ii) is waived or cured to the satisfaction of such other party as demonstrated to the satisfaction of the Agent by the Borrower prior to the Agent taking any action under Section 7.2 in respect of such occurrence; or

(g) (i) The Borrower or any Guarantor shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts, or (B) seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its assets, or the Borrower or any Guarantor shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against the Borrower or any Guarantor any case, proceeding or other action of a nature referred to in clause (i) above which (A) results in the entry of an order for relief or any such adjudication or appointment or (B) remains undismissed,

undischarged or unbonded for a period of sixty (60) days; or (iii) there shall be commenced against the Borrower or any Guarantor any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process on a claim in excess of \$10,000,000 against all or any substantial part of its assets which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within sixty (60) days from the entry thereof; or (iv) the Borrower or any Guarantor shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii), or (iii) above; or (v) the Borrower or any Guarantor shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due; or

(h) (i) Any Person shall engage in any “prohibited transaction” (as defined in Section 406 of ERISA or Section 4975 of the Code) involving any Plan, (ii) the adjusted target attainment percentage (within the meaning of Section 436(j)(2) of the Code) with respect to any Single Employer Plan maintained by the Borrower or Commonly Controlled Entity is certified by the Single Employer Plan’s actuary to be less than eighty percent (80%) or deemed by operation of Section 436 of the Code in the absence of such certification to be less than eighty percent (80%), (iii) a Reportable Event shall occur with respect to, or proceedings shall commence to have a trustee appointed, or a trustee shall be appointed, to administer or to terminate, any Single Employer Plan, which Reportable Event or institution of proceedings is, in the reasonable opinion of the Required Banks, likely to result in the termination by action of the PBGC or any court of such Single Employer Plan for purposes of Title IV of ERISA, (iv) any Single Employer Plan, if any, shall terminate for purposes of Title IV of ERISA, or (v) the Borrower or a Commonly Controlled Entity should completely or partially withdraw from a Multiemployer Plan; and in each case in clauses (i) through (v) above, such event or condition, together with all other such events or conditions, if any, could reasonably be expected to have a Material Adverse Effect; or

(i) Any change in control of the Borrower shall occur (as used herein, the term “change in control” means either (A) any change in ownership of any class of stock or capital stock generally of the Borrower which would result in a change or transfer in the power to control the election of a majority of the board of directors or in other indicia of majority voting control to persons or entities other than those persons who have such majority voting control on the Closing Date or (B) a decrease in such persons’ right to vote at shareholders’ meetings to an aggregate level less than 51%); or

(j) Any of the Loan Documents shall cease to be legal, valid and binding agreements enforceable against the party executing the same or such party’s successors and assigns (as permitted under the Loan Documents) in accordance with the respective terms thereof or shall in any way be terminated (except in accordance with its terms) or become or be declared ineffective or inoperative or shall in any way be challenged and thereby deprive or deny the Banks and the Agent the intended benefits thereof or they shall thereby cease substantially to have the rights, titles, interests, remedies, powers or privileges intended to be created thereby; or

(k) A notice of lien or assessment in excess of \$2,000,000 is filed of record with respect to all or any part of the Borrower’s or any Guarantor’s assets having a value of at least that amount by the United States, or any department, agency or instrumentality

thereof, or by any state, county, municipal, or other governmental agency, including, without limitation, the PBGC, becomes payable and the same is not paid, vacated, bonded or stayed pending appeal within thirty (30) days after the same becomes payable; or

(l) The Borrower ceases to be Solvent; or

(m) Except as otherwise permitted in this Agreement, the Borrower ceases to conduct its business as contemplated or the Borrower is enjoined, restrained or in any way prevented by court order from conducting all or any material part of its business so as to cause or result in a Material Adverse Effect, and such injunction, restraint or other preventive order is not dismissed within thirty (30) days after the entry thereof.

7.2 Remedies. (a) If an Event of Default specified under subsections 7.1(a) through (f) or (h) through (m) shall occur and be continuing, the Banks shall be under no further obligation to make Loans hereunder, and the Agent upon the request of the Required Banks shall by written notice to the Borrower, terminate the Commitments and the Swing Line Commitment and/or declare the unpaid principal amount of the Notes then outstanding and all interest accrued thereon, any unpaid fees and all other obligations of the Borrower to the Banks hereunder and thereunder to be forthwith due and payable, and the same shall thereupon become and be immediately due and payable to the Agent for the benefit of each Bank without presentment, demand, protest or any other notice of any kind, all of which are hereby expressly waived.

(a) If an Event of Default specified under subsections 7.1(g) hereof shall occur, the Commitments and the Swing Line Commitment shall immediately terminate and the Banks shall be under no further obligations to make Loans hereunder, and the unpaid principal amount of the Notes then outstanding and all interest accrued thereon, any unpaid fees and all other obligations of the Borrower to the Banks hereunder and thereunder shall be immediately due and payable, without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived.

(b) If an Event of Default shall occur and be continuing, any Bank to whom any obligation is owed by the Borrower hereunder or under any other Loan Document or any participant of such Bank which has agreed in writing to be bound by the provisions of Section 9.6 hereof and any branch, subsidiary or Affiliate of such Bank or Participant shall have the right, in addition to all other rights and remedies available to it, without notice to the Borrower, to set off against and apply to the then unpaid balance of all the Loans and all other obligations of the Borrower hereunder or under any other Loan Document any debt owing to, and any other funds held in any manner for the account of, the Borrower by such Bank or participant or by such branch, Subsidiary or Affiliate, including, without limitation, all funds in all deposit accounts (whether time or demand, general or special, provisionally credited or finally credited, or otherwise) now or hereafter maintained by the Borrower for its own account (but not including funds held in custodian or trust accounts or other accounts established solely for the benefit of parties other than the Borrower) with such Bank or Participant or such branch, Subsidiary or Affiliate. Such right shall exist whether or not any Bank or the Agent shall have made any demand under this Agreement or any other Loan Document, whether or not such debt owing to or funds held for the account of the Borrower is or are matured or unmatured and

regardless of the existence or adequacy of any collateral, guaranty or any other security, right or remedy available to any Bank or the Agent.

(c) Notwithstanding any provision herein to the contrary or in the other Loan Documents, any proceeds received by the Agent from any payment made by the Borrower under this Agreement or the other Loan Documents after the Commitments and the Swing Line Commitment have been terminated, or received by the Agent from the foreclosure, sale, lease, collection upon, realization of or other disposition of any collateral which may have been provided to the Agent for the obligations of the Borrower hereunder after the Commitments and the Swing Line Commitment have been terminated (including without limitation insurance proceeds), shall be applied by the Agent as follows, unless otherwise agreed by all the Banks:

(i) first, to reimburse the Agent for out-of-pocket costs, expenses and disbursements, including without limitation reasonable attorneys' fees and legal expenses, incurred by the Agent in connection with collection of any obligations of the Borrower under any of the Loan Documents;

(ii) second, to accrued and unpaid interest on the Loans;

(iii) third, to the principal amount of the Loans then outstanding;

(iv) fourth, to fees payable under this Agreement or any of the other Loan Documents (ratably according to the respective amounts then outstanding);

(v) fifth, to the repayment of all other indebtedness then due and unpaid of the Borrower to the Banks incurred under this Agreement or any of the other Loan Documents, whether of principal, interest, fees, expenses or otherwise (ratably according to the respective amounts then outstanding); and

(vi) the balance, if any, as required by law.

(d) Each Bank agrees that (i) if at any time it shall receive the proceeds of any collateral or any proceeds thereof or (ii) if after the Commitments and the Swing Line Commitment have been terminated it shall receive any payment on account of the Loans or any other amounts owing hereunder or under the other Loan Documents (in either case other than through application by the Agent in accordance with subsection 7.2(d)), it shall promptly turn the same over to the Agent for application in accordance with the terms of subsection 7.2(d).

(e) In addition to the other rights and remedies contained in this Agreement or in the other Loan Documents, the Loans shall, at the Required Banks' option, bear the interest rates provided in Section 2.7 hereof.

(f) In addition to all of the rights and remedies contained in this Agreement or in any of the other Loan Documents, the Agent shall have all of the rights and remedies under applicable law, all of which rights and remedies shall be cumulative and non-exclusive, to the extent permitted by law. The Agent may, and upon the request of the

Required Banks shall, exercise all post-default rights granted to it and the Banks under the Loan Documents or applicable law.

SECTION 8. THE AGENT

8.1 Appointment. Each Bank hereby irrevocably designates and appoints PNC as the Agent of such Bank under this Agreement. Each such Bank irrevocably authorizes the Agent, as the agent for such Bank to take such action on its behalf under the provisions of this Agreement and to exercise such powers and perform such duties as are expressly delegated to the Agent by the terms of this Agreement, together with such other powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of the Agent and the Banks, and the Borrower shall not have rights as a third-party beneficiary of any of such provisions. It is understood and agreed that the use of the term “agent” herein or in any other Loan Documents (or any other similar term) with reference to the Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable Law. Instead such term is used as a matter of market custom and is intended to create or reflect only an administrative relationship between contracting parties. The Agent agrees to act as the Agent on behalf of the Banks to the extent provided in this Agreement.

8.2 Delegation of Duties. The Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Agent. The Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the facilities hereunder as well as activities as Agent. The Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and nonappealable judgment that the Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

8.3 Exculpatory Provisions. The Agent shall not have any duties or obligations except those expressly specified herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Agent:

(i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default or Event of Default has occurred and is continuing;

(ii) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Agent is required to exercise as directed in writing by the Required Banks (or such other number or percentage of the Banks as shall be expressly provided for herein or in the other Loan Documents); provided that the Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Agent to liability or that is contrary to any Loan Document or applicable Law, including for the avoidance of doubt any action that may be in violation

of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Bank in violation of any Debtor Relief Law; and

(iii) shall not, except as expressly specified herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the Person serving as the Agent or any of its Affiliates in any capacity.

(b) The Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Banks (or such other number or percentage of the Banks as shall be necessary, or as the Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 9.1 and 7.2), or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. The Agent shall be deemed not to have knowledge of any Default or Event of Default unless and until notice describing such Default or Event of Default is given to the Agent in writing by the Borrower or a Bank.

(c) The Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions specified herein or therein or the occurrence of any Default or Event of Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, or (v) the satisfaction of any condition specified in Article 4 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Agent.

8.4 Reliance by Agent. The Agent shall be entitled to rely, and shall be fully protected in relying, upon any Note, writing, resolution, notice, consent, certificate, affidavit, letter, cablegram, telegram, telecopy, telex or teletype message, statement, order or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including, without limitation, counsel to the Borrower), independent accountants and other experts selected by the Agent. The Agent may deem and treat the payee of any Note as the owner thereof for all purposes unless a written notice of assignment, negotiation or transfer thereof shall have been filed with the Agent. The Agent shall be fully justified in failing or refusing to take any action under this Agreement unless it shall first receive such advice or concurrence of the Required Banks as it deems appropriate or it shall first be indemnified to its satisfaction by the Banks against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. The Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement, the Notes and the other Loan Documents in accordance with a request of the Required Banks, and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Banks and all future holders of the Notes. In determining compliance with any condition hereunder to the making of a

Loan that by its terms must be fulfilled to the satisfaction of a Bank, the Agent may presume that such condition is satisfactory to such Bank unless the Agent shall have received notice to the contrary from Bank prior to the making of such Loan.

8.5 Notice of Default. The Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default hereunder unless it has received notice from a Bank or the Borrower referring to this Agreement, describing such Default or Event of Default and stating that such notice is a “notice of default”. In the event that the Agent receives such a notice, the Agent shall give notice thereof to the Banks. The Agent shall take such action with respect to such Default or Event of Default as shall be reasonably directed by the Required Banks; provided that unless and until the Agent shall have received such directions, the Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable in the best interests of the Banks.

8.6 Non-Reliance on Agent and Other Banks. Each Bank expressly acknowledges that neither the Agent nor any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates has made any representations or warranties to it and that no act by the Agent hereinafter taken, including any review of the affairs of the Borrower, shall be deemed to constitute any representation or warranty by the Agent to any Bank. Each Bank represents to the Agent that it has, independently and without reliance upon the Agent or any other Bank, and based on such documents and information as it has deemed appropriate, made its own appraisal of an investigation into the business, operations, property, financial and other condition and creditworthiness of the Borrower and made its own decision to make its Loans hereunder and enter into this Agreement. Each Bank also represents that it will, independently and without reliance upon the Agent or any other Bank, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Loan Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and creditworthiness of the Borrower. Except for notices, reports and other documents expressly required to be furnished to the Banks by the Agent hereunder, the Agent shall not have any duty or responsibility to provide any Bank with any credit or other information concerning the business, operations, property, condition (financial or otherwise), prospects or creditworthiness of the Borrower which may come into the possession of the Agent or any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates.

8.7 Indemnification. The Banks agree to indemnify the Agent in its capacity as such (to the extent not reimbursed by the Borrower and without limiting the obligation of the Borrower to do so), ratably according to their respective Commitment Percentages, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever which may at any time (including, without limitation, at any time following the payment of the Notes) be imposed on, incurred by or asserted against the Agent in any way relating to or arising out of this Agreement, the other Loan Documents, or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by the Agent under or in connection with any of the foregoing; provided that no Bank shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments,

suits, costs, expenses or disbursements resulting solely from the Agent's gross negligence or willful misconduct. The agreements in this Section 8.7 shall survive the payment of the Notes and all other amounts payable hereunder.

8.8 Agent in its Individual Capacity. The Agent and its Affiliates may make loans to, accept deposits from and generally engage in any kind of business with the Borrower as though it was not the Agent hereunder. With respect to its Loans made or renewed by it and any Note issued to it, the Agent shall have the same rights and powers under this Agreement as any Bank and may exercise the same as though it were not the Agent, and the terms "Bank" and "Banks" shall include the Agent in its individual capacity.

8.9 Successor Agent. The Agent may resign as Agent upon sixty (60) days' notice to the Banks and the Borrower. If such Agent shall resign as Agent under this Agreement, then the Required Banks shall appoint from among the Banks a successor agent for the Banks, which appointment shall be subject to the approval of the Borrower (which approval shall not be unreasonably withheld), whereupon such successor agent shall succeed to the rights, powers and duties of an Agent, and the term "Agent" shall mean such successor agent effective upon its appointment, and the former Agent's rights, powers and duties as Agent shall be terminated, without any other or further act or deed on the part of such former Agent or any of the parties to this Agreement or any holders of the Notes. After any retiring Agent's resignation as Agent, the provisions of this Section 8.9 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Agent under this Agreement.

8.10 Beneficiaries. Except as expressly provided herein, the provisions of this Section 8 are solely for the benefit of the Agent and the Banks, and the Borrower shall not have any rights to rely on or enforce any of the provisions hereof. In performing their functions and duties under this Agreement the Agent shall act solely as agent of the Banks and does not assume and shall not be deemed to have assumed any obligation toward or relationship of agency or trust with or for the Borrower.

8.11 USA Patriot Act; No Reliance on Agent's Customer Identification Program.
(a) Each Bank or assignee or participant of a Bank that is not incorporated under the laws of the United States of America or a state thereof (and is not excepted from the certification requirement contained in Section 313 of the USA Patriot Act and the applicable regulations because it is both (a) an Affiliate of a depository institution or foreign bank that maintains a physical presence in the United States or foreign country, and (b) subject to supervision by a banking authority regulating such affiliated depository institution or foreign bank) shall deliver to the Agent the certification, or, if applicable, recertification, certifying that such Bank is not a "shell" and certifying to other matters as required by Section 313 of the USA Patriot Act and the applicable regulations: (i) within 10 days after the Closing Date, and (ii) at such other times as are required under the USA Patriot Act.

(b) Each Bank acknowledges and agrees that neither such Bank, nor any of its Affiliates, participants or assignees, may rely on the Agent to carry out such Bank's, Affiliate's, participant's or assignee's customer identification program, or other obligations required or imposed under or pursuant to the USA Patriot Act or the regulations thereunder, including the regulations contained in 31 CFR 103.121 (as hereafter amended or replaced, the

“CIP Regulations”), or any other Anti-Terrorism Law, including any programs involving any of the following items relating to or in connection with the Borrower, its Affiliates or their agents, the Loan Documents or the transactions hereunder or contemplated hereby: (i) any identity verification procedures, (ii) any recordkeeping, (iii) comparisons with government lists, (iv) customer notices or (v) other procedures required under the CIP Regulations or such other Anti-Terrorism Laws.

8.12 ERISA Matters.

(a) Each Bank (x) represents and warrants, as of the date such Person became a Bank party hereto, to, and (y) covenants, from the date such Person became a Bank party hereto to the date such Person ceases being a Bank party hereto, for the benefit of, Agent and their Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower, that at least one of the following is and will be true:

(i) such Bank is not using “plan assets” (within the meaning of 29 CFR § 2510.3-101, as modified by Section 3(42) of ERISA or otherwise) of one or more Plans with respect to such Bank’s entrance into, participation in, administration of and performance of the Loans or the Commitments,

(ii) the transaction exemption set forth in one or more Prohibited Transaction Exemptions (“PTEs”), such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Bank’s entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement,

(iii) (A) such Bank is an investment fund managed by a “Qualified Professional Asset Manager” (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Bank to enter into, participate in, administer and perform the Loans, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Bank, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Bank’s entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Agent, in its sole discretion, and such Bank.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding Section 8.12(a) is true with respect to a Bank or (2) a Bank has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding Section 8.12(a), such Bank further (x) represents and warrants, as of the date such Person became a Bank party hereto, and (y) covenants, from the date such Person became a Bank party hereto to the date such Person ceases being a Bank party hereto, for the benefit of, the Agent and their Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower, that:

(i) none of the Agent or any of their Affiliates is a fiduciary with respect to the assets of such Bank involved in such Bank's entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Agent under this Agreement, any Loan Document or any other documents related hereto or thereto),

(ii) the Person making the investment decision on behalf of such Bank with respect to the entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement is capable of evaluating investment risks independently, both in general and with regard to particular transactions and investment strategies (including in respect of the Loans),

(iii) the Person making the investment decision on behalf of such Bank with respect to the entrance into, participation in, administration of and performance of the Loans, the Commitments and this Agreement is a fiduciary under ERISA or the Code, or both, with respect to the Loans, the Commitments and this Agreement and is responsible for exercising independent judgment in evaluating the transactions hereunder, and

(iv) no fee or other compensation is being paid directly to the Agent or any of their Affiliates for investment advice (as opposed to other services) in connection with the Loans, the Commitments or this Agreement.

The Agent hereby informs the Banks that each such Person is not undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the transactions contemplated hereby, and that such Person has a financial interest in the transactions contemplated hereby in that such Person or an Affiliate thereof (i) may receive interest or other payments with respect to the Loans, the Commitments and this Agreement, (ii) may recognize a gain if it extended the Loans, or the Commitments for an amount less than the amount being paid for an interest in the Loans or the Commitments by such Bank or (iii) may receive fees or other payments in connection with the transactions contemplated hereby, the Loan Documents or otherwise, including structuring fees, commitment fees, arrangement fees, facility fees, upfront fees, underwriting fees, ticking fees, agency fees, administrative agent or collateral agent fees, utilization fees, minimum usage fees, letter of credit fees, fronting fees, deal-away or alternate transaction fees, amendment fees, processing fees, term out premiums, banker's acceptance fees, breakage or other early termination fees or fees similar to the foregoing.

8.13 Erroneous Payments.

(a) If the Agent notifies a Bank or any Person who has received funds on behalf of a Bank (any such Bank or other recipient, a "Payment Recipient") that the Agent has determined in its sole discretion (whether or not after receipt of any notice under immediately succeeding clause (b)) that any funds received by such Payment Recipient from the Agent or any of its Affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Bank or other Payment Recipient on its behalf) (any such funds, whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an "Erroneous Payment") and demands the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of the Agent, and such Bank shall (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to) promptly, but in no event later than two Business Days thereafter, return to the Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Agent in same day funds at the greater of the Overnight Bank Funding Rate and a rate determined by the Agent in accordance with banking industry rules on interbank compensation from time to time in effect. A notice of the Agent to any Payment Recipient under this clause (a) shall be conclusive, absent manifest error.

(b) Without limiting immediately preceding clause (a), each Bank, or any Person who has received funds on behalf of a Bank, hereby further agrees that if it receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from the Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment, prepayment or repayment sent by the Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Agent (or any of its Affiliates), or (z) that such Bank or other such recipient, otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part) in each case:

(i) (A) in the case of immediately preceding clauses (x) or (y), an error shall be presumed to have been made (absent written confirmation from the Agent to the contrary) or (B) an error has been made (in the case of immediately preceding clause (z)), in each case, with respect to such payment, prepayment or repayment; and

(ii) such Bank shall (and shall cause any other recipient that receives funds on its respective behalf to) promptly (and, in all events, within one Business Day of its knowledge of such error) notify the Agent of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying the Agent pursuant to this Section 8.13(b).

(c) Each Bank hereby authorizes the Agent to set off, net and apply any and all amounts at any time owing to such Bank under any Loan Document, or otherwise payable or distributable by the Agent to such Bank from any source, against any amount due to the Agent under immediately preceding clause (a) or under the indemnification provisions of this Agreement.

(d) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Agent for any reason, after demand therefor by the Agent in accordance with immediately preceding clause (a), from any Bank that has received such Erroneous Payment (or portion thereof) (and/or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its respective behalf) (such unrecovered amount, an “Erroneous Payment Return Deficiency”), upon the Agent’s notice to such Bank at any time, (i) such Bank shall be deemed to have assigned its Loans (but not its Commitments) of the relevant Class with respect to which such Erroneous Payment was made (the “Erroneous Payment Impacted Class”) in an amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Agent may specify) (such assignment of the Loans (but not Commitments) of the Erroneous Payment Impacted Class, the “Erroneous Payment Deficiency Assignment”) at par plus any accrued and unpaid interest (with the assignment fee to be waived by the Agent in such instance), and is hereby (together with the Borrower) deemed to execute and deliver an Assignment and Acceptance with respect to such Erroneous Payment Deficiency Assignment, and such Bank shall deliver any Notes evidencing such Loans to the Borrower or the Agent, (ii) the Agent as the assignee Bank shall be deemed to acquire the Erroneous Payment Deficiency Assignment, (iii) upon such deemed acquisition, the Agent as the assignee Bank shall become a Bank, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment and the assigning Bank shall cease to be a Bank hereunder with respect to such Erroneous Payment Deficiency Assignment, excluding, for the avoidance of doubt, its obligations under the indemnification provisions of this Agreement and its applicable Commitments which shall survive as to such assigning Bank and (iv) the Agent may reflect in the Register its ownership interest in the Loans subject to the Erroneous Payment Deficiency Assignment. The Agent may, in its discretion, sell any Loans acquired pursuant to an Erroneous Payment Deficiency Assignment and upon receipt of the proceeds of such sale, the Erroneous Payment Return Deficiency owing by the applicable Bank shall be reduced by the net proceeds of the sale of such Loan (or portion thereof), and the Agent shall retain all other rights, remedies and claims against such Bank (and/or against any recipient that receives funds on its respective behalf). For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Commitments of any Bank and such Commitments shall remain available in accordance with the terms of this Agreement. In addition, each party hereto agrees that, except to the extent that the Agent has sold a Loan (or portion thereof) acquired pursuant to an Erroneous Payment Deficiency Assignment, and irrespective of whether the Agent may be equitably subrogated, the Agent shall be contractually subrogated to all the rights and interests of the applicable Bank under the Loan Documents with respect to each Erroneous Payment Return Deficiency (the “Erroneous Payment Subrogation Rights”).

(e) The parties hereto agree that an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Loans or other obligations hereunder or under the other Loan Documents owed by the Borrower, except, in each case, to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is,

comprised of funds received by the Agent from the Borrower for the purpose of making such Erroneous Payment.

(f) To the extent permitted by applicable Law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Agent for the return of any Erroneous Payment received, including without limitation waiver of any defense based on “discharge for value” or any similar doctrine.

(g) Each party’s obligations, agreements and waivers under this Section 8.13 shall survive the resignation or replacement of the Agent, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Loans or other obligations hereunder or under the other Loan Documents (or any portion thereof) under any Loan Document.

8.14 No Advisory or Fiduciary Relationship. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower acknowledges and agrees, and acknowledges its Affiliates’ understanding, that: (a) (i) no fiduciary, advisory or agency relationship between the Borrower and its Subsidiaries and any arranger, any bookrunner, the Agent or any Bank is intended to be or has been created in respect of the transactions contemplated hereby or by the other Loan Documents, irrespective of whether any arranger, any bookrunner, the Agent, or any Bank has advised or is advising the Borrower or any Subsidiary on other matters, (ii) the arranging and other services regarding this Agreement provided by any arranger, any bookrunner, the Agent, and the Banks are arm’s-length commercial transactions between the Borrower and its Affiliates, on the one hand, and any arranger, any bookrunner, the Agent, and the Banks, on the other hand, (iii) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent that it has deemed appropriate and (iv) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; and (b) (i) each of any arranger, any bookrunner, the Agent, and the Banks is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Borrower or any of its Affiliates, or any other Person; (ii) none of any arranger, any bookrunner, the Agent, and the Banks has any obligation to the Borrower or any of the Borrower’s Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) any arranger, any bookrunner, the Agent, and the Banks and their respective Affiliates may be engaged, for their own accounts or the accounts of customers, in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and none of any arranger, any bookrunner, the Agent, and the Banks has any obligation to disclose any of such interests to the Borrower or its Affiliates. To the fullest extent permitted by law, the Borrower hereby waives and releases any claims that it may have against any of any arrangers, any bookrunner, the Agent, and the Banks with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

8.15 Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law, the Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Agent shall have made any demand on the Borrower) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other obligations hereunder or under the other Loan Documents that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Banks and the Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Banks, and the Agent and their respective agents and counsel and all other amounts due the Banks and the Agent under Section 9.5) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Bank to make such payments to the Agent and, in the event that the Agent shall consent to the making of such payments directly to the Banks, to pay to the Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Agent and its agents and counsel, and any other amounts due the Agent under Section 9.5.

SECTION 9. MISCELLANEOUS

9.1 Amendments and Waivers. Except as set forth in Section 2.10(d), neither this Agreement, any Note or any other Loan Document, nor any terms hereof of thereof may be amended, supplemented or modified except in accordance with the provisions of this subsection. With the written consent of the Required Banks, the Agent and the Borrower may, from time to time, enter into written amendments, supplements or modifications hereto and to the Notes and the other Loan Documents for the purpose of adding any provisions to this Agreement or the Notes or the other Loan Documents or changing in any manner the rights of the Banks or of the Borrower hereunder or thereunder or waiving, on such terms and conditions as the Agent may specify in such instrument, any of the requirements of this Agreement or the Notes or the other Loan Documents or any Default or Event of Default and its consequences; provided, however, that no such waiver and no such amendment, supplement or modification shall directly or indirectly (a) reduce the amount or extend the maturity of any Note or any installment thereof, or reduce the rate or extend the time of payment of interest thereon, or reduce any Fees payable to any Bank hereunder, or change the duration or amount of any Bank's Commitment, in each case without the consent of the Bank affected thereby or (b) amend, modify or waive any provision of this Section 9.1 or reduce the percentages specified in the definition of Required Banks or consent to the assignment or transfer by the Borrower of any of its rights and obligations under this Agreement, the Notes and the other Loan Documents or subordinate, or have the effect of subordinating, the Loans and other obligations hereunder to any other Debt for borrowed money, in each case without the written consent of all the Banks, (c) amend, modify or waive any provision of Section 2.2 without the written consent of the then Swing Line Bank or (d) amend,

modify or waive any provision of Section 8 without the written consent of the then Agent. Any such waiver and any such amendment, supplement or modification shall apply equally to each of the Banks and shall be binding upon the Borrower, the Banks, the Agent and all future holders of the Notes. In the case of any waiver, the Borrower, the Banks and the Agent shall be restored to their former position and rights hereunder and under the outstanding Notes, and any Default or Event of Default waived shall be deemed to be cured and not continuing; but no such waiver shall extend to any subsequent or other Default or Event of Default, or impair any right consequent thereon.

Furthermore, notwithstanding the foregoing: (a) the Agent, with the consent of the Borrower, may amend, modify or supplement any Loan Document without the consent of any Bank or the Required Banks in order to correct, amend or cure any ambiguity, inconsistency or defect or correct any typographical error or other manifest error in any Loan Document, (b) no consent with respect to any amendment, modification, waiver or supplement of this Agreement or any other Loan Document shall be required of any Defaulting Bank, except as provided in Section 2.17 and (c) in the case of any amendment, modification, waiver or supplement referred to in the proviso of the first paragraph of this Section 9.1, no consent with respect to any amendment, modification, waiver or supplement of this Agreement or any other Loan Document shall be required of any Bank that receives payment in full of the principal of and interest accrued on each Loan made by such Bank, and all other amounts owing to or accrued for the account of such Bank under this Agreement and the other Loan Documents, at the time such amendment, modification, waiver or supplement becomes effective and whose Commitments terminate by the terms and upon the effectiveness of such amendment, modification, waiver or supplement.

9.2 Notices. (a) All notices, requests and demands to or upon the respective parties hereto to be effective shall be in writing (including electronic transmission, facsimile transmission or posting on a secured web site), and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when delivered by hand, or three days after being deposited in the mail, postage prepaid, or, in the case of facsimile transmission notice, when sent during normal business hours with electronic confirmation or otherwise when received, or in the case of electronic transmission, when received and in the case of posting on a secured web site, upon receipt of (i) notice of such posting and (ii) rights to access such web site, addressed as follows in the case of the Borrower and the Agent, and as set forth in Schedule I in the case of the other parties hereto, or to such other address as may be hereafter notified by the respective parties hereto and any future holders of the Notes:

Borrower:	Aqua Pennsylvania, Inc. 762 W. Lancaster Avenue Bryn Mawr, PA 19010-3489 Attention: Daniel J. Schuller, Executive Vice President and Chief Financial Officer Email: djschuller@essential.co
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with a copy to: Aqua Pennsylvania, Inc.
762 West Lancaster Avenue
Bryn Mawr, PA 19010
Attention: Christopher P. Luning
Senior Vice President and
General Counsel

(provided that failure to send a copy of any notice to said counsel shall in no way affect, limit or invalidate any notice sent to the Borrower or the exercise of any of the Banks' or the Agent's rights or remedies pursuant to a notice sent to the Borrower.)

The Agent or
the Swing Line
Bank: PNC Bank, National Association
1000 Westlakes Drive, Suite 300
Berwyn, PA 19312
Attention: Domenic D'Ginto
Facsimile: (610) 725-5799

and
PNC Agency Services
One PNC Plaza
249 Fifth Avenue
22nd Floor
Pittsburgh, PA 15222
Attention: Agency Services
Facsimile: (412) 762-8672

provided that any notice, request or demand to or upon the Agent, the Swing Line Bank or the Banks pursuant to Sections 2.1, 2.2, 2.8 or 2.9 shall not be effective until received.

(a) Electronic Communications. Notices and other communications to the Banks hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Agent, provided that the foregoing shall not apply to notices to any Bank pursuant to Article 2 if such Bank, as applicable, has notified the Agent that it is incapable of receiving notices under such Article by electronic communication. The Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications.

Unless the Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (i), of notification that such notice or

communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii) above, if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(b) Change of Address, etc. Any party hereto may change its address or facsimile number for notices and other communications hereunder by notice to the other parties hereto.

(c) Platform.

(i) The Borrower agrees that the Agent may, but shall not be obligated to, make the Communications (as defined below) available to the Banks by posting the Communications on the Platform.

(ii) The Platform is provided “as is” and “as available.” The Agent Parties (as defined below) do not warrant the adequacy of the Platform and expressly disclaim liability for errors or omissions in the Communications. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects, is made by any Agent Party in connection with the Communications or the Platform. In no event shall the Agent or any of its Related Parties (collectively, the “Agent Parties”) have any liability to the Borrower, any Bank or any other Person or entity for damages of any kind, including, without limitation, direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract or otherwise) arising out of the Borrower’s or the Agent’s transmission of communications through the Platform. “Communications” means, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of the Borrower pursuant to this Agreement or any other Loan Document or the transactions contemplated herein or therein which is distributed to the Agent, any Bank by means of electronic communications pursuant to this Section, including through the Platform.

9.3 No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of the Agent or any Bank, any right, remedy, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

9.4 Survival of Representations and Warranties. All representations and warranties made hereunder and in any document, certificate or statement delivered pursuant hereto or in connection herewith shall survive the execution and delivery of this Agreement, the Notes and the other Loan Documents.

9.5 Payment of Expenses and Taxes. The Borrower agrees (a) to pay or reimburse the Agent for all of its reasonable out-of-pocket costs and expenses incurred in connection with any amendment, supplement or modification to this Agreement, the Notes, the other Loan Documents and any other documents prepared in connection therewith, including, without limitation, the reasonable fees and disbursements of counsel to the Agent (which counsel may or may not include employees of the Agent), (b) to pay or reimburse each Bank and the Agent for all of their costs and expenses incurred in connection with the enforcement or preservation of any rights under this Agreement, the other Loan Documents and any such other documents, including, without limitation, reasonable fees and disbursements of counsel to the Agent (which counsel may or may not include employees of the Agent) and to the several Banks, and (c) to pay, indemnify, and hold each Bank and the Agent harmless from, any and all recording and filing fees and any and all liabilities with respect to, or resulting from any delay in paying, stamp, excise and other similar taxes, if any (other than Taxes expressly excluded from the definition of Taxes in Section 2.12 and Taxes for which the Borrower has no liability under subsection 2.12(c)) which may be payable or determined to be payable in connection with the execution and delivery of, or consummation of any of the transactions contemplated by, or any amendment, supplement or modification of, or any waiver or consent under or in respect of, this Agreement, the Notes, the other Loan Documents, and any such other documents, and (d) to pay, indemnify, and hold each Bank and the Agent harmless from and against any and all other liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever with respect to the execution, delivery, enforcement, and, incident to a Default or Event of Default, the performance and administration, of this Agreement, the Notes, the other Loan Documents and any such other documents or the transactions contemplated hereby or thereby or any action taken or omitted under or in connection with any of the foregoing (all the foregoing, collectively, the “indemnified liabilities”), provided, that the Borrower shall have no obligation hereunder to the Agent or any Bank with respect to indemnified liabilities arising from the gross negligence or willful misconduct of the Agent or any such Bank. The Borrower shall be given notice of any claim for indemnified liabilities and shall be afforded a reasonable opportunity to participate in the defense, compromise or settlement thereof. The agreements in this subsection shall survive repayment of the Notes and all other amounts payable hereunder.

To the fullest extent permitted by applicable law, none of the parties hereto shall assert, or permit any of its controlled Affiliates to assert, and each party hereto hereby waives, any claim on any theory of liability for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby; provided that nothing in this paragraph shall limit the Borrower’s indemnity and reimbursement obligations set forth in this Section 9.5, including such indemnity and reimbursement obligations with respect to any special, indirect, consequential or punitive damages arising out of, in connection with or as a result of any claim, litigation, investigation or proceeding brought against any indemnitee by any third party.

9.6 Successors and Assigns. (a) Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party, and all covenants, promises and agreements by or on behalf of the Borrower, the Agent or the Banks that are contained in this Agreement shall bind and inure to the benefit of their respective

successors and assigns. The Borrower may not assign or transfer any of its rights or obligations under this Agreement or the other Loan Documents without the prior written consent of each Bank.

(b) Each Bank may, in accordance with applicable law, assign all or a portion of its interests, rights and obligations under this Agreement and the other Loan Documents (including all or a portion of its Commitment or the Swing Line Commitment, and the Loans at the time owing to it and the Notes held by it); provided, however, that (i) each such assignment shall be to a Bank or Affiliate thereof, or, with the consent of the Agent and, prior to the occurrence of an Event of Default, of the Borrower (each such consent not to be unreasonably withheld or delayed) to one or more banks or other financial institutions, (ii) so long as the Commitments are in effect, the amount of each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Agent) shall not be less than \$5,000,000, (iii) the parties to each such assignment shall execute and deliver to the Agent an Assignment and Acceptance, together with the Note or Notes subject to such assignment and a processing and recordation fee of \$3,500 (except in the case of an assignment by any Bank to one of its Affiliates), (iv) any assignment of the Swing Line Commitment may be made only to a Bank which holds a Commitment hereunder and must be of the entire Swing Line Commitment and (v) each such assignment of Revolving Credit Loans and all or any portion of a Bank's Commitment shall be of a constant, and not a varying, percentage of the assigning Bank's Commitment and Revolving Credit Loans then outstanding. Upon acceptance and recording pursuant to paragraph (d) of this Section 9.6, from and after the effective date specified in each Assignment and Acceptance, which effective date shall be at least five Business Days after the execution thereof, (A) the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Acceptance, have the rights and obligations of a Bank under this Agreement and (B) the assigning Bank thereunder shall, to the extent of the interest assigned by such Assignment and Acceptance, be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all or the remaining portion of an assigning Bank's rights and obligations under this Agreement, such Bank shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.11, 2.12, 2.13 and 9.5 (to the extent that such Bank's entitlement to such benefits arose out of such Bank's position as a Bank prior to the applicable assignment)). Notwithstanding any provision of this subsection 9.6, after the Commitments and the Swing Line Commitments have been terminated, any Bank may assign all or any portion of its interests, rights and obligations under this Agreement and the other Loan Documents to any Person (whether or not an entity described in clause (i) above).

(c) By executing and delivering an Assignment and Acceptance, the assigning Bank thereunder and the assignee thereunder shall be deemed to confirm to and agree with each other and the other parties hereto as follows: (i) such assigning Bank warrants that it is the legal and beneficial owner of the interest being assigned thereby, free and clear of any adverse claim, and that its Commitment and/or the Swing Line Commitment, as the case may be, and the outstanding balances of its Loans, in each case without giving effect to assignments thereof which have not become effective, are as set forth in such Assignment and Acceptance, (ii) except as set forth in (i) above, such assigning Bank makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement or the other Loan Documents, or the execution, legality,

validity, enforceability, genuineness, sufficiency or value of this Agreement or the other Loan Documents, or any other instrument or document furnished pursuant hereto or thereto, or the financial condition of the Borrower or the performance or observance by the Borrower of any of its obligations under this Agreement or any other instrument or document furnished pursuant hereto; (iii) such assignee represents and warrants that it is legally authorized to enter into such Assignment and Acceptance; (iv) such assignee confirms that it has received a copy of this Agreement, together with copies of the most recent financial statements delivered pursuant to Section 5.1 and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Acceptance; (v) such assignee will independently and without reliance upon the Agent, such assigning Bank or any other Bank and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement; (vi) such assignee appoints and authorizes the Agent to take such action as agent on its behalf and to exercise such powers under this Agreement as are delegated to the Agent by the terms hereof, together with such powers as are reasonably incidental thereto; and (vii) such assignee agrees that it will perform in accordance with their terms all the obligations which by the terms of this Agreement are required to be performed by it as a Bank.

(d) The Agent shall maintain at its offices in Philadelphia, Pennsylvania a copy of each Assignment and Acceptance and the names and addresses of the Banks, and the Commitment and/or the Swing Line Commitment of, and principal amount of the Loans owing to, each Bank pursuant to the terms hereof from time to time (the “Register”). The entries in the Register shall be conclusive in the absence of manifest error and the Borrower, the Agent and the Banks may treat each person whose name is recorded in the Register pursuant to the terms hereof as a Bank hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower and any Bank, at any reasonable time and from time to time upon reasonable prior notice.

(e) Upon its receipt of a duly completed Assignment and Acceptance executed by an assigning Bank and an assignee together with the Note or Notes subject to such assignment, the processing and recordation fee referred to in paragraph (b) above, the Agent shall (i) accept such Assignment and Acceptance, (ii) record the information contained therein in the Register and (iii) give prompt notice thereof to the Banks. Within five Business Days after receipt of notice, the Borrower, at its own expense, shall execute and deliver to the Agent, in exchange for the surrendered original Note(s), (x) a new Revolving Credit Note to the order of such assignee in an amount equal to the portion of the Commitment assumed by it pursuant to such Assignment and Acceptance and, if applicable, a new Swing Line Note to the order of such assignee in an amount equal to the Swing Line Commitment and, (y) if the assigning Bank has retained a Commitment, a new Revolving Credit Note to the order of such assigning Bank in a principal amount equal to the applicable Commitment retained by it. Such new Notes shall be in an aggregate principal amount equal to the aggregate principal amount of such surrendered Notes; such new Notes shall be dated the date of the surrendered Notes which they replace and shall otherwise be in substantially the form of Exhibit B-1 or Exhibit B-2 hereto, as appropriate. Canceled Notes shall be returned to the Borrower.

(f) Each Bank may without the consent of the Borrower or the Agent sell participations to one or more banks or other entities (each a “Participant”) in all or a portion

of its rights and obligations under this Agreement (including all or a portion of its Commitment or Swing Line Commitment and the Loans owing to it and the Notes held by it); provided, however, that (i) such Bank's obligations under this Agreement shall remain unchanged, (ii) such Bank shall remain solely responsible to the other parties hereto for the performance of such obligations, (iii) such Bank shall remain the holder of any such Note for all purposes under this Agreement, (iv) the Borrower, the Agent and the other Banks shall continue to deal solely and directly with such Bank in connection with such Bank's rights and obligations under this Agreement, (v) in any proceeding under the Bankruptcy Code such Bank shall be, to the extent permitted by law, the sole representative with respect to the obligations held in the name of such Bank whether for its own account or for the account of any Participant and (vi) such Bank shall retain the sole right to enforce the obligations of the Borrower relating to the Loans and to approve any amendment, modification or waiver of any provision of this Agreement or the Note or Notes held by such Bank other than any such amendment, modification or waiver with respect to any Loan or Commitment in which such Participant has an interest and which is described in subsection 9.1(a) hereof. Each Bank that sells a participation will, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Revolving Credit Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Bank has any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103 1(c) of the United States Treasury Regulations. The entries in the Participant Register are conclusive absent manifest error, and such Bank must treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Agent has no responsibility for maintaining a Participant Register for any other Bank.

(g) If amounts outstanding under this Agreement and the Notes are due or unpaid, or shall have been declared or shall have become due and payable upon the occurrence of an Event of Default, each Participant shall be deemed to have the right of set-off in respect of its participating interest in amounts owing under this Agreement and any Note to the same extent as if the amount of its participating interest were owing directly to it as a Bank under this Agreement or any Note, provided that in purchasing such participation such Participant shall be deemed to have agreed to share with the Banks the proceeds thereof as provided in Section 9.8. The Borrower also agrees that each Participant shall be entitled to the benefits of Sections 2.11, 2.12, 2.13 and 9.5 with respect to its participation in the Commitments and the Loans outstanding from time to time; provided, that no Participant shall be entitled to receive any greater amount pursuant to such Sections than the Bank selling the participation would have been entitled to receive in respect of the amount of the participation transferred by such Bank to such Participant had no such transfer occurred.

(h) If any Participant is organized under the laws of any jurisdiction other than the United States or any state thereof, the Bank selling the participation, concurrently with the sale of a participating interest to such Participant, shall cause such Participant (i) to represent to the Bank selling the participation (for the benefit of such Bank, the other Banks, the

Agent and the Borrower) that under applicable law and treaties no taxes will be required to be withheld by the Agent, the Borrower or the Bank selling the participation with respect to any payments to be made to such Participant in respect of its participation in the Loans and (ii) to agree (for the benefit of such Bank, the other Banks, the Agent and Borrower) that it will deliver the tax forms and other documents required to be delivered pursuant to Section 2.12 and comply from time to time with all applicable U.S. laws and regulations with respect to withholding tax exemptions.

(i) Any Bank may at any time assign all or any portion of its rights under this Agreement and the Notes issued to it to a Federal Reserve Bank; provided that no such assignment shall release a Bank from any of its obligations hereunder.

9.7 Confidentiality. The Banks agree that they will maintain all information and financial statements provided to them or otherwise obtained by them with respect to the Borrower and its Subsidiaries confidential and that they will not disclose the same or use it for any purposes; provided that nothing herein shall prevent any Bank from disclosing any such information (a) to the Agent or any other Bank, (b) to any prospective assignee or participant in connection with any assignment or participation of Loans permitted by this Agreement, (c) to its employees, directors, agents, attorneys, accountants and other professional advisers, provided that any such person is advised by such Bank that such information is subject to the confidentiality limitations of this Section, (d) upon the request or demand of any Governmental Authority having jurisdiction over such Bank, (e) in response to any order of any court or other Governmental Authority or as may otherwise be required pursuant to any Requirement of Law, provided that the Borrower has (unless prohibited by the terms of any such order or requirement) been advised at least ten (10) days (or if such is not possible or practicable, such lesser number of days as is possible or practicable under the circumstances) prior to such disclosure of the existence of such order or requirement, (f) which has been publicly disclosed other than in breach of this Agreement, or (g) in connection with the exercise of any remedy hereunder or under the Notes.

9.8 Adjustments; Set-off. (a) If any Bank (a “benefited Bank”) shall at any time receive any payment of all or part of its Loans, or interest thereon, or receive any collateral in respect thereof (whether voluntarily or involuntarily, by set-off, pursuant to events or proceedings of the nature referred to in subsection 7.1(g) or otherwise), in a greater proportion than any such payment to or collateral received by any other Bank, if any, in respect of such other Bank’s Loans, or interest thereon, being paid in respect of Loans being repaid simultaneously therewith or Loans required hereby to be paid proportionately such benefited Bank shall purchase for cash from the other Banks such portion of each such other Bank’s Loan, or shall provide such other Banks with the benefits of any such collateral, or the proceeds thereof, as shall be necessary to cause such benefited Bank to share the excess payment or benefits of such collateral or proceeds ratably with each of the Banks; provided, however, that if all or any portion of such excess payment or benefits is thereafter recovered from such benefited Bank, such purchase shall be rescinded, and the purchase price and benefits returned, to the extent of such recovery, but without interest. The Borrower agrees that each Bank so purchasing a portion of another Bank’s Loan may exercise all rights of payment (including, without limitation, rights of set-off) with respect to such portion as fully as if such Bank were the direct holder of such portion.

(b) In addition to any rights and remedies of the Banks provided by law, upon the occurrence of an Event of Default, each Bank shall have the right, without prior notice to the Borrower, any such notice being expressly waived by the Borrower to the extent permitted by applicable law, upon any amount becoming due and payable by the Borrower hereunder or under the Notes (whether at the stated maturity, by acceleration or otherwise) to set-off and appropriate and apply against such amount any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Bank to or for the credit or the account of the Borrower. Each Bank agrees promptly to notify the Borrower and the Agent after any such set-off and application made by such Bank, provided that the failure to give such notice shall not affect the validity of such set-off and application.

9.9 Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. A set of the copies of this Agreement signed by all the parties shall be lodged with the Borrower and each of the Banks.

9.10 Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

9.11 Integration. This Agreement represents the agreement of the Borrower, the Agent and the Banks with respect to the subject matter hereof, and there are no promises, undertakings, representations or warranties by the Agent or any Bank relative to subject matter hereof not expressly set forth or referred to herein or in the Notes or the other Loan Documents.

9.12 GOVERNING LAW. THIS AGREEMENT, THE NOTES AND THE OTHER LOAN DOCUMENTS HAVE BEEN EXECUTED IN THE COMMONWEALTH OF PENNSYLVANIA AND SAID DOCUMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT, THE NOTES AND THE OTHER LOAN DOCUMENTS SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE COMMONWEALTH OF PENNSYLVANIA.

9.13 Submission To Jurisdiction; Waivers. The Borrower hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement, the Notes or the other Loan Documents, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of the Courts of the Commonwealth of Pennsylvania located in Montgomery and Philadelphia Counties, the courts of the United States of America for the Eastern District of Pennsylvania, and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same;

(c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to the Borrower at the address set forth in Section 9.2 for the Borrower or at such other address of which the Agent shall have been notified pursuant thereto; and

(d) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit the right to sue in any other jurisdiction.

9.14 Acknowledgments. The Borrower hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution and delivery of this Agreement, the Notes and the other Loan Documents;

(b) neither the Agent nor any Bank has any fiduciary relationship to the Borrower, and the relationship between the Agent and the Banks, on one hand, and the Borrower, on the other hand, is solely that of debtor and creditor; and

(c) no joint venture exists among the Banks or between the Borrower and the Banks.

9.15 WAIVERS OF JURY TRIAL. **EACH OF THE BORROWER, THE AGENT AND THE BANKS HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT, THE NOTES OR THE OTHER LOAN DOCUMENTS AND FOR ANY COUNTERCLAIM THEREIN.**

9.16 USA PATRIOT ACT. Each Bank that is subject to the requirements of the USA Patriot Act hereby notifies the Borrower that pursuant to the requirements of the USA Patriot Act, it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Bank to identify the Borrower in accordance with the USA Patriot Act.

9.17 Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(i) the effects of any Bail-In Action on any such liability, including, if applicable:

(ii) a reduction in full or in part or cancellation of any such liability;

(iii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(b) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

9.18 Acknowledgement Regarding Any Supported QFCs. To the extent that the Loan Documents provide support, through a guarantee or otherwise, for interest rate hedge agreements or contracts or any other agreement or instrument that is a QFC (such support, “QFC Credit Support” and each such QFC a “Supported QFC”), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “U.S. Special Resolution Regimes”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the Commonwealth of Pennsylvania and/or of the United States or any other state of the United States):

(i) In the event a Covered Entity that is party to a Supported QFC (each, a “Covered Party”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under

the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Bank shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

(ii) As used in this Section 9.18, the following terms have the following meanings:

“BHC Act Affiliate” of a party means an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

“Covered Entity” means any of the following:

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

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

(c) 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.

“QFC” has the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

AQUA PENNSYLVANIA, INC.

By:
Name:
Title:

PNC BANK, NATIONAL ASSOCIATION,
as Agent and as a Bank

By:
Name:
Title:

DMFIRM #410910023

Schedule I

Bank and Commitment Information

<u>Bank</u>	<u>Commitment</u>	<u>Swing Line Commitment</u>
PNC Bank, National Association 1000 Westlakes Drive Suite 300 Berwyn, PA 19312 Attention: Domenic D’Ginto	\$50,000,000	\$10,000,000
Citizens Bank, N.A. 610 W. Germantown Avenue Plymouth Meeting, PA 19462 Attention: Leslie Broderick	\$25,000,000	N/A
The Huntington National Bank 310 Grant Street, 2nd Floor Pittsburgh PA 15219 Attention: Chris Olsen	\$25,000,000	N/A

Schedule 3.6
Existing Litigation

None.

Schedule 3.6

Schedule 3.11
Regulatory Approvals

None

Schedule 3.11

Environmental Matters

In its water treatment process, the Borrower uses chemicals, including chlorine, caustic soda and sodium chlorite, which are listed as hazardous substances. These chemicals are, in all material respects, stored and used at the Borrower's plants and facilities in accordance with the Environmental Laws.

The Borrower operates a central laboratory at its Bryn Mawr facility for analysis of drinking water samples. To perform required analyses, the Borrower maintains small quantities of solvents, reagents and chemical standards, some of which are listed as hazardous substances. These materials, in all material respects, are stored and used in compliance with the Environmental Laws.

The handling and disposal of waste generated from water and wastewater treatment facilities is governed by federal and state laws and regulations. A program is in place to monitor our facilities for compliance with regulatory requirements, and we are not aware of any significant environmental remediation costs necessary from our handling and disposal of waste material from our water and wastewater operations. There is a potential for undetermined material costs due to the recent EPA final rule designating two PFAS compounds—perfluorooctanoic acid (“PFOA”) and perfluorooctanesulfonic acid (“PFOS”), including their salts and structural isomers—as hazardous substances under the Comprehensive Environmental Response, Compensation, and Liability Act (“CERCLA” or “Superfund”) on May 8, 2024. EPA released a PFAS Enforcement Discretion and Settlement Policy Under CERCLA on April 19, 2024 (“Policy”). Under the Policy, EPA has stated that EPA will not “pursue entities where equitable factors do not support seeking response actions or costs under CERCLA” for PFAS contamination. Instead, the Policy indicates that EPA will focus on holding parties that have played a significant role in releasing or exacerbating the spread of PFAS into the environment, such as PFAS manufacturers and those that have used PFAS in manufacturing. The Policy expressly states that EPA does not intend to pursue response actions or costs from community water systems, publicly owned treatment works, municipal separate storm sewer systems, publicly owned/operated municipal solid waste landfills, publicly owned airports, publicly owned fire departments, and farms where biosolids are applied to land. For other similarly situated parties, the Policy indicates that EPA will apply equitable factors to determine whether to utilize enforcement discretion, including whether the party is a public entity, performs a public service and was ever engaged in the manufacturing of PFAS, and the degree to which it is involved in the use, storage, treatment, transport or disposal of PFAS. Where factors permit, the Policy allows EPA to provide contribution protection from third-party claims through settlements.

The Borrower will incur material costs to comply with recently finalized PFAS regulations for drinking water which costs are included in current and future capital and operating budget plans and intends to apply for recovery for these costs. In Pennsylvania the drinking water Maximum Contaminant Levels for PFOS and PFOA became effective on January 1, 2024. In addition, on April 26, 2024, the EPA promulgated the National Primary Drinking Water Regulation

(“NPDWR”) for the treatment of six PFAS. This will result in the construction and operation of water treatment systems to remove PFAS.

Schedule 3.13

Schedule 3.19

Interests in Partnerships

None.

Schedule 3.19

Schedule 6.3

Existing Liens

- A. Indenture of Mortgage dated as of January 1, 1941 from the Borrower to The Bank of New York Mellon Trust Company, N.A., as current trustee thereunder, as amended and supplemented.

EXHIBIT A
FORM OF
BORROWING REQUEST

PNC Bank, National Association
as Agent for the
Banks referred to below
PNC Agency Services
One PNC Plaza
249 Fifth Avenue
22nd Floor
Pittsburgh, PA 15222
Attention: Agency Services

[Date]

Ladies and Gentlemen:

The undersigned, Aqua Pennsylvania, Inc. (the "Borrower"), refers to the Amended and Restated Credit Agreement dated as of November __, 2016 (as amended, modified, extended or restated from time to time, the "Agreement"), among the Borrower, the Banks party thereto and PNC Bank, National Association as Agent. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Agreement. The Borrower hereby gives you notice pursuant to Section 2.1 of the Agreement that it requests a Borrowing under the Agreement, and in that connection sets forth below the terms on which such Borrowing is requested to be made:

- (A) Date of Borrowing
(which is a Business Day)

- (B) Principal Amount of Borrowing \$

- (C) Interest rate basis

(D) Interest Period and the
last day thereof

Upon acceptance of any or all of the Revolving Credit Loans made by the Banks in response to this request, the Borrower shall be deemed to have represented and warranted that the conditions to lending specified in Section 4.2 of the Agreement have been satisfied.

Very truly yours,

AQUA PENNSYLVANIA, INC.

By:
Title:

EXHIBIT B-1

NOTE

\$[]
Pennsylvania

Philadelphia,

[Date]

FOR VALUE RECEIVED, the undersigned, AQUA PENNSYLVANIA, INC. (the "Borrower"), hereby promises to pay to the order of _____ (the "Bank"), at the office of PNC Bank, National Association (the "Agent"), at 1600 Market Street, Philadelphia, PA 19103, on the Termination Date, the lesser of the principal sum of _____ Dollars (\$ _____) and the aggregate unpaid principal amount of all Loans made by the Bank to the Borrower pursuant to Section 2.1 of the Amended and Restated Credit Agreement dated as of November 17, 2016, among the Borrower, the Banks party thereto and the Agent (as amended, modified, extended or restated from time to time, the "Agreement"), in lawful money of the United States of America in same day funds, and to pay interest from the date hereof on such principal amount from time to time outstanding, in like funds, at said office, at a rate or rates per annum and payable on the dates determined pursuant to the Agreement.

The Borrower promises to pay interest, on demand, on any overdue principal and, to the extent permitted by law, overdue interest from their due dates at the rate or rates determined as set forth in the Agreement.

The Borrower hereby waives diligence, presentment, demand, protest and notice of any kind whatsoever. The nonexercise by the holder of any of its rights hereunder in any particular instance shall not constitute a waiver thereof in that or any subsequent instance.

All borrowings evidenced by this Note and all payments and prepayments of the principal hereof and interest hereon and the respective dates thereof shall be endorsed by the holder hereof on the schedule attached hereto and made a part hereof, or on a continuation thereof which shall be attached hereto and made a part hereof, or otherwise recorded by such holder in its internal records; provided, however, that the failure of the holder hereof to make such a notation or any error in such a notation shall not in any manner affect the obligations of the Borrower to make payments of principal and interest in accordance with the terms of this Note and the Agreement.

[This Note amends, restates and supersedes a prior note of the Borrower payable to the Bank, dated _____ (the "Prior Note"). This Note shall in no way extinguish the Borrower's unconditional obligation to repay all indebtedness evidenced by the Prior Note, is given in substitution for and not as payment of the Prior Note and is in no way intended to constitute a novation of the Prior Note.]

This Note is one of the Notes referred to, in evidences indebtedness incurred under, and is entitled to the benefits of the Agreement. The Agreement, among other things, contains provisions for the acceleration of the maturity hereof upon the happening of certain events, for optional and mandatory prepayments of the principal hereof prior to the maturity hereof, for a higher rate of interest hereunder after an Event of Default and for the amendment or waiver of

certain provisions of the Agreement, all upon the terms and conditions therein specified. This Note shall be construed in accordance with and governed by the laws of the Commonwealth of Pennsylvania and any applicable laws of the United States of America. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Agreement.

AQUA PENNSYLVANIA, INC.

By:
Name:
Title:

B-1-2

Loans and Payments

<u>Date</u>	<u>Amount of Loan</u>	<u>Interest Rate</u>	<u>Interest Period</u>	<u>Payments</u>		<u>Unpaid Principal Balance of Note</u>	<u>Name of Person Making Notation</u>
				<u>Principal</u>	<u>Interest</u>		

B-1-3

EXHIBIT B-2
SWING LINE NOTE

\$10,000,000
Pennsylvania

Philadelphia,

November __, 2016

FOR VALUE RECEIVED, the undersigned, AQUA PENNSYLVANIA, INC. (the "Borrower"), hereby promises to pay to the order of PNC BANK, NATIONAL ASSOCIATION (the "Bank"), at the office of the Agent (as hereinafter defined), at 1600 Market Street, Philadelphia, PA 19103, in accordance with the terms of the Agreement (as hereinafter defined), the lesser of the principal sum of Ten Million Dollars (\$10,000,000) and the aggregate unpaid principal amount of all Swing Line Loans made by the Bank to the Borrower pursuant to Section 2.2 of the Amended and Restated Credit Agreement dated as of November __, 2016, among the Borrower, the Banks party thereto and PNC Bank, National Association, as agent for the Banks (the "Agent") (as amended, modified, extended or restated from time to time, the "Agreement"), in lawful money of the United States of America in same day funds, and to pay interest from the date hereof on such principal amount from time to time outstanding, in like funds, at said office, at a rate or rates per annum and payable on the dates determined pursuant to the Agreement.

The Borrower promises to pay interest, on demand, on any overdue principal and, to the extent permitted by law, overdue interest from their due dates at the rate or rates determined as set forth in the Agreement.

The Borrower hereby waives diligence, presentment, demand, protest and notice of any kind whatsoever. The nonexercise by the holder of any of its rights hereunder in any particular instance shall not constitute a waiver thereof in that or any subsequent instance.

All borrowings evidenced by this Swing Line Note and all payments and prepayments of the principal hereof and interest hereon and the respective dates thereof shall be endorsed by the holder hereof on the schedule attached hereto and made a part hereof, or on a continuation thereof which shall be attached hereto and made a part hereof, or otherwise recorded by such holder in its internal records; provided, however, that the failure of the holder hereof to make such a notation or any error in such a notation shall not in any manner affect the obligations of the Borrower to make payments of principal and interest in accordance with the terms of this Swing Line Note and the Agreement.

[This Note amends, restates and supersedes a prior note of the Borrower payable to the Bank, dated _____ (the "Prior Note"). This Note shall in no way extinguish the Borrower's unconditional obligation to repay all indebtedness evidenced by the Prior Note, is given in substitution for and not as payment of the Prior Note and is in no way intended to constitute a novation of the Prior Note.]

This Swing Line Note is the Swing Line Note referred to in, evidences indebtedness incurred under, and is entitled to the benefits of the Agreement. The Agreement, among other things, contains provisions for the acceleration of the maturity hereof upon the happening of certain events, for optional and mandatory prepayments of the principal hereof prior to the maturity hereof, for a higher rate of interest hereunder after an Event of Default and for the amendment or waiver of certain provisions of the Agreement, all upon the terms and conditions therein specified. This Swing Line Note shall be construed in accordance with and governed by the laws of the Commonwealth of Pennsylvania and any applicable laws of the United States of America. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Agreement.

AQUA PENNSYLVANIA, INC.

By:
Name:
Title:

B-2-2

Loans and Payments

<u>Date</u>	<u>Amount of Loan</u>	<u>Interest Rate</u>	<u>Swing Line Repayment Date</u>	<u>Payments</u>		<u>Unpaid Principal Balance of Note</u>	<u>Name of Person Making Notation</u>
				<u>Principal</u>	<u>Interest</u>		

B-2-3

EXHIBIT C

FORM OF
ASSIGNMENT AND ACCEPTANCE

Reference is made to the Amended and Restated Credit Agreement dated as of November __, 2016 (as amended, modified, extended or restated from time to time, the "Agreement"), among Aqua Pennsylvania, Inc. (the "Borrower"), the banks party thereto (the "Banks") and PNC Bank, National Association, as Agent. Terms defined in the Agreement are used herein with the same meanings.

_____ (the "Assignor") and _____ (the "Assignee")
hereby agree as follows:

The Assignor hereby sells and assigns, without recourse, to the Assignee, and the Assignee hereby purchases and assumes, without recourse, from the Assignor, effective as of the Effective Date set forth on Schedule A attached hereto, the interests set forth on Schedule A (the "Assigned Interest") in the Assignor's rights and obligations under the Agreement, including, without limitation, the interests set forth on Schedule A in the Commitment of the Assignor on the Effective Date and the Loans owing to the Assignor which are outstanding on the Effective Date, together with unpaid interest accrued on the assigned Loans to the Effective Date and the amount, if any, set forth on Schedule A of the Fees accrued to the Effective Date for the account of the Assignor. Each of the Assignor and the Assignee hereby makes and agrees to be bound by all the representations, warranties and agreements set forth in Section 9.6(c) of the Agreement, a copy of which has been received by each such party. From and after the Effective Date (i) the Assignee shall be a party to and be bound by the provisions of the Agreement and, to the extent of the interests assigned by this Assignment and Acceptance, have the rights and obligations of a Bank thereunder and under the Agreement or any other document issued in connection therewith and (ii) the Assignor shall, to the extent of the interests assigned by this Assignment and Acceptance, relinquish its rights and be released from its obligations under this Agreement.

This Assignment and Acceptance is being delivered to the Agent together with (i) the Notes evidencing the Loans included in the Assigned Interest, (ii) if the Assignee is organized under the laws of a jurisdiction outside the United States, the forms prescribed by the Internal Revenue Service of the United States certifying as to the Assignee's exemption from withholding taxes with respect to all payments to be made to the Assignee under the Agreement or such other documents as are necessary to indicate that all such payments are subject to such tax at a rate reduced by an applicable tax treaty, all duly completed and executed by such Assignee, and (iii) a processing and recordation fee of \$3,500, if required.

This Assignment and Acceptance shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

The terms set forth above and on Schedule A attached hereto are hereby agreed to as of the date hereof.

_____, as Assignor

By:
Name:
Title:

_____, as Assignee

By:
Name:
Title:

Acknowledged:

PNC BANK, NATIONAL ASSOCIATION,
as Agent

By:
Name:
Title:

Consented to:

AQUA PENNSYLVANIA, INC.

By:
Name:
Title:

SCHEDULE A

Date of Assignment:

Legal Name of Assignor:

Legal Name of Assignee:

Assignee's Address for Notices:

Attention:

Telecopy:

Effective Date of Assignment
(may not be fewer than 5 Business
Days after the Date of Assignment): _____

<u>Revolving Credit Facility</u>	<u>Principal Amount Assigned</u>	<u>Percentage of Loans and Commitment Assigned</u>
Commitment Assigned:	\$	%
Revolving Credit Loans:	\$	%

<u>Swing Loan Facility</u>	<u>Principal Amount Assigned</u>	<u>Percentage of Loans and Commitment Assigned</u>
Commitment Assigned:	\$	100%
Swing Line Loans:	\$	100%

FOURTH AMENDMENT TO CREDIT AGREEMENT

THIS FOURTH AMENDMENT TO CREDIT AGREEMENT (this “Agreement”) is made as of this 12th day of June, 2024 (the “Fourth Amendment Effective Date”), by and among (i) PNG COMPANIES LLC, a Delaware limited liability company (“Borrower”), (ii) the several banks and other financial institutions or entities parties on the date hereof to the Existing Credit Agreement (as defined below) and listed on the signature pages hereto as a “Continuing Lender” (each a “Continuing Lender” and, collectively, the “Continuing Lenders”), (iii) the lender party on the date hereof to the Existing Credit Agreement and listed on the signature page hereto as the “Departing Lender” (the “Departing Lender”; together with the Continuing Lenders, each an “Existing Lender” and, collectively, the “Existing Lenders”), (iv) the new lender joining the Amended Credit Agreement on the date hereof and listed on the signature pages hereto as the “New Lender” (the “New Lender”; together with the Continuing Lenders, each a “Lender” and, collectively, the “Lenders”) and (v) PNC BANK, NATIONAL ASSOCIATION in its capacity as administrative agent for the Lenders (in such capacity, the “Administrative Agent”).

BACKGROUND

A. The Borrower, the Administrative Agent and the Existing Lenders are parties to a Credit Agreement, dated as of November 25, 2020 (as heretofore amended, supplemented, modified, or restated, including by the First Amendment to Credit Agreement, dated as of November 5, 2021, the Second Amendment to Credit Agreement, dated as of June 30, 2022, and the Third Amendment to Credit Agreement, dated as of June 29, 2023, the “Existing Credit Agreement”; the Existing Credit Agreement, as amended by this Agreement and as may be further amended, supplemented, modified or restated from time to time, the “Amended Credit Agreement”), pursuant to which the Lenders have made available to the Borrower a revolving credit facility in an aggregate amount of \$300,000,000 (the “Facility”).

B. The Borrower has requested that the New Lender join the Amended Credit Agreement as a Lender.

C. The Departing Lender has agreed to be replaced as a Lender.

D. The Borrower, the Administrative Agent, the Continuing Lenders and the New Lender desire to (i) extend the Revolving Commitment Termination Date; (ii) transition the interest rate provisions in the Existing Credit Agreement from BSBY based rates to SOFR based rates and (iii) modify certain other provisions of the Existing Credit Agreement, all on the terms and subject to the conditions herein set forth.

E. The Departing Lender has agreed to execute its signature page hereto solely as the Departing Lender in acceptance of the termination of its commitment and obligations under the Existing Credit Agreement as a “Lender” (as defined in the Existing Credit Agreement) thereunder, and not as a Lender party to the Amended Credit Agreement, as described in further detail in its signature page.

NOW THEREFORE, the parties hereto, intending to be legally bound hereby, agree as follows:

AGREEMENT

1. Terms. Capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Amended Credit Agreement.

2. Amendments to Existing Credit Agreement. Effective on the Fourth Amendment Effective Date, the text of each of the Existing Credit Agreement and each of the Schedules and Exhibits thereto are hereby amended and restated to read in full as set forth in the pages of the Amended Credit Agreement, Schedules and Exhibits attached as Annex A hereto.

3. New Notes. The Borrower shall execute and deliver to the Administrative Agent on the Fourth Amendment Effective Date an amended and restated Note (in the case of each Continuing Lender) or a new Note (in the case of the New Lender) in an amount equal to the amount of such Lender's Revolving Commitment outstanding immediately after giving effect to this Agreement (such Notes being collectively referred to as the "New Notes" and each as a "New Note").

4. New Lender; Intercreditor Agreement. (a) The New Lender (i) confirms that a copy of the Amended Credit Agreement and the other applicable Loan Documents, together with copies of the financial statements referred to therein and such other documents and information as the New Lender has deemed appropriate to make its own credit analysis and decision to enter into this Agreement and provide its Revolving Commitment, have been made available to the New Lender, (ii) agrees that it will, independently and without reliance upon the Administrative Agent, any other agent or arranger listed on the cover page to the Amended Credit Agreement or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Amended Credit Agreement and the other Loan Documents, including this Agreement, (iii) appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers under the Amended Credit Agreement and the other Loan Documents as are delegated to the Administrative Agent by the terms thereof, together with such powers as are reasonably incidental thereto, and (iv) acknowledges and agrees that by its execution hereof, the New Lender hereby joins the Amended Credit Agreement effective on and as of the Fourth Amendment Effective Date, and the New Lender shall be a "Lender" under, and for all purposes of, the Amended Credit Agreement and the other Loan Documents, and shall be subject to and bound by the terms thereof, and shall perform all the obligations of and shall have all rights of a Lender thereunder.

(a) Pursuant to Section 10.18 of the Amended Credit Agreement, the New Lender hereby (i) acknowledges that a copy of the Intercreditor Agreement was delivered, or made available, to such Lender, (ii) approves the Intercreditor Agreement, (iii) agrees that it will be bound by, and will take no actions contrary to, the provisions of the Intercreditor Agreement, (iv) acknowledges and agrees that the Administrative Agent entered into the Intercreditor

Agreement as Administrative Agent on behalf of the Lenders, and (v) agrees that, upon becoming a party to the Amended Credit Agreement pursuant to the provisions hereof, the New Lender is deemed to have made the representations and warranties set forth in Section 2.2(a) of the Intercreditor Agreement for the benefit of the other parties thereto.

5. Effective Date Reallocations; Treatment of Outstanding Loans.

(a) On the Fourth Amendment Effective Date (i) all “Revolving Loans” (as defined in the Existing Credit Agreement) made under the Existing Credit Agreement which are outstanding on the Fourth Amendment Effective Date shall continue as Revolving Loans under (and shall be governed by the terms of) the Amended Credit Agreement and shall have the same Interest Periods as in effect under the Existing Credit Agreement, (ii) all “Swing Line Loans” (as defined in the Existing Credit Agreement) made under the Existing Credit Agreement which are outstanding on the Fourth Amendment Effective Date shall continue under (and shall be governed by the terms of) the Amended Credit Agreement and the other Loan Documents, (iii) the Departing Lender’s outstanding “Revolving Loans” under (and as defined in) the Existing Credit Agreement as of the Fourth Amendment Effective Date shall be repaid in full in cash in immediately available funds (accompanied by any accrued and unpaid interest and fees thereon and any other amounts or liabilities owing to the Departing Lender under the Existing Credit Agreement), the Departing Lender’s “Revolving Commitment” under and as defined in the Existing Credit Agreement shall be terminated and be of no further force and effect, the Departing Lender shall not be a Lender for any purpose under the Amended Credit Agreement and the other Loan Documents (provided that the Departing Lender shall retain its rights as a “Lender”, as defined in the Existing Credit Agreement, under the Existing Credit Agreement to expense reimbursement and indemnification pursuant to, and in accordance with, the terms of the Existing Credit Agreement), and the Departing Lender shall be released from any obligation or liability under the Existing Credit Agreement, (iv) all obligations constituting “Obligations” under and as defined in the Existing Credit Agreement or any Loan Document owed to any Lender (but not, for the avoidance of doubt, owed to the Departing Lender or an Affiliate of the Departing Lender) which are outstanding on the Fourth Amendment Effective Date and are not being paid on such date shall continue as Obligations under Amended Credit Agreement and the other Loan Documents, (v) the Administrative Agent shall make such reallocations, sales, assignments or other relevant actions in respect of each Lender’s credit and loan exposure under the Existing Credit Agreement as are necessary in order that such Lender’s pro rata share of the outstanding Revolving Loans under the Amended Credit Agreement reflect such Lender’s pro rata share of the outstanding aggregate Revolving Loans on the Fourth Amendment Effective Date based on its Revolving Percentage after giving effect to this Agreement, and (vi) the Borrower shall compensate the Departing Lender for any and all losses, costs and expenses incurred by the Departing Lender in connection with the repayment of any “BSBY Rate Loans” (as defined in the Existing Credit Agreement), on the terms and in the manner set forth in the Existing Credit Agreement, provided, however, that, for the avoidance of doubt, the Continuing Lenders under this Agreement agree to waive any right to compensation under Section 2.15 of the Existing Credit Agreement in connection with the reallocation and transactions described above. Without limiting the foregoing, the parties hereto (including, without limitation, the Departing Lender) hereby agree that the consent of the Departing Lender shall be limited to the acknowledgments and agreements set forth in this

Section 5, and shall not be required as a condition to the effectiveness of any other amendments, restatements, supplements or modifications to the Existing Credit Agreement or the Loan Documents.

(b) On the Fourth Amendment Effective Date, to the extent necessary, each Lender (including the New Lender) shall fund Revolving Loans (or receive payment of its "Revolving Loans", as defined in the Existing Credit Agreement), such that the Revolving Loans of each of the Lenders on the Fourth Amendment Effective Date are equal to its Revolving Percentage of the Revolving Loans of all of the Lenders outstanding on the Fourth Amendment Effective Date, in each case after giving effect to this Agreement. The requirements under Section 10.6 of the Existing Credit Agreement and requirements in respect of minimum borrowing, pro rata borrowing and pro rata payment requirements contained elsewhere in the Amended Credit Agreement shall not apply to the transactions effected pursuant to this Section 5.

(c) As described in more detail in Section 6 hereof, it is the express intent of the parties hereto that the Amended Credit Agreement is entered into not in substitution for, and not in payment of, the obligations of the Borrower under the Existing Credit Agreement and is in no way intended to constitute a novation of any of the Borrower's indebtedness which was evidenced by the Existing Credit Agreement or any of the other Loan Documents.

6. No Novation; Transitional Arrangements. This Agreement shall not constitute a termination of the Existing Credit Agreement nor a novation of any indebtedness or other obligations owing to the Administrative Agent or any Lender under the Existing Credit Agreement. On the Fourth Amendment Effective Date, the credit facilities described in the Existing Credit Agreement shall be amended, supplemented and modified in their entirety by the facilities described in the Amended Credit Agreement; provided, however, that any BSBY Rate Loan (as defined in the Existing Credit Agreement) outstanding immediately before giving effect to this Agreement shall continue to bear interest after the Fourth Amendment Effective Date at the applicable BSBY Rate (as defined in the Existing Credit Agreement) for the Interest Period (as defined in the Existing Credit Agreement) in effect for such outstanding BSBY Rate Loan immediately before giving effect to this Agreement plus ninety (90) basis points (0.90%) until the end of such Interest Period. At the end of the applicable Interest Period for any such outstanding BSBY Rate Loan, the Borrower shall either (a) convert such Loan to an ABR Loan or a Term SOFR Rate Loan in accordance with the terms of the Amended Credit Agreement or (b) repay such Loan in full in accordance with the terms of the Amended Credit Agreement.

7. Borrower's Ratification. The Borrower agrees that it has no defenses, set-offs, counterclaims or challenges against the Lenders or the Administrative Agent or their respective officers, directors, employees, agents or attorneys, with respect to the Loan Documents, all of which are in full force and effect, and that all of the terms and conditions of the Loan Documents not inconsistent herewith shall remain in full force and effect unless and until modified or amended in writing in accordance with their terms. The Borrower hereby ratifies and confirms its obligations under the Loan Documents as amended hereby and agrees that the execution and delivery of this Agreement does not in any way diminish or invalidate any of its obligations thereunder.

8. Representations and Warranties. The Borrower hereby represents and warrants to the Administrative Agent and the Lenders that:

(a) Immediately before giving effect to this Agreement, the representations and warranties of the Borrower set forth in the Existing Credit Agreement, and immediately after giving effect to this Agreement, the representations and warranties of the Borrower set forth in the Amended Credit Agreement and the other Loan Documents, are in each case true and correct in all material respects (it being understood that the materiality qualifier shall not be applicable with respect to any clause of any representation or warranty which itself contains a materiality qualification) as of the Fourth Amendment Effective Date (except representations and warranties which relate solely to an earlier date or time, which representations and warranties shall be true and correct in all material respects (or all respects, as applicable) on and as of the specific dates or times referred to therein);

(b) Immediately before giving effect to this Agreement, there exists no Default or Event of Default under the Existing Credit Agreement, and immediately after giving effect to this Agreement, there exists no Default or Event of Default under the Amended Credit Agreement;

(c) This Agreement has been duly authorized, executed and delivered and each of this Agreement and the Amended Credit Agreement constitutes the legal, valid and binding obligation of the Borrower, enforceable in accordance with its terms; and

(d) No consent, approval or authorization of, filing, registration or recording with, notice to or other act by or in respect of, any Governmental Authority or any other Person is required in connection with the execution, delivery or performance by the Borrower of this Agreement or performance by the Borrower of the Amended Credit Agreement (except for those which have been obtained on or prior to the date hereof).

All of the above representations and warranties shall survive the making of this Agreement.

9. Conditions Precedent. The effectiveness of the amendments set forth herein is subject to the fulfillment, to the satisfaction of the Administrative Agent and its counsel, of the following conditions precedent on or before the Fourth Amendment Effective Date:

(a) The Administrative Agent shall have received a counterpart of this Agreement duly executed and delivered by the Borrower, the Continuing Lenders, the New Lender, the Departing Lender and the Administrative Agent;

(b) The Administrative Agent shall have received the New Notes duly executed and delivered by the Borrower;

(c) The Administrative Agent shall have received the following, all of which shall be in form and substance satisfactory to the Administrative Agent and shall be duly completed and executed by the Borrower and the Administrative Agent as applicable:

- (i) Copies, certified by an officer of the Borrower as of a recent date, of resolutions of the board of directors of the Borrower in effect on the date hereof authorizing the execution, delivery and performance of this Agreement and the transactions contemplated hereby and the performance of the Amended Credit Agreement;
- (ii) Copies, certified by an officer of the Borrower as of a recent date, of the certificate of formation and limited liability company agreement of the Borrower as in effect on the Fourth Amendment Effective Date;
- (iii) A good standing certificate for the Borrower in the State of its formation dated as of a recent date;
- (iv) An executed legal opinion of counsel to the Borrower reasonably satisfactory in form and substance to the Administrative Agent and its counsel;
- (v) State-level Uniform Commercial Code lien searches with respect to the Borrower in its jurisdiction of organization and with results reasonably acceptable to the Administrative Agent;
- (vi) If the Borrower qualifies as a legal entity customer under the Beneficial Ownership Regulations, an executed Certificate of Beneficial Ownership for the Borrower and, in any case, such other documentation and other information requested by the Administrative Agent and the Lenders in connection with applicable “know your customer” and anti-money laundering rules and regulations, including the USA Patriot Act; and
- (vii) Such additional documents, certificates and information as the Administrative Agent or the Lenders may require pursuant to the terms hereof or otherwise reasonably request.

(d) All Revolving Loans of the Departing Lender outstanding under the Existing Credit Agreement as of the Fourth Amendment Effective Date, including any accrued interest thereon, and all fees owed to the Departing Lender under the Existing Credit Agreement, shall have been paid in full.

(e) The Administrative Agent shall have received such fees as shall have been agreed.

(f) The Administrative Agent shall have received, to the extent invoiced at least one Business Day prior to the Fourth Amendment Effective Date, reimbursement of all reasonable and documented fees and expenses of counsel to the Administrative Agent required to be paid or reimbursed by the Borrower hereunder.

All of the foregoing fees shall be in all respects, fully earned, due and payable on the Fourth Amendment Effective Date and non-refundable and non-creditable thereafter.

10. Integration. This Agreement constitutes the sole agreement of the parties hereto with respect to the transactions contemplated hereby and shall supersede all oral negotiations and the terms of prior writings with respect thereto. From and after the Fourth Amendment Effective Date, all references in the Amended Credit Agreement and each of the other Loan Documents to the Credit Agreement or the other Loan Documents modified hereby shall be deemed to be references to the Amended Credit Agreement and such other Loan Documents as modified hereby. This Agreement shall constitute a Loan Document for all purposes under the Amended Credit Agreement and each of the other Loan Documents.

11. Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

12. Miscellaneous.

(a) The Borrower agrees to pay all of the Administrative Agent's reasonable out-of-pocket fees and expenses incurred in connection with this Agreement and the transactions contemplated hereby, including, without limitation, the reasonable fees and expenses of counsel to the Administrative Agent.

(b) All terms, conditions, provisions and covenants in the Loan Documents and all other documents delivered to the Administrative Agent and the Lenders in connection therewith shall remain unaltered and in full force and effect except as expressly modified or amended hereby. To the extent that any term or provision of this Agreement is or may be deemed expressly inconsistent with any term or provision in any Loan Document or any other document executed in connection therewith, the terms and provisions hereof shall control.

(c) The execution, delivery and effectiveness of this Agreement shall neither operate as a waiver of any right, power or remedy of the Administrative Agent or the Lenders under any of the Loan Documents nor constitute a waiver of any Default or Event of Default thereunder.

(d) In consideration of the Administrative Agent's and the Lenders' agreement to amend the existing revolving credit facility on the terms hereof, the Borrower hereby waives and releases the Administrative Agent and the Lenders and their respective officers,

attorneys, agents and employees from any liability, suit, damage, claim, loss or expense of any kind or failure whatsoever and howsoever arising that it ever had up until, or has as of, the date of this Agreement.

(e) This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous understandings and agreements.

(f) This Agreement shall be governed by and construed according to the laws of the State of New York.

(g) This Agreement shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors and assigns.

(h) The headings used in this Agreement are for convenience of reference only, do not form a part of this Agreement and shall not affect in any way the meaning or interpretation of this Agreement.

(i) This Agreement may be executed in one or more counterparts, each of which counterparts when executed and delivered shall be deemed to be an original, and all of which shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or other electronic transmission will be effective as delivery of a manually executed counterpart hereof.

(j) No modification hereof or any agreement referred to herein shall be binding or enforceable unless in writing and signed on behalf of the party against whom enforcement is sought.

[Signature Pages Continued on Next Page]

IN WITNESS WHEREOF, the Borrower, the Administrative Agent and the Lenders have caused this Agreement to be executed by their duly authorized officers as of the date first above written.

PNG COMPANIES LLC

By: /s/ Brian Dingerdissen
Name: Brian Dingerdissen
Title: Vice President Investor Relations & Treasurer

PNC BANK, NATIONAL ASSOCIATION,
as Administrative Agent

By: /s/ Domenic D’Ginto
Name: Domenic D’Ginto
Title: Managing Director

CONTINUING LENDERS:

PNC BANK, NATIONAL ASSOCIATION,
as Swing Line Lender and as a Continuing Lender

By: /s/ Domenic D’Ginto
Name: Domenic D’Ginto
Title: Managing Director

CITIZENS BANK, N.A., as a Continuing Lender

By: /s/ A. Paul Dawley
Name: A. Paul Dawley
Title: Senior Vice President

NEW LENDER:

THE HUNTINGTON NATIONAL BANK,
as the New Lender

By: /s/ Christopher Olsen

Name: Christopher Olsen

Title: Vice President

SIGNATURE PAGE TO
THE FOURTH AMENDMENT TO THE CREDIT AGREEMENT OF
PNG COMPANIES LLC

The undersigned is executing this signature page solely as the Departing Lender in its acceptance of the termination of its commitments and obligations under the Existing Credit Agreement as a Lender thereunder, and not as a Lender party to the Amended Credit Agreement. The undersigned hereby acknowledges that the Existing Credit Agreement is being amended pursuant to the Fourth Amendment to which this signature page is attached and the undersigned shall not constitute a party to said Fourth Amendment as a Lender other than as the Departing Lender for purposes of effectuating the amendments to the Existing Credit Agreement contemplated by the Fourth Amendment.

TD BANK, N.A., as the Departing Lender

By: /s/ Jennifer L. Suspenski

Name: Jennifer L. Suspenski

Title: Vice President

-

CREDIT AGREEMENT

among

PNG COMPANIES LLC,
as Borrower,

The Several Lenders from Time to Time Parties Hereto,

PNC BANK, NATIONAL ASSOCIATION,
as Administrative Agent,

and

PNC CAPITAL MARKETS LLC,
as Lead Arranger and Sole Bookrunner

Dated as of November 25, 2020

As Amended by the First Amendment,
dated as of November 5, 2021,

the Second Amendment,
dated as of June 30, 2022,

the Third Amendment,
dated as of June 29, 2023, and

the Fourth Amendment
dated as of June 12, 2024

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- 4.4 Consents, Authorizations, Filings and Notices
- 4.15 Subsidiaries
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- 7.2 Existing Liens

EXHIBITS:

- A Form of Compliance Certificate
- B Form of Closing Certificate
- C Form of Assignment and Assumption
- D-1 Form of Legal Opinion of Simpson Thacher & Bartlett LLP
- D-2 Form of Legal Opinion of Post & Schell P.C.
- E-1 Form of U.S. Tax Certificate (For Non-U.S. Lenders That Are Not Partnerships For U.S. Federal Income Tax Purposes)
- E-2 Form of U.S. Tax Certificate (For Non-U.S. Lenders That Are Partnerships For U.S. Federal Income Tax Purposes)
- E-3 Form of U.S. Tax Certificate (For Non-U.S. Participants That Are Not Partnerships For U.S. Federal Income Tax Purposes)
- E-4 Form of U.S. Tax Certificate (For Non-U.S. Participants That Are Partnerships For U.S. Federal Income Tax Purposes)
- F Form of Borrowing Request
- G Form of Note
- H Form of Conversion Notice

CREDIT AGREEMENT (this “Agreement”), dated as of November 25, 2020, among PNG Companies LLC, a Delaware limited liability company (the “Borrower”), the several banks and other financial institutions or entities from time to time parties to this Agreement (the “Lenders”), PNC Capital Markets LLC, as lead arranger and sole bookrunner (in such capacity, the “Lead Arranger”), and PNC Bank, National Association, as administrative agent (in such capacity, the “Administrative Agent”).

WITNESSETH:

WHEREAS, the Borrower has requested, and the Lenders have agreed, to make available a revolving facility in an aggregate amount, as of the Fourth Amendment Effective Date, of \$300,000,000, the proceeds of which shall be used for (i) purchases of natural gas inventory and/or (ii) other working capital needs and general corporate purposes of the Borrower and its Subsidiaries.

NOW, THEREFORE, in consideration of the premises and agreements hereinafter set forth, the parties hereto agree as follows:

SECTION 1. DEFINITIONS

1.1 Defined Terms. As used in this Agreement (including the preamble and recitals hereof), the terms listed in this Section 1.1 shall have the respective meanings set forth in this Section 1.1.

“ABR”: for any day, a fluctuating per annum rate of interest equal to the highest of (i) the Overnight Bank Funding Rate, plus 0.5%, (ii) the Prime Rate, and (iii) Daily Simple SOFR, plus 1.00%, so long as Daily Simple SOFR is offered, ascertainable and not unlawful; provided, however, if the ABR as determined above would be less than zero, then such rate shall be deemed to be zero. Any change in the ABR (or any component thereof) shall take effect at the opening of business on the day such change occurs. Notwithstanding anything to the contrary contained herein, in the case of any event specified in Section 2.11 or Section 2.13(d), to the extent any such determination affects the calculation of the ABR, the definition hereof shall be calculated without reference to clause (iii) until the circumstances giving rise to such event no longer exist.

“ABR Loans”: Loans the rate of interest applicable to which is based upon the ABR.

“ABR Option”: the option of the Borrower to have Loans bear interest at the ABR and under the terms specified in Section 2.1(b) or Section 2.7, as applicable.

“Administrative Agent”: PNC Bank, National Association, together with its affiliates, as the administrative agent for the Lenders under this Agreement and the other Loan Documents, together with any of its successors.

“Affected Financial Institution”: (a) any EEA Financial Institution or (b) any UK Financial Institution.

“Affiliate”: as to any Person, any other Person that, directly or indirectly, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, “control” of a Person means the power, directly or indirectly, either to (a) vote 10% or more of the securities having ordinary voting power for the election of directors (or persons performing similar functions) of such Person or (b) direct or cause the direction of the management and policies of such Person, whether by contract or otherwise.

“Agent Indemnitee”: as defined in Section 9.7.

“Agents”: the Administrative Agent and the Collateral Agent.

“Agreement”: as defined in the preamble hereto.

“Anti-Corruption Laws”: all laws, rules and regulations of any jurisdiction applicable to the Borrower or its Subsidiaries from time to time concerning or relating to bribery or corruption, including without limitation, the Foreign Corrupt Practices Act of 1977 and the U.K. Bribery Act of 2010 and the rules and regulations thereunder.

“Anti-Money Laundering Laws”: (a) the Bank Secrecy Act and the Patriot Act; (b) the U.K. Proceeds of Crime Act 2002, the Money Laundering Regulations 2017, as amended and the Terrorist Asset-Freezing etc. Act 2010; and (c) any other applicable law or regulation relating to anti-money laundering and countering the financing of terrorism in any jurisdiction in which any Loan Party is located or doing business.

“Anti-Terrorism Laws”: as defined in Section 4.21(a).

“Applicable Margin”: the rate per annum equal to the rates set forth in the table below:

Applicable Margin for Term SOFR Rate Loans	Applicable Margin for ABR Loans
0.90%	0.00%

“Approved Fund”: as defined in Section 10.6(b)(ii).

“Assignee”: as defined in Section 10.6(b)(i).

“Assignment and Assumption”: an Assignment and Assumption, substantially in the form of Exhibit C or such other form approved by the Administrative Agent.

“Available Revolving Commitments”: with respect to any Lender at any time, an amount equal to the excess, if any, of (a) such Lender’s Revolving Commitment then in effect over (b) such Lender’s Revolving Extensions of Credit then outstanding.

“Bail-In Action”: the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

“Bail-In Legislation”: (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“Bankruptcy Event”: with respect to any Person, such Person becomes the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, administrator, custodian, assignee for the benefit of creditors or similar Person charged with the reorganization or liquidation of its business appointed for it, or, in the good faith determination of the Administrative Agent, has taken any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any such proceeding or appointment, provided that a Bankruptcy Event shall not result solely by virtue of any ownership interest, or the acquisition of any ownership interest, in such Person by a Governmental Authority or instrumentality thereof, provided, further, that such ownership interest does not result in or provide such Person with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Person (or such Governmental Authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made by such Person.

“Benchmark Replacement” as defined in Section 2.18.

“Beneficial Ownership Certification”: a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

“Beneficial Ownership Regulation”: 31 C.F.R. § 1010.230.

“Benefit Plan”: any of (a) an “employee benefit plan” (as defined in ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such “employee benefit plan” or “plan”.

“Benefitted Lender”: as defined in Section 10.7(a).

“Blocked Property”: any property (a) beneficially owned, directly or indirectly, by a Sanctioned Person; (b) that is due to or from a Sanctioned Person; (c) in which a Sanctioned Person otherwise holds any interest; (d) that is located in a Sanctioned Jurisdiction; or (e) that otherwise would cause any actual or possible violation by the Lenders, the Administrative Agent or the Collateral Agent of any applicable International Trade Law if the Lenders or the Administrative Agent were to obtain an encumbrance on, lien on, pledge of, or security interest in such property, or provide services in consideration of such property.

“Board”: the Board of Governors of the Federal Reserve System of the United States (or any successor).

“Borrower”: as defined in the preamble hereto.

“Borrowing Date”: any Business Day specified by the Borrower as a date on which the Borrower requests the relevant Lenders to make Loans hereunder.

“Borrowing Request”: with respect to any request for borrowing of Revolving Loans hereunder, a notice from the Borrower, substantially in the form of, and containing the information prescribed by, Exhibit F (or such other form approved by the Administrative Agent) delivered to the Administrative Agent, which Borrowing Request shall, unless otherwise agreed by the Administrative Agent and the Borrower, detail whether the proceeds of such Revolving Loan are being used for (a) purchases of natural gas inventory or (b) other working capital needs and general corporate purposes.

“Borrowing Tranche”: specified portions of Loans outstanding as follows: (a) any Loans to which a Term SOFR Rate Option applies under the same Borrowing Request by the Borrower and which have the same Interest Period shall constitute one Borrowing Tranche, and (b) all Loans to which an ABR Option applies shall constitute one Borrowing Tranche.

“Business”: as defined in Section 4.16(b).

“Business Day”: any day other than a Saturday or Sunday or a legal holiday on which commercial banks are authorized or required to be closed, or are in fact closed, for business in New York, New York or Pittsburgh, Pennsylvania (or, if otherwise, the Funding Office of the Administrative Agent); provided that, for purposes of any direct or indirect calculation or determination of, or when used in connection with any interest rate settings, fundings, disbursements, settlements, payments, or other dealings with respect to SOFR, the term “Business Day” means any such day that is also a U.S. Government Securities Business Day.

“Capital Stock”: any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation) and any and all warrants, rights or options to purchase any of the foregoing.

“Cash Equivalents”: (a) marketable direct obligations issued by, or unconditionally guaranteed by, the United States Government or issued by any agency thereof and backed by the full faith and credit of the United States, in each case maturing within one year from the date of acquisition; (b) certificates of deposit, time deposits, Eurodollar time deposits or overnight bank deposits having maturities of six months or less from the date of acquisition issued by any Lender or by any commercial bank organized under the laws of the United States or any state thereof having combined capital and surplus of not less than \$500,000,000 and which are rated at least AA- by S&P or Aa3 by Moody’s; (c) commercial paper of an issuer rated at least AA- by S&P or P-1 by Moody’s, or carrying an equivalent rating by a nationally recognized rating agency, if both of the two named rating agencies cease publishing ratings of commercial paper issuers generally, and maturing within 270 days from the date of acquisition; (d) repurchase obligations of any Lender or of any commercial bank satisfying the requirements of clause (b) of this definition, having a term of not more than 30 days, with respect to securities issued or fully guaranteed or insured by the United States government; (e) securities with maturities of one year or less from the

date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States, by any political subdivision or taxing authority of any such state, commonwealth or territory or by any foreign government, the securities of which state, commonwealth, territory, political subdivision, taxing authority or foreign government (as the case may be) are rated at least AA- by S&P or Aa3 by Moody's; (f) securities with maturities of six months or less from the date of acquisition backed by standby letters of credit issued by any Lender or any commercial bank satisfying the requirements of clause (b) of this definition; (g) money market mutual or similar funds that invest exclusively in assets satisfying the requirements of clauses (a) through (f) of this definition; or (h) money market funds that (i) comply with the criteria set forth in SEC Rule 2a-7 under the Investment Company Act of 1940, as amended, (ii) are rated AAA by S&P and Aaa by Moody's and (iii) have portfolio assets of at least \$5,000,000,000.

“Cash Management Agreements”: as defined in Section 2.20(d).

“Closing Date”: the date on which the conditions precedent set forth in Section 5.1 shall have been satisfied, which date is November 25, 2020.

“Code”: the Internal Revenue Code of 1986, as amended from time to time.

“Collateral”: all real and personal property of the Borrower, now owned or hereafter acquired, upon which a Lien is purported to be created by any Security Document (including without limitation, all Pledged Stock).

“Collateral Agent”: Wilmington Trust, National Association, as collateral agent and its successors and permitted assigns under the Intercreditor Agreement.

“Compliance Authority”: (a) the United States government or any agency or political subdivision thereof, including, without limitation, the U.S. Department of State, the U.S. Department of Commerce, the U.S. Department of the Treasury and its Office of Foreign Assets Control, and the U.S. Customs and Border Protection agency; (b) the government of Canada or any agency thereof; (c) the European Union or any agency thereof; (d) the government of the United Kingdom or any agency thereof; (e) the United Nations Security Council; and (f) any other Governmental Authority with jurisdiction to administer Anti-Corruption Laws, Anti-Terrorism or International Trade Laws with respect to the conduct of a Covered Entity.

“Compliance Certificate”: a certificate duly executed by a Responsible Officer substantially in the form of Exhibit A.

“Conforming Changes”: with respect to the Term SOFR Rate or any Benchmark Replacement in relation thereto, any technical, administrative or operational changes (including changes to the definition of “ABR,” the definition of “Business Day,” the definition of “Interest Period,” the definition of “U.S. Government Securities Business Day,” timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of the Term SOFR Rate or such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with

market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of the Term SOFR Rate or the Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

“Connection Income Taxes”: Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

“Consolidated Capitalization” at any date, the sum of (a) Consolidated Total Net Worth as at the end of the most recently ended fiscal quarter of the Borrower and (b) Consolidated Debt at such date.

“Consolidated Debt”: at any date, the aggregate principal amount of all Indebtedness of the Borrower and its Subsidiaries at such date, determined on a consolidated basis in accordance with GAAP.

“Consolidated EBITDA”: for any period, Consolidated Net Income for such period plus, without duplication and to the extent reflected as a charge in the statement of such Consolidated Net Income for such period, the sum of (a) income tax expense, (b) interest expense, amortization or writeoff of debt discount, debt issuance costs and commissions, discounts and other fees and charges associated with Indebtedness, (c) depreciation and amortization expense, (d) amortization of intangibles (including, but not limited to, goodwill) and organization costs and (e) any extraordinary or non-recurring non-cash expenses or losses (including, whether or not otherwise includable as a separate item in the statement of such Consolidated Net Income for such period, non-cash losses on sales of assets outside of the ordinary course of business), provided, that the amounts referred to in this clause (e) shall not, in the aggregate, exceed \$15,000,000 for any fiscal year of the Borrower, and minus, (1) to the extent included in the statement of such Consolidated Net Income for such period, the sum of (i) any extraordinary, unusual or non-recurring income or gains (including, whether or not otherwise includable as a separate item in the statement of such Consolidated Net Income for such period, gains on the sales of assets outside of the ordinary course of business), (ii) income tax credits (to the extent not netted from income tax expense) and (iii) any other non-cash income and (2) any cash payments made during such period in respect of items described in clause (e) above subsequent to the fiscal quarter in which the relevant non-cash expenses or losses were reflected as a charge in the statement of Consolidated Net Income, all as determined on a consolidated basis.

“Consolidated Interest Expense”: for any period, total cash interest expense (including that attributable to Finance Lease Obligations and capitalized interest) of the Borrower and its Subsidiaries for such period with respect to all outstanding Indebtedness of the Borrower and its Subsidiaries (including all commissions, discounts and other fees and charges owed with respect to letters of credit and bankers’ acceptance financing and net costs under Swap Agreements in respect of interest rates to the extent such net costs are allocable to such period in accordance with GAAP).

“Consolidated Net Income”: for any period, the consolidated net income (or loss) of the Borrower and its Subsidiaries determined on a consolidated basis in accordance with GAAP.

“Consolidated Total Assets”: as of the date of any determination thereof, the total assets of the Borrower and its Subsidiaries that would be shown as assets on a consolidated balance sheet of the Borrower and its Subsidiaries as of such date prepared in accordance with GAAP.

“Consolidated Total Net Worth”: at any date, all amounts that would, in conformity with GAAP, be included on a consolidated balance sheet of the Borrower and its Subsidiaries under stockholders’ equity at such date.

“Contractual Obligation”: as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

“Credit Party”: the Administrative Agent or any Lender.

“Daily Simple SOFR”: for any day (a “SOFR Rate Day”), the interest rate per annum determined by the Administrative Agent (rounded upwards, at the Administrative Agent’s discretion, to the nearest 1/100th of 1%) equal to SOFR for the day (the “SOFR Determination Date”) that is 2 Business Days prior to (i) such SOFR Rate Day if such SOFR Rate Day is a Business Day or (ii) the Business Day immediately preceding such SOFR Rate Day if such SOFR Rate Day is not a Business Day, in each case, as such SOFR is published by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate) on the website of the Federal Reserve Bank of New York, at <http://www.newyorkfed.org>, or any successor source identified by the Federal Reserve Bank of New York or its successor administrator for the secured overnight financing rate from time to time. If Daily Simple SOFR as determined above would be less than the SOFR Floor, then Daily Simple SOFR shall be deemed to be the SOFR Floor. If SOFR for any SOFR Determination Date has not been published or replaced with a Benchmark Replacement by 5:00 p.m. (Pittsburgh, Pennsylvania time) on the second Business Day immediately following such SOFR Determination Date, then SOFR for such SOFR Determination Date will be SOFR for the first Business Day preceding such SOFR Determination Date for which SOFR was published in accordance with the definition of “SOFR”; provided that SOFR determined pursuant to this sentence shall be used for purposes of calculating Daily Simple SOFR for no more than 3 consecutive SOFR Rate Days. If and when Daily Simple SOFR as determined above changes, any applicable rate of interest based on Daily Simple SOFR will change automatically without notice to the Borrower, effective on the date of any such change.

“Debtor Relief Laws”: the Bankruptcy Code of the United States of America, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect.

“Default”: any of the events specified in Section 8, whether or not any requirement for the giving of notice, the lapse of time, or both, hereunder has been satisfied.

“Defaulting Lender”: any Lender, as determined by the Administrative Agent, that (a) has failed, within three (3) Business Days of the date required to be funded or paid, to (i) fund

any portion of its Loans, (ii) fund any portion of its participations in Swing Line Loans or (iii) pay over to any Credit Party any other amount required to be paid by it hereunder, unless, in the case of clause (i) above, such Lender notifies the Administrative Agent in writing that such failure is the result of such Lender's good faith determination that a condition precedent to funding (specifically identified and including the condition precedent, together with any applicable default) has not been satisfied, (b) has notified the Borrower or any Credit Party in writing, or has made a public statement to the effect, that it does not intend or expect to comply with any of its funding obligations under this Agreement (unless such writing or public statement indicates that such position is based on such Lender's good faith determination that a condition precedent (specifically identified and including the condition precedent, together with any applicable default) to funding a loan under this Agreement cannot be satisfied) or generally under other agreements in which it commits to extend credit, (c) has failed, within three (3) Business Days after written request by a Credit Party, acting in good faith, to provide a certification in writing from an authorized officer of such Lender that it will comply with its obligations to fund prospective Loans and participations in Swing Line Loans under this Agreement, provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon such Credit Party's receipt of such certification in form and substance satisfactory to it and the Administrative Agent, (d) has become, or has a Parent that has become, the subject of a Bankruptcy Event, or (e) has become the subject of a Bail-In Action.

“Delta”: Delta Natural Gas Company, Inc., a Kentucky corporation.

“Disposition”: with respect to any property, any sale, lease, sale and leaseback, assignment, conveyance, transfer or other disposition thereof. The terms “Dispose” and “Disposed of” shall have correlative meanings.

“Dollars” and “\$”: dollars in lawful currency of the United States.

“EEA Financial Institution”: (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country”: any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority”: any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Environmental Laws”: any and all foreign, federal, state, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees, requirements of any Governmental Authority or other Requirements of Law (including common law) regulating, relating to or imposing liability or standards of conduct concerning protection of human health (with respect to exposure to Materials of Environmental Concern) or the environment.

“ERISA”: the Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations promulgated thereunder.

“ERISA Affiliate”: any trade or business, whether or not incorporated, that together with any Group Member is treated as a single employer within the meaning of Section 414(b) or Section 414(c) of the Code or, solely for purposes of provisions relating to Section 302 of ERISA or Section 412 of the Code, is treated as a single employer with any Group Member under Section 414(m) or Section (o) of the Code.

“ERISA Event”: (a) any Reportable Event; (b) the existence with respect to any Plan of a non-exempt Prohibited Transaction; (c) any failure by any Plan to satisfy the minimum funding standards (within the meaning of Section 412 of the Code or Section 302 of ERISA) applicable to such Plan, whether or not waived in accordance with Section 412(c) of the Code or Section 302(c) of ERISA; (d) the filing pursuant to Section 412 of the Code or Section 302 of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan, the failure to make by its due date a required installment under Section 430(j) of the Code with respect to any Plan or the failure by any Group Member or any ERISA Affiliate to make any required contribution to a Multiemployer Plan pursuant to Sections 431 or 432 of the Code; (e) the occurrence of any event or condition which constitutes grounds under ERISA for the termination of, or the appointment of a trustee to administer, any Plan or the incurrence by any Group Member or any ERISA Affiliate of any liability under Title IV of ERISA with respect to the termination of any Plan, including but not limited to the imposition of any Lien in favor of the PBGC or any Plan; (f) a determination that any Plan is, or is expected to be, in “at risk” status (within the meaning of Section 430 of the Code or Section 303 of ERISA); (g) the incurrence by any Group Member or any ERISA Affiliate of any liability under Title IV of ERISA other than a liability to the PBGC for premiums under Section 4007 of ERISA that are not past due; (h) the receipt by any Group Member or any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or to appoint a trustee to administer any Plan under Section 4042 of ERISA; (i) the incurrence by any Group Member or any ERISA Affiliate of any liability with respect to the withdrawal or partial withdrawal (within the meaning of Sections 4203 and 4205 of ERISA) from any Plan or Multiemployer Plan; (j) the receipt by any Group Member or any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from a Group Member or any ERISA Affiliate of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, Insolvent or in “endangered” or “critical” status (within the meaning of Sections 431 or 432 of the Code or Sections 304 or 305 of ERISA) or terminated (within the meaning of Section 4041A of ERISA) or that it intends to terminate or has terminated under Section 4041A or 4042 of ERISA; (k) the failure by any Group Member or any of its ERISA Affiliates to pay when due (after expiration of any applicable grace period) any installment payment with respect to Withdrawal Liability under Section 4201 of ERISA; (l) the withdrawal by any Group Member or any of their respective ERISA Affiliates from any Plan with two or more contributing sponsors or the termination of any such Plan resulting in liability to any Group Member or any of their respective Affiliates pursuant to Section 4063 or 4064 of ERISA; or (m) any failure by any Group Member or any ERISA Affiliate to make any contribution or payment to any Plan or Multiemployer Plan, or any amendment to any Plan that has resulted or could result in the imposition of a Lien or the posting of a bond or other security under ERISA or the Code.

“Erroneous Payment”: as defined in Section 9.12.

“Erroneous Payment Deficiency Assignment”: as defined in Section 9.12.

“Erroneous Payment Impacted Class”: as defined in Section 9.12.

“Erroneous Payment Return Deficiency”: as defined in Section 9.12.

“Erroneous Payment Subrogation Rights”: as defined in Section 9.12.

“Essential”: Essential Utilities, Inc., a Pennsylvania corporation.

“Essential Group”: the collective reference to Essential and its Subsidiaries.

“EU Bail-In Legislation Schedule”: the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

“Event of Default”: any of the events specified in Section 8, provided that any requirement for the giving of notice, the lapse of time, or both, has been satisfied.

“Exchange Act”: the United States Securities Exchange Act of 1934.

“Excluded Affiliate”: as to any Person, any other Person that, directly or indirectly, is under common control with such Person.

“Excluded Taxes”: any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender on the date (i) such Lender acquires an interest in the Loan or Revolving Commitment (other than pursuant to an assignment request by the Borrower under Section 2.17) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.14, amounts with respect to such Taxes were payable either to such Lender’s assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient’s failure to comply with paragraph (d), (e) or (i) of Section 2.14, and (d) any U.S. federal withholding Taxes imposed under FATCA.

“Executive Order”: as defined in Section 4.21(a).

“FATCA”: Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor provisions that are substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code or any intergovernmental agreements entered into pursuant to the foregoing, and any fiscal or

regulatory legislation, rules or official practices, in each case, adopted pursuant to any such intergovernmental agreement.

“Finance Lease Obligations”: as to any Person, the obligations of such Person and its Subsidiaries to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as finance leases on a consolidated balance sheet of such Person and its Subsidiaries under GAAP and, for the purposes of this Agreement, the amount of such obligations at any time shall be the capitalized amount thereof at such time determined in accordance with GAAP.

“Financial Officer”: the chief financial officer, principal financial officer, principal accounting officer, senior vice president-finance, vice president-finance, vice president-treasury, treasurer, assistant treasurer or controller of the Borrower.

“Financials”: as defined in Section 4.1.

“Foreign Plan”: each Plan, whether or not subject to ERISA, that is not subject to U.S. law.

“Fourth Amendment”: the Fourth Amendment to Credit Agreement by and among the Borrower, the Lenders party thereto and the Administrative Agent, dated as of the Fourth Amendment Effective Date.

“Fourth Amendment Effective Date”: June 12, 2024.

“Funding Office”: the office of the Administrative Agent specified in Section 10.2 or such other office as may be specified from time to time by the Administrative Agent as its funding office by written notice to the Borrower and the Lenders.

“GAAP”: generally accepted accounting principles in the United States as in effect from time to time, except that for purposes of Section 7.1, GAAP shall be determined on the basis of such principles in effect on the date hereof and consistent with those used in the preparation of the most recent audited financial statements referred to in Section 4.1. In the event that any “Accounting Change” (as defined below) shall occur and such change results in a change in the method of calculation of financial covenants, standards or terms in this Agreement, then the Borrower and the Administrative Agent agree to enter into negotiations in order to amend such provisions of this Agreement so as to reflect equitably such Accounting Changes with the desired result that the criteria for evaluating the Borrower’s financial condition shall be the same after such Accounting Changes as if such Accounting Changes had not been made. Until such time as such an amendment shall have been executed and delivered by the Borrower, the Administrative Agent and the Required Lenders, all financial covenants, standards and terms in this Agreement shall continue to be calculated or construed as if such Accounting Changes had not occurred. “Accounting Changes” refers to changes in accounting principles required by the promulgation of any rule, regulation, pronouncement or opinion by the Financial Accounting Standards Board of the American Institute of Certified Public Accountants or, if applicable, the SEC. Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made

(i) without giving effect to any election under Accounting Standards Codification 825-10-25 (previously referred to as Statement of Financial Accounting Standards 159) (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any Indebtedness or other liabilities of the Borrower or any Subsidiary at “fair value”, as defined therein, (ii) without giving effect to any treatment of Indebtedness in respect of convertible debt instruments under Accounting Standards Codification 470-20 to value any such Indebtedness in a reduced or bifurcated manner as described therein, and such Indebtedness shall at all times be valued at the full stated principal amount thereof and (iii) without giving effect to any change in accounting for leases resulting from the implementation of Financial Accounting Standards Board ASU No. 2016-02, Leases (Topic 842), to the extent any lease (or similar arrangement conveying the right to use) would be required to be treated as a finance lease where such lease (or similar arrangement) would not have been required to be so treated under GAAP as in effect on December 31, 2016, and all calculations and deliverables under this Agreement or any other Loan Document shall be made or delivered, as applicable, in accordance therewith.

“Governmental Authority”: any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, court, central bank or other entity (including any supra-national bodies such as the European Union or the European Central Bank) exercising executive, legislative, judicial, taxing, regulatory or administrative functions of or pertaining to government, any securities exchange, any self-regulatory organization (including the National Association of Insurance Commissioners), and any group or body charged with setting financial accounting or regulatory capital rules or standards (including, without limitation, the Bank for International Settlements or the Basel Committee on Banking Supervision or any successor or similar authority to any of the foregoing).

“Group Members”: the collective reference to the Borrower and its Subsidiaries.

“Guarantee Obligation”: as to any Person (the “guaranteeing person”), any obligation, including a reimbursement, counterindemnity or similar obligation, of the guaranteeing Person that guarantees or in effect guarantees, or which is given to induce the creation of a separate obligation by another Person (including any bank under any letter of credit) that guarantees or in effect guarantees, any Indebtedness, leases, dividends or other obligations (the “primary obligations”) of any other third Person (the “primary obligor”) in any manner, whether directly or indirectly, including any obligation of the guaranteeing person, whether or not contingent, (i) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (ii) to advance or supply funds (A) for the purchase or payment of any such primary obligation or (B) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (iii) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation or (iv) otherwise to assure or hold harmless the owner of any such primary obligation against loss in respect thereof; provided, however, that the term Guarantee Obligation shall not include endorsements of instruments for deposit or collection in the ordinary course of business. The amount of any Guarantee Obligation of any guaranteeing person shall be deemed to be the lower of (a) an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee Obligation is made and (b) the maximum amount for which such guaranteeing person may be liable pursuant to the terms of the instrument embodying such Guarantee Obligation, unless

such primary obligation and the maximum amount for which such guaranteeing person may be liable are not stated or determinable, in which case the amount of such Guarantee Obligation shall be such guaranteeing person's maximum reasonably anticipated liability in respect thereof as determined by the Borrower in good faith.

"Indebtedness": of any Person at any date, without duplication, (a) all indebtedness of such Person for borrowed money, (b) all obligations of such Person for the deferred purchase price of property or services (other than current trade payables incurred in the ordinary course of such Person's business), (c) all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments, (d) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property), (e) all Finance Lease Obligations of such Person, (f) all obligations of such Person, contingent or otherwise, as an account party or applicant under or in respect of acceptances, letters of credit, surety bonds or similar arrangements, (g) the liquidation value of all redeemable preferred Capital Stock of such Person, (h) all Guarantee Obligations of such Person in respect of obligations of the kind referred to in clauses (a) through (g) above, (i) all obligations of the kind referred to in clauses (a) through (h) above secured by (or for which the holder of such obligation has an existing right, contingent or otherwise, to be secured by) any Lien on property (including accounts and contract rights) owned by such Person, whether or not such Person has assumed or become liable for the payment of such obligation, and (j) for the purposes of Section 8(e) only, all obligations of such Person in respect of Swap Agreements. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness expressly provide that such Person is not liable therefor.

"Indemnified Liabilities": as defined in Section 10.5.

"Indemnified Taxes": (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document and (b) to the extent not otherwise described in (a), Other Taxes.

"Indemnitee": as defined in Section 10.5.

"Information": as defined in Section 10.15.

"Insolvent": with respect to any Multiemployer Plan, the condition that such Plan is insolvent within the meaning of Section 4245 of ERISA.

"Intercreditor Agreement": the Intercreditor and Collateral Agency Agreement, originally dated as of February 26, 2010, as amended by Amendment No. 1, dated as of August 10, 2011, as further amended by Amendment No. 2, dated as of August 22, 2013, as further amended by Amendment No. 3, dated as of October 20, 2020, and as further supplemented by the Joinder to Intercreditor Agreement, among the Collateral Agent, Administrative Agent, holders of the Senior Notes and other holders of pari passu Indebtedness of the Borrower, which may become party to the agreement from time to time.

“Interest Payment Date”: (a) as to any ABR Loan or any Swing Line Loan, the first Business Day following the last day of each March, June, September and December to occur while such Loan is outstanding and the final maturity date of such Loan, (b) as to any Term SOFR Rate Loan having an Interest Period of three months or less, the last day of such Interest Period, (c) as to any Term SOFR Rate Loan having an Interest Period longer than three months, each day that is three months, or a whole multiple thereof, after the first day of such Interest Period and the last day of such Interest Period and (d) as to any Loan, the date of any repayment or prepayment made in respect thereof.

“Interest Period”: as to any Term SOFR Rate Loan, (a) initially, the period commencing on the borrowing or conversion date, as the case may be, with respect to such Term SOFR Rate Loan and ending one, three or six months thereafter (or such shorter or longer period as shall have been consented to by each Lender participating in such Term SOFR Rate Loan), as selected by the Borrower in its notice of borrowing or notice of conversion, as the case may be, given with respect thereto; and (b) thereafter, each period commencing on the last day of the next preceding Interest Period applicable to such Term SOFR Rate Loan and ending one, three or six months (or other applicable period) thereafter, as selected by the Borrower by irrevocable notice to the Administrative Agent not later than 11:00 A.M., New York City time, on the date that is three Business Days prior to the last day of the then current Interest Period with respect thereto; provided that, all of the foregoing provisions relating to Interest Periods are subject to the following:

(i) if any Interest Period would otherwise end on a day that is not a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless the result of such extension would be to carry such Interest Period into another calendar month in which event such Interest Period shall end on the immediately preceding Business Day;

(ii) the Borrower may not select an Interest Period that would extend beyond the Revolving Commitment Termination Date; and

(iii) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of a calendar month.

“International Trade Laws”: all laws relating to economic and financial sanctions, trade embargoes, export controls, customs and anti-boycott measures.

“IRS”: the United States Internal Revenue Service.

“Joinder to Intercreditor Agreement”: that certain Joinder to Intercreditor Agreement (Administrative Agent), dated as of the date hereof, by the Administrative Agent.

“LDC Holdings”: LDC Holdings LLC, a Delaware limited liability company.

“Lead Arranger”: as defined in the preamble hereto.

“Lenders”: as defined in the preamble hereto. Unless the context otherwise requires, the term “Lenders” includes the Swing Line Lender.

“Lien”: any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge or other security interest or any preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including any conditional sale or other title retention agreement and any finance lease having substantially the same economic effect as any of the foregoing).

“Loan”: any loan by any Lender pursuant to this Agreement, including Revolving Loans and Swing Line Loans.

“Loan Documents”: this Agreement, the Security Documents, the Notes and any amendment, waiver, supplement or other modification to any of the foregoing.

“Loan Party”: each Group Member that is a party to a Loan Document.

“Material Adverse Effect”: any event, development or circumstance that has had or could reasonably be expected to have a material adverse effect on (a) the business, property, operations or financial condition of the Group Members, taken as a whole, or any of the Loan Parties, (b) the ability of the Group Members, taken as a whole, or any of the Loan Parties, to perform any of their respective obligations under the Loan Documents or (c) the validity or enforceability of any of the Loan Documents or the rights and remedies of the Administrative Agent or the Lenders thereunder.

“Materials of Environmental Concern”: any gasoline or petroleum (including crude oil or any fraction thereof) or petroleum products or any hazardous or toxic substances, materials or wastes, defined or regulated as such in or under any applicable Environmental Law, including asbestos, polychlorinated biphenyls and urea-formaldehyde insulation.

“MNPI”: material information concerning the Borrower, any Subsidiary or any Affiliate of any of the foregoing, or any of their securities, that has not been disseminated in a manner making it available to investors generally, within the meaning of Regulation FD under the Exchange Act. For purposes of this definition, “material information” means information concerning the Borrower, any Subsidiary or other Affiliate of the Borrower, or any of their securities, that could reasonably be expected to be material for purposes of the United States federal and state securities laws.

“Moody’s”: Moody’s Investor Services, Inc., or any successor thereto.

“Multiemployer Plan”: a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

“Non-U.S. Lender”: as defined in Section 2.14(d).

“Note Purchase Agreement”: that certain Note Purchase Agreement, originally dated as of February 26, 2010, as amended by Amendment No. 1, dated as of August 10, 2011, as further amended by Amendment No. 2, dated as of August 22, 2013, and as further amended by Amendment No. 3, dated as of November 9, 2017, between the Borrower and the purchasers of the Senior Notes party thereto.

“Notes”: the collective reference to any promissory note evidencing the Loans, each of which shall be substantially in the form of Exhibit G.

“NYFRB”: the Federal Reserve Bank of New York.

“Obligations”: the unpaid principal of and interest on (including interest accruing after the maturity of the Loans and interest accruing after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to the Borrower, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding) the Loans and all other obligations and liabilities of the Borrower to the Administrative Agent or to any Lender, whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which may arise under, out of, or in connection with, this Agreement, any other Loan Document or any other document made, delivered or given in connection herewith or therewith, whether on account of principal, interest, reimbursement obligations, fees, indemnities, costs, expenses (including all fees, charges and disbursements of counsel to the Administrative Agent or to any Lender that are required to be paid by the Borrower pursuant hereto) or otherwise.

“OFAC”: as defined in Section 4.21(b)(v).

“Other Connection Taxes”: with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

“Other Taxes”: all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.17).

“Overnight Bank Funding Rate”: for any day, the rate comprised of both overnight federal funds and overnight eurocurrency borrowings by U.S.-managed banking offices of depository institutions, as such composite rate shall be determined by the NYFRB as set forth on its public website from time to time, and as published on the next succeeding Business Day as the overnight bank funding rate by the NYFRB (or by such other recognized electronic source (such as Bloomberg) selected by the Administrative Agent for the purpose of displaying such rate); provided, that if such day is not a Business Day, the Overnight Bank Funding Rate for such day shall be such rate on the immediately preceding Business Day; provided, further, that if such rate shall at any time, for any reason, no longer exist, a comparable replacement rate determined by the Administrative Agent at such time (which determination shall be conclusive absent manifest error). If the Overnight Bank Funding Rate determined as above would be less than zero percent (0.00%), such rate shall be deemed to be zero percent (0.00%) for purposes of this Agreement. The rate of

interest charged shall be adjusted as of each Business Day based on changes in the Overnight Bank Funding Rate without notice to the Borrower.

“Parent”: with respect to any Lender, any Person as to which such Lender is, directly or indirectly, a subsidiary.

“Participant”: as defined in Section 10.6(c)(i).

“Participant Register”: as defined in Section 10.6(c)(ii).

“Patriot Act”: as defined in Section 10.17.

“PBGC”: the Pension Benefit Guaranty Corporation established under Section 4002 of ERISA or any successor entity performing similar functions.

“Peoples”: Peoples Natural Gas Company LLC, a Pennsylvania limited liability company.

“Peoples Gas”: Peoples Gas Company LLC (f/k/a Peoples TWP LLC), a Pennsylvania limited liability company.

“Peoples KY”: Peoples Gas KY LLC, a Kentucky limited liability company.

“Peoples WV”: Peoples Gas WV LLC, a West Virginia limited liability company.

“Person”: an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, Governmental Authority or other entity of whatever nature.

“Plan”: other than any Multiemployer Plan, any employee pension benefit plan as defined in Section 3(2) of ERISA, that is subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect of which any Group Member or any ERISA Affiliate is (or, if such Plan were terminated, would under Section 4069 of ERISA be deemed to be) an “employer” as defined in Section 3(5) of ERISA.

“Platform”: as defined in Section 6.1.

“Pledged Stock”: all of the Capital Stock of each of the Borrower’s existing and future direct or indirect subsidiaries (including without limitation, all of the Capital Stock of each Significant Subsidiary and all other Subsidiaries directly or indirectly owned by the Borrower, in each case, except to the extent no longer owned, directly or indirectly, by the Borrower as a result of a transaction expressly permitted by this Agreement).

“PNC”: PNC Bank, National Association.

“Prime Rate”: the interest rate per annum announced from time to time by the Administrative Agent at its Principal Office as its then prime rate, which rate may not be the lowest or most favorable rate then being charged to commercial borrowers or others by the Administrative

Agent and may not be tied to any external rate of interest or index. Any change in the Prime Rate shall take effect at the opening of business on the day such change is announced.

“Principal Office”: the main banking office of the Administrative Agent in Pittsburgh, Pennsylvania.

“Private Side Lender Representatives”: with respect to any Lender, representatives of such Lender that are not Public Side Lender Representatives.

“Prohibited Transaction”: as defined in Section 406 of ERISA and Section 4975(c) of the Code.

“Properties”: as defined in Section 4.16(a).

“PTE”: a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

“Public Side Lender Representatives”: with respect to any Lender, representatives of such Lender that do not wish to receive MNPI.

“Rating Agencies”: Fitch Ratings, Ltd., Moody’s and S&P and, in each case, any successors thereto.

“Recipient”: (a) the Administrative Agent or (b) any Lender, as applicable.

“Register”: as defined in Section 10.6(b)(iv).

“Regulation U”: Regulation U of the Board as in effect from time to time.

“Regulation X”: Regulation X of the Board as in effect from time to time.

“Reportable Compliance Event”: shall mean that any Loan Party or Subsidiary of any Loan Party becomes a Sanctioned Person, or is charged by indictment, criminal complaint or similar charging instrument, arraigned, or custodially detained in connection with any Anti-Terrorism Law or any predicate crime to any Anti-Terrorism Law or Anti-Corruption Law or any Collateral becomes Blocked Property.

“Reportable Event”: any of the events set forth in Section 4043(c) of ERISA or the regulations issued thereunder, with respect to a Plan, other than those events as to which notice is waived pursuant to DOL Reg. Section 4043 as in effect on the date hereof (no matter how such notice requirement may be changed in the future).

“Required Lenders”: (a) if there exists two (2) or fewer unaffiliated Lenders, all Lenders, and (b) if there exists three (3) or more unaffiliated Lenders, the holders of more than 50% of the Total Revolving Commitments then in effect or, if the Revolving Commitments have been terminated, the Total Revolving Extensions of Credit then outstanding.

“Requirement of Law”: as to any Person, the Certificate of Incorporation and By-Laws or other organizational or governing documents of such Person, and any law, treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject; provided however, that notwithstanding anything herein to the contrary, (a) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines, requirements and directives thereunder, issued in connection therewith or in implementation thereof, and (b) all requests, rules, guidelines, requirements and directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to a “Requirement of Law” regardless of the date enacted, adopted, issued or implemented.

“Resolution Authority”: an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“Responsible Officer”: a Financial Officer or the chief executive officer, president, chief administrative officer, general counsel, secretary, any executive vice president, any senior vice president, any vice president or another executive officer of the Borrower, but in any event, with respect to (a) any certificates delivered pursuant to Sections 6.2(a), (b) and (c), and (b) clause (ii) of the definition of Specified Indebtedness, “Responsible Officer” shall mean a Financial Officer.

“Restricted Payments”: as defined in Section 7.5.

“Revolving Commitment”: (a) as to any Lender, the obligation of such Lender, if any, to make Revolving Loans and participate in Swing Line Loans in an aggregate principal amount not to exceed the amount set forth under the heading “Revolving Commitment” opposite such Lender’s name on Schedule 1.1A or in the Assignment and Assumption pursuant to which such Lender became a party hereto, as the same may be changed from time to time pursuant to the terms hereof and (b) in the case of PNC (in its capacity as the Swing Line Lender), its Swingline Commitment (but not the aggregate of its Revolving Commitment and its Swingline Commitment).

“Revolving Commitment Period”: the period from and including the Closing Date until the Revolving Commitment Termination Date.

“Revolving Commitment Termination Date”: June 10, 2025.

“Revolving Extensions of Credit”: as to any Lender at any time, an amount equal to the sum of (a) the aggregate principal amount of all Revolving Loans held by such Lender then outstanding and (b) such Lender’s Swingline Exposure.

“Revolving Loans”: as defined in Section 2.1(a).

“Revolving Percentage”: as to any Lender at any time, the percentage which such Lender’s Revolving Commitment then constitutes of the Total Revolving Commitments or, at any time after the Revolving Commitments shall have expired or terminated, the percentage which the

aggregate principal amount of such Lender's Revolving Extensions of Credit then outstanding constitutes of the aggregate principal amount of the Revolving Extensions of Credit then outstanding.

“S&P”: S&P Global Ratings, a business unit of Standard & Poor's Financial Services, LLC, or any successor thereto.

“Sanctioned Jurisdiction”: at any time, any country, territory, area, jurisdiction or region that is the subject or target of sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or otherwise the subject or target of comprehensive U.S. Sanctions, which countries, territories, areas, jurisdictions and regions include, as of the Second Amendment Effective Date, the Crimea region of Ukraine, Cuba, Iran, North Korea, Syria, and the separatist-controlled portions of the Donetsk and Luhansk regions of Ukraine.

“Sanctioned Person”: at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by any Compliance Authority, (b) any Person located, operating, organized or ordinarily resident in a Sanctioned Jurisdiction or (c) any Person owned 50% or more, in the aggregate, directly or indirectly controlled by, or acting for, on behalf of, or at the direction of, one or more Persons described in the foregoing clauses (a) and (b).

“Sanctions”: economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State or (b) the United Nations Security Council, the European Union or His Majesty's Treasury of the United Kingdom, or other relevant sanctions authority with jurisdiction over any Lender, the Borrower or any of its or their Subsidiaries.

“SEC”: the Securities and Exchange Commission, any successor thereto and any analogous Governmental Authority.

“Second Amendment”: the Second Amendment to Credit Agreement by and among the Borrower, the Lenders party thereto and the Administrative Agent, dated as of the Second Amendment Effective Date.

“Second Amendment Effective Date” means June 30, 2022.

“Securities Act”: the Securities Act of 1933, as amended.

“Security Agreement”: the Security and Pledge Agreement, originally dated as of February 26, 2010, as amended by Amendment No. 1, dated as of August 10, 2011, between the Borrower and the Collateral Agent.

“Security Documents”: the collective reference to the Security Agreement, the Intercreditor Agreement and all other security documents hereafter delivered to the Administrative Agent or the Collateral Agent granting a Lien on any property of any Person to secure the obligations and liabilities of any Loan Party under any Loan Document.

“Senior Notes”: the Borrower’s (a) 4.10% Series 2013-A Senior Secured Notes due December 19, 2023, (b) 4.25% Series 2013-A Senior Secured Notes due December 19, 2025, (c) 3.58% Series 2017-A Senior Secured Notes due July 14, 2024, (d) 4.26% Series 2017-B Senior Secured Notes due December 20, 2031, (e) 2.90% Series 2017-C Senior Secured Notes due December 18, 2022, (f) 3.38% Series 2017-C Senior Secured Notes due December 18, 2027, (g) 3.63% Series 2017-C Senior Secured Notes due December 18, 2032, (h) 4.50% Series 2017-D Senior Secured Notes due November 17, 2021, (i) 6.42% Series 2017-D Senior Secured Notes due December 28, 2022, (j) 5.99% Series 2017-D Senior Secured Notes due October 31, 2023 and (k) 3.53% Series 2017-D Senior Secured Notes due August 23, 2023, each as issued pursuant to the Note Purchase Agreement and any additional senior secured notes of the Borrower issued after the date hereof pursuant to the Note Purchase Agreement.

“Senior Notes Documentation”: the Note Purchase Agreement, together with all instruments and other agreements entered into by the Borrower in connection therewith.

“Significant Subsidiary”: (a) Peoples, (b) Peoples Gas and (c) any other Subsidiary of the Borrower whose revenues or assets are equal to 10% or more of the consolidated revenues or assets, as applicable, of the Borrower and its Subsidiaries as at the last day of any period of four consecutive fiscal quarters of the Borrower ending with the most recent fiscal quarter for which the Borrower is obligated to provide financial statements pursuant to Section 6.1 (giving effect to any time periods for delivery of such financial statements as set forth therein).

“SOFR”: for any day, a rate equal to the secured overnight financing rate as administered by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“SOFR Adjustment”: ten basis points (0.10%).

“SOFR Floor”: a rate of interest per annum equal to zero basis points (0.00%).

“Solvent”: when used with respect to any Person, means that, as of any date of determination, (a) the amount of the “present fair saleable value” of the assets of such Person will, as of such date, exceed the amount of all “liabilities of such Person, contingent or otherwise”, as of such date, as such quoted terms are determined in accordance with applicable federal and state laws governing determinations of the insolvency of debtors, (b) the present fair saleable value of the assets of such Person will, as of such date, be greater than the amount that will be required to pay the liability of such Person on its debts as such debts become absolute and matured, (c) such Person will not have, as of such date, an unreasonably small amount of capital with which to conduct its business, and (d) such Person will be able to pay its debts as they mature. For purposes of this definition, (i) “debt” means liability on a “claim”, and (ii) “claim” means any (x) right to payment, whether or not such a right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured or (y) right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured or unmatured, disputed, undisputed, secured or unsecured. The amount of contingent liabilities (such as litigation, guaranties and pension plan liabilities) at any time shall

be computed as the amount that, in light of all the facts and circumstances existing at the time, represents the amount that can be reasonably be expected to become an actual or matured liability.

“Specified Indebtedness”: any of the following types of Indebtedness:

(i) Indebtedness of the Borrower in respect of the Senior Notes (together with any replacement, refinancing or amendment and restatement thereof), so long as after giving effect thereto the holders of such Indebtedness or their agent shall be a party to the Intercreditor Agreement;

(ii) additional Indebtedness of the Borrower (other than revolving loans) together with any replacement, refinancing or amendment and restatement thereof; provided that (a) immediately after giving effect to any such Indebtedness, the ratio of Consolidated Debt to Consolidated Capitalization shall not exceed 0.60 to 1.00, (b) at the time of such incurrence, no Default or Event of Default then exists or would arise therefrom, (c) the holders of such Indebtedness or their agent shall have become a party to the Intercreditor Agreement, (d) the Administrative Agent shall have received any documents or information, including resolutions and opinions of counsel, it reasonably requests in connection with the Borrower entering into such Indebtedness, and (e) the Administrative Agent shall have received a certificate of a Responsible Officer of the Borrower at least five Business Days (or such shorter period as the Administrative Agent may agree) prior to the incurrence of such Indebtedness stating that the Borrower has determined in good faith that such terms and conditions satisfy the foregoing requirements set forth in clauses (a) through (d) above;

(iii) [reserved];

(iv) [reserved];

(v) [reserved]; and

(vi) additional Indebtedness of the Borrower, Peoples, Peoples Gas or any other Significant Subsidiary in an aggregate principal amount not to exceed \$25,000,000 at any one time outstanding.

“Subsidiary”: as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise qualified, all references to a “Subsidiary” or to “Subsidiaries” in this Agreement shall refer to a Subsidiary or Subsidiaries of the Borrower.

“Subsidiary Debt”: without duplication, as of the date of any determination thereof, the sum of all Indebtedness of Subsidiaries (including all Guarantee Obligations of Indebtedness of the Borrower) but excluding (i) Indebtedness owing to the Borrower or any wholly-owned Subsidiary, (ii) Guarantee Obligations (other than Guarantee Obligations of Indebtedness of the Borrower) incurred in the ordinary course of business by Peoples, Peoples Gas or any other

Significant Subsidiary, and (iii) surety bonds (and similar arrangements) incurred in the ordinary course of business by Peoples, Peoples Gas or any other Significant Subsidiary.

“Swap Agreement”: any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; provided that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of the Borrower or any of its Subsidiaries shall be a “Swap Agreement”.

“Swingline Borrowing Request”: a request by the Borrower for a Swing Line Loan in accordance with Section 2.20, which shall be in any form approved by the Swing Line Lender and the Administrative Agent.

“Swingline Commitment”: the commitment of the Swing Line Lender to make Swing Line Loans hereunder.

“Swingline Exposure”: at any time, the aggregate principal amount of all Swing Line Loans outstanding at such time. The Swingline Exposure of any Lender at any time shall be its Revolving Percentage of the total Swingline Exposure at such time.

“Swing Line Lender”: PNC, in its capacity as a lender of Swing Line Loans hereunder.

“Swing Line Loan”: a Loan made pursuant to Section 2.20.

“Swingline Sublimit”: \$30,000,000.

“Taxes”: all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Term SOFR Administrator”: CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

“Term SOFR Rate”: with respect to any amount to which the Term SOFR Rate Option applies, for any Interest Period, the interest rate per annum determined by the Administrative Agent (rounded upwards, at the Administrative Agent’s discretion, to the nearest 1/100th of 1%) equal to the Term SOFR Reference Rate for a tenor comparable to such Interest Period, as such rate is published by the Term SOFR Administrator on the day (the “Term SOFR Determination Date”) that is two (2) Business Days prior to the first day of such Interest Period. If the Term SOFR Reference Rate for the applicable tenor has not been published or replaced with a Benchmark Replacement by 5:00 p.m. (Pittsburgh, Pennsylvania time) on the Term SOFR Determination Date, then the Term SOFR Reference Rate shall be the Term SOFR Reference Rate for such tenor on the first Business Day preceding such Term SOFR Determination Date for which

such Term SOFR Reference Rate for such tenor was published in accordance herewith, so long as such first preceding Business Day is not more than three (3) Business Days prior to such Term SOFR Determination Date. If the Term SOFR Rate, determined as provided above, would be less than the SOFR Floor, then the Term SOFR Rate shall be deemed to be the SOFR Floor. The Term SOFR Rate shall be adjusted automatically without notice to the Borrower on and as of the first day of each Interest Period; provided, that the Administrative Agent shall as soon as practicable notify the Borrower and the relevant Lenders of each determination of a Term SOFR Rate.

“Term SOFR Rate Loan” means a Loan that bears interest based on the Term SOFR Rate.

“Term SOFR Rate Option” means the option of the Borrower to have Loans bear interest at the rate and under the terms specified in Section 2.1(b) or Section 2.7.

“Term SOFR Reference Rate”: the forward-looking term rate based on SOFR.

“Total Revolving Commitments”: at any time, the aggregate amount of the Revolving Commitments then in effect. The amount of the Total Revolving Commitments as of the Second Amendment Effective Date is \$300,000,000.

“Total Revolving Extensions of Credit”: at any time, the aggregate amount of the Revolving Extensions of Credit of the Lenders outstanding at such time.

“Transferee”: any Assignee or Participant.

“Type”: as to any Loan, its nature as an ABR Loan or a Term SOFR Rate Loan.

“U.S. Government Securities Business Day”: any day except for (a) a Saturday or Sunday or (b) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“UK Financial Institution”: any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK Resolution Authority”: the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“United States”: the United States of America.

“Withdrawal Liability”: any liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are used in Sections 4203 and 4205, respectively, of ERISA.

“Withholding Agent”: the Borrower and the Administrative Agent.

“Write-Down and Conversion Powers”: (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

1.2 Other Definitional Provisions.

(a) Unless otherwise specified therein, all terms defined in this Agreement shall have the defined meanings when used in the other Loan Documents or any certificate or other document made or delivered pursuant hereto or thereto.

(b) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. As used herein and in the other Loan Documents, and any certificate or other document made or delivered pursuant hereto or thereto, (i) accounting terms not defined in Section 1.1 and accounting terms partly defined in Section 1.1 to the extent not defined, shall have the respective meanings given to them under GAAP, (ii) the words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”, (iii) the word “incur” shall be construed to mean incur, create, issue, assume, become liable in respect of or suffer to exist (and the words “incurred” and “incurrence” shall have correlative meanings), (iv) the word “will” shall be construed to have the same meaning and effect as the word “shall”, (v) the word “law” shall be construed as referring to all statutes, rules, regulations, codes and other laws (including official rulings and interpretations thereunder having the force of law or with which affected Persons customarily comply), and all judgments, orders and decrees, of all Governmental Authorities, (vi) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, Capital Stock, securities, revenues, accounts, leasehold interests and contract rights, (vii) references to agreements or other Contractual Obligations shall, unless otherwise expressly specified, be deemed to refer to such agreements or Contractual Obligations as amended, supplemented, restated, replaced or otherwise modified from time to time (subject to any restrictions on such amendments, restatements, replacements, supplements or modifications set forth herein), (viii) any definition of or reference to any statute, rule or regulation shall be construed as referring thereto as from time to time amended, supplemented or otherwise modified (including by succession of comparable successor laws), (ix) any reference herein to any Person shall be construed to include such Person’s successors and assigns (subject to any restrictions on assignment set forth herein) and, in the case of any Governmental Authority, any other Governmental Authority that shall have succeeded to any or all functions thereof, (x) the words “herein”, “hereof and “hereunder”, and words of similar import, shall be construed to refer

to this Agreement in its entirety and not to any particular provision hereof, (xi) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement and (xii) the words 'rate', 'rated' or 'rating' shall be deemed to refer to a Rating Agency providing a rating (and not a credit assessment, indicative rating or other preliminary rating from a Rating Agency unless specifically indicated).

1.3 Benchmark Replacement Notification; Rates. Section 2.18 of this Agreement provides a mechanism for determining an alternative rate of interest in the event that any Benchmark is no longer available or in certain other circumstances. The Administrative Agent does not warrant or accept any responsibility for and shall not have any liability with respect to, (a) the continuation of, administration of, submission of or calculation of, or any other matter related to, any Benchmark or any component definition thereof or rates referred to in the definition thereof, or any alternative or successor rate thereto, or replacement rate therefor (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, such Benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Conforming Changes. The Administrative Agent and its affiliates or other related entities may engage in transactions that affect the calculation of any Benchmark, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower or any other person or entity. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain any Benchmark, any component definition thereof or rates referred to in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

1.4 Divisions. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Capital Stock at such time.

1.5 Negative Covenant Compliance. For purposes of determining whether the Borrower complies with any exception to Section 7 (other than the financial covenants set forth in Section 7.1) or the incurrence of any Specified Indebtedness under clause (ii) of the definition thereof, it is understood that (a) compliance shall be measured at the time when the relevant event is undertaken, and, for the avoidance of doubt, any financial ratios and metrics therein are intended to be "incurrence" tests and not "maintenance" tests and (b) correspondingly, no change in any financial ratio or metric occurring after the date such compliance is measured shall result in any previously permitted transaction ceasing to be permitted hereunder. For the avoidance of doubt, with respect to determining whether the Borrower and its Subsidiaries comply with any

covenant in Section 7 (other than the financial covenants set forth in Section 7.1) or the incurrence of any Specified Indebtedness under clause (ii) of the definition thereof, to the extent that any obligation, transaction or action could be attributable to more than one exception to any such covenant, the Borrower may categorize or re-categorize all or any portion of such obligation, transaction or action to any one or more exceptions to such covenant that permit such obligation, transaction or action.

1.6 Timing of Payment or Performance. When the payment of any obligation or the performance of any covenant, duty or obligation is stated to be due or performance required on a day which is not a Business Day, the date of such payment (other than as specifically provided herein, including in the definition of the term “Interest Period”) or performance shall extend to the immediately succeeding Business Day (it being understood that the foregoing shall cause any grace period associated with any such payment obligation or performance of any covenant, duty or obligation to extend to the immediately succeeding Business Day as well) and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension.

1.7 Rounding. Any financial ratios required to be maintained by the Borrower pursuant to this Agreement (or required to be satisfied in order for a specific action to be permitted under this Agreement) shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number.

1.8 Certifications. All certifications to be made hereunder by a Responsible Officer shall be made by such Person in his or her capacity solely as an officer or a representative of the Borrower, on the Borrower’s behalf and not in such Person’s individual capacity.

SECTION 2. AMOUNT AND TERMS OF COMMITMENTS

2.1 Revolving Commitments; Payments.

(a) Subject to the terms and conditions hereof, and relying upon the representations and warranties herein specified, each Lender severally agrees to make revolving loans (“Revolving Loans”) under the Revolving Commitments to the Borrower from time to time during the Revolving Commitment Period in an aggregate principal amount at any one time outstanding which, when added to such Lender’s Swingline Exposure then outstanding, does not exceed the amount of such Lender’s Revolving Commitment. During the Revolving Commitment Period the Borrower may use the Revolving Commitments by borrowing, prepaying the Revolving Loans in whole or in part, and reborrowing, all in accordance with the terms and conditions hereof.

(b) The Revolving Loans may from time to time be Term SOFR Rate Loans or ABR Loans, as determined by the Borrower and notified to the Administrative Agent in accordance with Sections 2.2 and 2.7.

(c) The Borrower shall repay to the applicable Lenders the aggregate principal amount of all Revolving Loans outstanding on the Revolving Commitment Termination Date.

2.2 Procedure for Revolving Loan Borrowing. The Borrower may borrow Revolving Loans under the Revolving Commitments during the Revolving Commitment Period on any

Business Day, provided that the Borrower shall deliver to the Administrative Agent an irrevocable Borrowing Request (which notice must be received by the Administrative Agent prior to 11:00 A.M., New York City time, (a) three Business Days prior to the requested Borrowing Date, in the case of Term SOFR Rate Loans, or (b) on the day of the requested Borrowing Date, in the case of ABR Loans), specifying (i) the amount and Type of Revolving Loans to be borrowed, (ii) the requested Borrowing Date and (iii) in the case of Term SOFR Rate Loans, the respective amounts of each such Type of Loan and the respective lengths of the initial Interest Period therefor. Each borrowing of Revolving Loans under the Revolving Commitments shall be in an amount equal to (x) in the case of ABR Loans, \$250,000 or a whole number multiple of \$50,000 in excess thereof (or, if the then aggregate Available Revolving Commitments are less than \$250,000, such lesser amount) and (y) in the case of Term SOFR Rate Loans, \$1,000,000 or a whole number multiple of \$100,000 in excess thereof; provided, that a Term SOFR Rate Loan that results from a continuation of an outstanding Term SOFR Rate Loan may be in an aggregate amount that is equal to such outstanding Term SOFR Rate Loan. Upon receipt of any such notice from the Borrower, the Administrative Agent shall promptly notify each Lender thereof. Each Lender will make the amount of its Revolving Percentage of each borrowing available to the Administrative Agent for the account of the Borrower at the Funding Office prior to 1:00 P.M., New York City time, on the Borrowing Date requested by the Borrower in funds immediately available to the Administrative Agent. Such borrowing will then be made available to the Borrower by the Administrative Agent crediting the account of the Borrower on the books of such office with the aggregate of the amounts made available to the Administrative Agent by such Lenders and in like funds as received by the Administrative Agent.

2.3 Additional Fees. The Borrower agrees to pay to the Administrative Agent and Lead Arranger the fees in the amounts and on the dates as set forth in any fee agreements with the Administrative Agent and Lead Arranger, as applicable, and to perform any other obligations contained therein.

2.4 Termination or Reduction of Total Revolving Commitments. The Borrower shall have the right, upon not less than three Business Days' irrevocable (subject to the second proviso below) notice to the Administrative Agent, to terminate the Revolving Commitments or, from time to time, to reduce the amount of the Revolving Commitments, in each case, without premium or penalty; provided that no such termination or reduction of the Revolving Commitments shall be permitted if, after giving effect thereto and to any prepayments of the Loans made on the effective date thereof, the Total Revolving Extensions of Credit would exceed the Total Revolving Commitments; provided, further, that a notice of termination or reduction of the Revolving Commitments may state that such notice is conditioned upon the occurrence of one or more events specified therein, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not, or is not expected to be, satisfied. Any such reduction shall be in minimum amounts of \$2,000,000 and in integral multiples of \$1,000,000, and shall reduce permanently and ratably among the Lenders the Revolving Commitments then in effect.

2.5 Optional Prepayments.

(a) The Borrower may at any time and from time to time prepay the Revolving Loans, in whole or in part, without premium or penalty (subject to breakage fees with respect to Term SOFR Rate Loans, if applicable), upon irrevocable (subject to the second proviso below) notice delivered to the Administrative Agent no later than 11:00 A.M., New York City time, one Business Day prior thereto (or such shorter period as may be agreed to by the Administrative Agent in writing), in the case of Term SOFR Rate Loans, and no later than 11:00 A.M., New York City time on the date of such prepayment, in the case of ABR Loans, which notice shall specify the date and amount of prepayment and whether the prepayment is of Term SOFR Rate Loans or ABR Loans; provided that if a Term SOFR Rate Loan is prepaid on any day other than the last day of the Interest Period applicable thereto, the Borrower shall also pay any amounts owing pursuant to Section 2.15; provided, further, that, such notice may be conditioned upon the occurrence of one or more events specified therein, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not, or is not expected to be, satisfied. Upon receipt of any such notice the Administrative Agent shall promptly notify each relevant Lender thereof. If any such notice is given, the amount specified in such notice shall be due and payable on the date specified therein, together with accrued interest to such date on the amount prepaid. Partial prepayments of Revolving Loans shall be in minimum principal amounts of (i) in the case of Term SOFR Rate Loans, \$1,000,000 and in integral multiples of \$100,000 and (ii) in the case of ABR Loans, \$250,000 and in integral multiples of \$50,000 (or, if less, the outstanding principal amount of the Revolving Loans).

(b) Any optional repayment of the Revolving Loans under this Section 2.5 shall be deemed to be applied, first, to repay ABR Loans in full, and second, the balance, if any, shall be used to repay Term SOFR Rate Loans.

2.6 Mandatory Prepayments.

(a) If at any time, the Revolving Extensions of Credit exceed the Revolving Commitments, the Borrower shall prepay the Revolving Extensions of Credit in accordance with this Agreement in an amount equal to such excess.

(b) The application of any prepayment pursuant to this Section 2.6 shall be made, first, to repay ABR Loans in full and, second, the balance, if any, to repay Term SOFR Rate Loans. Each prepayment of the Loans under this Section 2.6 shall be accompanied by accrued interest to the date of such prepayment on the amount prepaid.

2.7 Conversion and Continuation Options.

(a) The Borrower may elect from time to time to convert Term SOFR Rate Loans to ABR Loans by giving the Administrative Agent prior irrevocable notice, substantially in the form of Exhibit H, of such election no later than the time that a Borrowing Request would be required under Section 2.2 if the Borrower were requesting a borrowing of the Type resulting from such election to be made on the effective date of such election; provided that any such conversion of Term SOFR Rate Loans other than on the last day of an Interest Period with respect thereto shall be subject to Section 2.15. The Borrower may elect from time to time to convert ABR Loans to Term SOFR Rate Loans by giving the Administrative Agent prior irrevocable notice, substantially in the form of Exhibit H, of such election no later than the time that a Borrowing

Request would be required under Section 2.2 if the Borrower were requesting a borrowing of the Type resulting from such election to be made on the effective date of such election (which notice shall specify the length of the initial Interest Period therefor), provided that no ABR Loan may be converted into a Term SOFR Rate Loan when any Event of Default has occurred and is continuing and the Administrative Agent or the Required Lenders have determined in its or their sole discretion (by prior written notice to the Borrower) not to permit such conversions. Upon receipt of any such notice the Administrative Agent shall promptly notify each relevant Lender thereof.

(b) Subject to Section 2.11, any Term SOFR Rate Loan may be continued as such upon the expiration of the then current Interest Period with respect thereto by the Borrower giving irrevocable notice, substantially in the form of Exhibit H, to the Administrative Agent, in accordance with the applicable provisions of the term “Interest Period” set forth in Section 1.1, of the length of the next Interest Period to be applicable to such Loan, provided that no Term SOFR Rate Loan may be continued as such when any Event of Default has occurred and is continuing and the Administrative Agent has or the Required Lenders have determined in its or their sole discretion (by prior written notice to the Borrower) not to permit such continuations, and provided, further, that if the Borrower shall fail to give any required notice as described above in this paragraph or if such continuation is not permitted pursuant to the preceding proviso such Loans shall be automatically converted to ABR Loans on the last day of such then expiring Interest Period. Upon receipt of any such notice the Administrative Agent shall promptly notify each relevant Lender thereof.

(c) If the Borrower provides any loan request related to a Loan at the Term SOFR Rate Option but fails to identify an Interest Period therefor, such loan request shall be deemed to request an Interest Period of one (1) month. Any loan request that fails to specify between the Term SOFR Rate Option and the ABR Option shall be deemed to be a request for the ABR Option.

2.8 Limitations on Tranches of Term SOFR Rate Loans. Notwithstanding anything to the contrary in this Agreement, all borrowings, conversions and continuations of Term SOFR Rate Loans and all selections of Interest Periods shall be in such amounts and be made pursuant to such elections so that, (a) after giving effect thereto, the aggregate principal amount of the Term SOFR Rate Loans comprising each Borrowing Tranche of Term SOFR Rate Loans shall be equal to \$1,000,000 or a whole multiple of \$100,000 in excess thereof and (b) no more than eight (8) Borrowing Tranches of Term SOFR Rate Loans shall be outstanding at any one time.

2.9 Interest Rates and Payment Dates.

(a) Each Term SOFR Rate Loan shall bear interest for each day during each Interest Period with respect thereto at a rate per annum equal to the Term SOFR Rate determined for such day plus the Applicable Margin with respect to Term SOFR Rate Loans, plus the SOFR Adjustment.

(b) Each ABR Loan shall bear interest at a rate per annum equal to the ABR plus the Applicable Margin with respect to ABR Loans.

(c) If any principal of or interest on any Loan or any fee or other amount payable by the Borrower hereunder is not paid when due, whether at stated maturity, upon acceleration or otherwise, such overdue amount shall bear interest, after as well as before judgment, at a rate per annum equal to (i) in the case of overdue principal of any Loans, the rate that would otherwise be applicable thereto plus 2%, or (ii) in the case of any other amount owed hereunder (including interest of any Loan), the rate then applicable to ABR Loans plus 2%.

(d) Interest shall be payable in arrears on each Interest Payment Date, provided that interest accruing pursuant to paragraph (c) of this Section shall be payable from time to time on demand.

2.10 Computation of Interest and Fees.

(a) Interest and fees payable pursuant hereto shall be calculated on the basis of a 360-day year for the actual days elapsed, except that, with respect to ABR Loans, the interest thereon shall be calculated on the basis of a 365- (or 366-, as the case may be) day year for the actual days elapsed; provided that, unless the Swing Line Lender shall have provided any notice pursuant to Section 2.20(c), interest on Swing Line Loans shall be computed in accordance with the foregoing or as otherwise provided in the applicable Cash Management Agreement, and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day). The Administrative Agent shall as soon as practicable notify the Borrower and the relevant Lenders of each determination of a Term SOFR Rate. Any change in the interest rate on a Loan resulting from a change in the ABR shall become effective as of the opening of business on the day on which such change becomes effective. The Administrative Agent shall as soon as practicable notify the Borrower and the relevant Lenders of the effective date and the amount of each such change in interest rate.

(b) Each determination of an interest rate by the Administrative Agent pursuant to any provision of this Agreement shall be conclusive and binding on the Borrower and the Lenders in the absence of manifest error. The Administrative Agent shall, at the request of the Borrower, deliver to the Borrower a statement showing the quotations used by the Administrative Agent in determining any interest rate pursuant to Section 2.9(a).

2.11 Inability to Determine Interest Rate. Except in connection with a Benchmark Transition Event, which is addressed by Section 2.18, if at any time:

(a) the Administrative Agent shall have determined (which determination shall be conclusive and binding upon the Borrower) that the Term SOFR Rate cannot be determined pursuant to the definition thereof, or

(b) the Administrative Agent shall have received notice from the Required Lenders that the Term SOFR Rate determined or to be determined for such Interest Period will not adequately and fairly reflect the cost to such Lenders (as conclusively certified by such Lenders) of funding, establishing or maintaining their affected Loans during such Interest Period, the Administrative Agent shall give email or telephonic notice thereof to the Borrower and the relevant Lenders as soon as practicable thereafter. If such notice is given (x) any Term SOFR Rate Loans requested to be made on the first day of such Interest Period shall be made as ABR Loans, (y) any

Loans that were to have been converted on the first day of such Interest Period to Term SOFR Rate Loans shall be continued as ABR Loans and (z) any outstanding Term SOFR Rate Loans shall be converted, on the last day of the then-current Interest Period, to ABR Loans. Until such notice has been withdrawn by the Administrative Agent, no further Term SOFR Rate Loans shall be made or continued as such, nor shall the Borrower have the right to convert Loans to Term SOFR Rate Loans.

2.12 Pro Rata Treatment and Payments.

(a) Each borrowing of Revolving Loans by the Borrower from the Lenders hereunder and any reduction of the Revolving Commitments of the Lenders shall be made pro rata according to the respective Revolving Percentage of the relevant Lenders.

(b) Each payment (including each prepayment) by the Borrower on account of principal of and interest on the Revolving Loans shall be made pro rata according to the respective outstanding principal amounts of the Revolving Loans then held by the Lenders.

(c) All payments (including prepayments) to be made by the Borrower hereunder, whether on account of principal, interest, fees or otherwise, shall be made without setoff or counterclaim and shall be made prior to the time required hereunder for such payment (or, if no such time is expressly required, prior to 1:00 P.M., New York City time), on the due date thereof to the Administrative Agent, for the account of the Lenders, at the Funding Office, in Dollars and in immediately available funds. The Administrative Agent shall distribute such payments to each relevant Lender promptly upon receipt in like funds as received, net of any amounts owing by such Lender pursuant to Section 9.7. If any payment hereunder (other than payments on the Term SOFR Rate Loans) becomes due and payable on a day other than a Business Day, such payment shall be extended to the next succeeding Business Day. If any payment on a Term SOFR Rate Loan becomes due and payable on a day other than a Business Day, the maturity thereof shall be extended to the next succeeding Business Day unless the result of such extension would be to extend such payment into another calendar month, in which event such payment shall be made on the immediately preceding Business Day. In the case of any extension of any payment of principal pursuant to the preceding two sentences, interest thereon shall be payable at the then applicable rate during such extension.

(d) Unless the Administrative Agent shall have been notified in writing by any Lender prior to a borrowing that such Lender will not make the amount that would constitute its share of such borrowing available to the Administrative Agent, the Administrative Agent may assume that such Lender is making such amount available to the Administrative Agent, and the Administrative Agent may, in reliance upon such assumption, make available to the Borrower a corresponding amount. If such amount is not made available to the Administrative Agent by the required time on the Borrowing Date therefor, such Lender shall pay to the Administrative Agent, on demand, such amount with interest thereon, at a rate equal to the greater of (i) the Overnight Bank Funding Rate and (ii) a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation, for the period until such Lender makes such amount immediately available to the Administrative Agent. A certificate of the Administrative Agent submitted to any Lender with respect to any amounts owing under this paragraph shall be conclusive in the absence of manifest error. If such Lender's share of such borrowing is not made

available to the Administrative Agent by such Lender within three Business Days after such Borrowing Date, the Administrative Agent shall also be entitled to recover such amount with interest thereon at the rate per annum applicable to ABR Loans, on demand, from the Borrower (which payment shall not constitute a prepayment for purposes of Section 2.15 nor shall it constitute a waiver of, or otherwise adversely affect, the Borrower's rights against such Lender).

(e) Unless the Administrative Agent shall have been notified in writing by the Borrower prior to the date of any payment due to be made by the Borrower hereunder that the Borrower will not make such payment to the Administrative Agent, the Administrative Agent may assume that the Borrower is making such payment, and the Administrative Agent may, but shall not be required to, in reliance upon such assumption, make available to the Lenders their respective pro rata shares of a corresponding amount. If such payment is not made to the Administrative Agent by the Borrower within three Business Days after such due date, the Administrative Agent shall be entitled to recover, on demand, from each Lender to which any amount which was made available pursuant to the preceding sentence, such amount with interest thereon at the rate per annum equal to the daily average Overnight Bank Funding Rate. Nothing herein shall be deemed to limit the rights of the Administrative Agent or any Lender against the Borrower.

2.13 Requirements of Law.

(a) If the adoption of or any change in any Requirement of Law or in the interpretation or application thereof or compliance by any Lender with any request or directive (whether or not having the force of law) from any central bank or other Governmental Authority made subsequent to the date hereof:

(i) shall subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto;

(ii) shall impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets held by, deposits or other liabilities in or for the account of, advances, loans or other extensions of credit (or participations therein) by, or any other acquisition of funds by, any Lender; or

(iii) shall impose on such Person or the relevant market any other condition, cost or expense (other than any Taxes) affecting this Agreement or Loans made by such Lender or participation therein;

and the result of any of the foregoing is to increase the cost to such Person, by an amount that such Person deems to be material, of making, converting into, continuing or maintaining Loans or participating in Swing Line Loans, or to reduce any amount receivable hereunder in respect thereof, then, in any such case, the Borrower shall pay such Person, within thirty (30) days of its request, any additional amounts necessary to compensate such Person for such increased cost or reduced amount receivable; provided that upon the occurrence of any change any Requirement of Law imposing a reserve percentage on any interest rate based on SOFR, the Administrative

Agent, in its reasonable discretion, may modify the calculation of each such SOFR-based interest rate to add (or otherwise account for) such reserve percentage. If such Person becomes entitled to claim any additional amounts pursuant to this paragraph, such Person shall promptly notify the Borrower (with a copy to the Administrative Agent) of the event by reason of which such Person has become so entitled.

(b) If any Lender shall have determined that the adoption of or any change in any Requirement of Law regarding capital adequacy or liquidity requirement or in the interpretation or application thereof or compliance by such Lender or any corporation controlling such Lender with any request or directive regarding capital adequacy or liquidity requirement (whether or not having the force of law) from any Governmental Authority made subsequent to the date hereof shall have the effect of reducing the rate of return on such Lender's or such corporation's capital as a consequence of its obligations hereunder to a level below that which such Lender or such corporation could have achieved but for such adoption, change or compliance (taking into consideration such Lender's or such corporation's policies with respect to capital adequacy or liquidity requirement) by an amount deemed by such Lender to be material, then from time to time, after submission by such Lender to the Borrower (with a copy to the Administrative Agent) of a written request therefor, the Borrower shall pay to such Lender, within thirty (30) days of such request, such additional amount or amounts as will compensate such Lender or such corporation for such reduction.

(c) Any such request by a Person shall be accompanied with a certificate as to any additional amounts payable pursuant to this Section submitted by any Lender to the Borrower (with a copy to the Administrative Agent) setting forth in reasonable detail the basis and calculation of such amount which certificate shall be conclusive in the absence of manifest error. Notwithstanding anything to the contrary in this Section, the Borrower shall not be required to compensate any Person pursuant to this Section for any amounts incurred more than 180 days prior to the date that such Person notifies the Borrower of such Person's intention to claim compensation therefor; provided that, if the circumstances giving rise to such claim have a retroactive effect, then such 180 day period shall be extended to include the period of such retroactive effect. The obligations of the Borrower pursuant to this Section shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

(d) Notwithstanding any other provision of this Agreement, if any Lender shall notify the Agent that the introduction of or any change in or in the interpretation of any law or regulation makes it unlawful or impracticable, or any central bank or other governmental authority asserts or any Lender shall have determined that it is unlawful, for any Lender or its lending office to perform its obligations hereunder to make Term SOFR Rate Loans or to fund or maintain Term SOFR Rate Loans hereunder, (i) each Term SOFR Rate Loan will automatically, upon such demand, convert into a ABR Loan and (ii) the obligation of the Lenders to make Term SOFR Rate Loans or to convert Loans into Term SOFR Rate Loans shall be suspended until the Administrative Agent shall notify the Borrower and the Lenders that the circumstances causing such suspension no longer exist; provided, however, that before making any such demand, each Lender agrees to use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to designate a different lending office if the making of such a designation would allow such Lender or its lending office to continue to perform its obligations to continue to fund or maintain Term

SOFR Rate Loans and would not, in the judgment of such Lender, subject such Lender to any unreimbursed cost or expense or otherwise be disadvantageous to such Lender.

2.14 Taxes.

(a) All payments made by or on account of any obligation of any Loan Party with respect to any obligation under this Agreement or any other Loan Document shall, unless required by applicable law, be made free and clear of, and without deduction or withholding for or on account of, any Taxes. If any applicable law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the amounts so payable by the Borrower to the applicable Recipient shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section 2.14) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) In addition, the Borrower shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law, or, at the option of the Administrative Agent, timely reimburse it for any Other Taxes.

(c) Whenever any Taxes are payable by the Borrower to a Governmental Authority pursuant to this Section 2.14, as promptly as practicable thereafter the Borrower shall send to the Administrative Agent for its own account or for the account of the relevant Lender, as the case may be, a certified copy of an original official receipt received by the Borrower showing payment thereof or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(d) Without limiting the generality of paragraph (e) of this Section, each Lender (or Transferee) that is not a “United States person” as defined in Section 7701(a)(30) of the Code (a “Non-U.S. Lender”) shall deliver to the Borrower and the Administrative Agent (or, in the case of a Participant, to the Lender from which the related participation shall have been purchased), on or before it becomes a party hereto or a Transferee hereunder, and from time to time thereafter as required by applicable law or as reasonably requested by the Borrower or the Administrative Agent, (i) two properly completed and duly executed copies of whichever of the following forms are relevant, IRS Form W-8BEN, Form W-8BEN-E, Form W-8IMY or Form W-8ECI (or any successor form), (ii) in the case of a Non-U.S. Lender claiming exemption from U.S. federal withholding Tax under Section 871(h) or 881(c) of the Code with respect to payments of “portfolio interest”, a statement substantially in the form of Exhibit E-1, Exhibit E-2, Exhibit E-3 or Exhibit E-4, as applicable, and the applicable IRS Form W-8, or any subsequent versions thereof or successors thereto, properly completed and duly executed by such Non-U.S. Lender claiming complete exemption from, or a reduced rate of, U.S. federal withholding Tax on all payments under this Agreement and the other Loan Documents, or (iii) any other form prescribed by applicable requirements of U.S. federal income Tax law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax duly completed together with such supplementary

documentation as may be prescribed by applicable requirements of law to permit the Borrower and the Administrative Agent to determine the withholding or deduction required to be made. Such forms shall be delivered by each Non-U.S. Lender on or before the date it becomes a party to this Agreement (or, in the case of any Participant, on or before the date such Participant purchases the related participation). Notwithstanding anything to the contrary in the preceding sentence, the completion, execution and submission of such documentation described in clause (iii) above shall not be required if in the Non-U.S. Lender's reasonable judgment such completion, execution or submission would subject such Non-U.S. Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Non-U.S. Lender. In addition, each Non-U.S. Lender shall deliver such forms promptly upon the obsolescence or invalidity of any form previously delivered by such Non-U.S. Lender. Each Non-U.S. Lender shall promptly notify the Borrower at any time it determines that it is no longer in a position to provide any previously delivered certificate to the Borrower (or any other form of certification adopted by the U.S. taxing authorities for such purpose). Notwithstanding any other provision of this paragraph, a Non-U.S. Lender shall not be required to deliver any form pursuant to this paragraph that such Non-U.S. Lender is not legally able to deliver. Each Lender that is a "United States person," as defined in Section 7701(a)(30) of the Code, shall deliver to the Borrower and the Administrative Agent on or before it becomes a party hereto or a Transferee hereunder, and from time to time thereafter as prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent, two accurate, complete, and signed originals of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding Tax, and such Lender shall promptly notify the Borrower and the Administrative Agent at any time such Lender determines that it is no longer in a position to provide such form and certification.

(e) Any Lender that is entitled to an exemption from or reduction of withholding Tax under the law of any applicable jurisdiction with respect to payments under any Loan Document shall deliver to the Borrower (with a copy to the Administrative Agent), at the time or times prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation prescribed by applicable law or reasonably requested by the Borrower or Administrative Agent as will permit such payments to be made without withholding or at a reduced rate, provided that such Lender is legally entitled to complete, execute and deliver such documentation and in such Lender's reasonable judgment such completion, execution or submission would not materially prejudice the legal or commercial position of such Lender. Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(f) If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 2.14 (including by payment of additional amounts pursuant to this Section 2.14), it shall pay over such refund to the indemnifying party within thirty (30) days of receipt of such refund (but only to the extent of indemnity payments made, or additional amounts paid, under this Section 2.14 with respect to such Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); provided, that such indemnifying party, upon the request of such indemnified party, agrees to repay to such indemnified party within thirty

(30) days of such request, the amount paid over pursuant to this paragraph (f) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (f), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (f) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its tax returns (or any other information relating to its Taxes which it deems confidential) to the indemnifying party or any other Person.

(g) The Borrower shall indemnify each Recipient, within thirty (30) days after written demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 2.14) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error. The Borrower shall not be obligated to make an indemnity payment under this Section 2.14(g) in respect of penalties, interest, and other additions to tax attributable to any Indemnified Taxes if such penalties, interest, or additions to tax are attributable to the gross negligence or willful misconduct of the Administrative Agent or such Lender, as the case may be. In the case of any Lender making a claim under this Section 2.14(g) on behalf of any Participant who is the beneficial owner of such claim, an indemnity payment under this Section 2.14(g) shall be due only to the extent that such Lender is able to establish that, with respect to the applicable Indemnified Taxes, such beneficial owner supplied to the applicable Persons such properly completed and executed documentation as necessary to claim any applicable exemption from, or reduction of, such Indemnified Taxes.

(h) Each Lender shall severally indemnify the Administrative Agent, within ten (10) days after demand therefor, for (i) any Taxes attributable to such Lender (but only to the extent that the Borrower has not already indemnified the Administrative Agent for such Taxes and without limiting the obligation of the Borrower to do so) and (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 10.6(c) relating to the maintenance of a Participant Register, in either case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (h).

(i) If a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent, at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent, such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA, to determine that such Lender has or has not complied with such Lender's obligations under FATCA and, as necessary, to determine the amount to deduct and withhold from such payment. Solely for purposes of this paragraph, "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(j) [reserved].

(k) The agreements in this Section shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

(l) For the purposes of this Section 2.14, the term "applicable law" includes FATCA.

2.15 Indemnity. The Borrower agrees to indemnify each Lender for, and to hold each Lender harmless from, any loss (other than loss of Applicable Margin) or expense that such Lender may sustain or incur as a consequence of (a) default by the Borrower in making a borrowing of, conversion into or continuation of Term SOFR Rate Loans after the Borrower has given a notice requesting the same in accordance with the provisions of this Agreement, (b) default by the Borrower in making any prepayment of or conversion from Term SOFR Rate Loans after the Borrower has given a notice thereof in accordance with the provisions of this Agreement or (c) the making of a prepayment of Term SOFR Rate Loans on a day that is not the last day of an Interest Period with respect thereto. Such indemnification may include an amount equal to the excess, if any, of (i) the amount of interest that would have accrued on the amount so prepaid, or not so borrowed, converted or continued, for the period from the date of such prepayment or of such failure to borrow, convert or continue to the last day of such Interest Period (or, in the case of a failure to borrow, convert or continue, the Interest Period that would have commenced on the date of such failure) in each case at the applicable rate of interest for such Loans provided for herein (excluding, however, the Applicable Margin included therein, if any) over (ii) the amount of interest (as reasonably determined by such Lender) that would have accrued to such Lender on such amount by placing such amount on deposit for a comparable period with leading banks in the applicable interbank market. A certificate as to any amounts payable pursuant to this Section submitted to the Borrower by any Lender shall be conclusive in the absence of manifest error. This covenant shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

2.16 Change of Lending Office. Each Lender agrees that, upon the occurrence of any event giving rise to the operation of Section 2.13 or 2.14(a) with respect to such Lender, it will, if requested by the Borrower, use reasonable efforts (subject to overall policy considerations of

such Lender) to designate another lending office for any Loans affected by such event with the object of avoiding the consequences of such event; provided, that such designation (a) would eliminate or reduce the consequences of any event giving rise to the operation of Section 2.13 or 2.14(a) and (b) is made on terms that, in the sole judgment of such Lender, would not cause such Lender or its lending office(s) to suffer any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender, and provided, further, that nothing in this Section shall affect or postpone any of the obligations of the Borrower or the rights of any Lender pursuant to Section 2.13 or 2.14(a). The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation within ten (10) days following the written request of such Lender (accompanied by reasonable (to the extent practicable) back-up documentation relating thereto).

2.17 Replacement of Lenders. The Borrower shall be permitted to replace any Lender that (a) requests, or any Person by or through such Lender requests, reimbursement for amounts owing pursuant to Section 2.13 or 2.14(a), (b) is a Defaulting Lender or (c) fails to give consent to any amendment, waiver or modification requiring the consent of all Lenders or all affected Lenders and as to which Lenders constituting the Required Lenders have so consented; provided that (i) such replacement does not conflict with any Requirement of Law, (ii) no Event of Default shall have occurred and be continuing at the time of such replacement, (iii) prior to any such replacement, such Lender shall have taken no action under Section 2.16 so as to eliminate the continued need for payment of amounts owing pursuant to Section 2.13 or 2.14(a), (iv) the replacement financial institution shall purchase, at par, all Loans and, if applicable, participations in Swing Line Loans and other amounts owing to such replaced Lender on or prior to the date of replacement, (v) the Borrower shall be liable to such replaced Lender under Section 2.15 if any Term SOFR Rate Loan owing to such replaced Lender shall be purchased other than on the last day of the Interest Period relating thereto, (vi) the replacement financial institution shall be reasonably satisfactory to the Administrative Agent and the Swing Line Lender, (vii) the replaced Lender shall be obligated to make such replacement in accordance with the provisions of Section 10.6 (provided that the Borrower shall be obligated to pay the registration and processing fee referred to therein), (viii) until such time as such replacement shall be consummated, the Borrower shall pay all additional amounts (if any) required pursuant to Section 2.13 or 2.14(a), as the case may be, and (ix) any such replacement shall not be deemed to be a waiver of any rights that the Borrower, the Administrative Agent or any Lender shall have against the replaced Lender.

2.18 Benchmark Replacement Setting.

(i) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Loan Document (and any agreement executed in connection with an interest rate hedge agreement or contract shall be deemed not to be a "Loan Document" for purposes of this Section titled "Benchmark Replacement Setting"), if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to any setting of the then-current Benchmark, then (A) if a Benchmark Replacement is determined in accordance with clause (1) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any

amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (B) if a Benchmark Replacement is determined in accordance with clause (2) of the definition of “Benchmark Replacement” for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders.

(ii) Benchmark Replacement Conforming Changes. In connection with the use, administration, adoption or implementation of a Benchmark Replacement, the Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(iii) Notices; Standards for Decisions and Determinations. The Administrative Agent will promptly notify the Borrower and the Lenders of (A) the implementation of any Benchmark Replacement, and (B) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement. The Administrative Agent will notify the Borrower of (x) the removal or reinstatement of any tenor of a Benchmark pursuant to paragraph (iv) below and (y) the commencement of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document except, in each case, as expressly required pursuant to this Section.

(iv) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (A) if the then-current Benchmark is a term rate or based on a term rate and either (I) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (II) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative, then the Administrative Agent may modify the definition of “Interest Period” (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-

representative tenor; and (B) if a tenor that was removed pursuant to clause (A) above either (I) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (II) is not, or is no longer, subject to an announcement that it is not or will not be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of “Interest Period” (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(v) Benchmark Unavailability Period. Upon the Borrower’s receipt of notice of the commencement of a Benchmark Unavailability Period with respect to a given Benchmark, the Borrower may revoke any pending request for a Loan bearing interest based on or with reference to such Benchmark or conversion to or continuation of Loans bearing interest based on or with reference to such Benchmark to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for an ABR Loan or conversion to an ABR Loan. During a Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of the ABR based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of the ABR.

(vi) Definitions. As used in this Section:

“Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an interest period pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor of such Benchmark that is then-removed from the definition of “Interest Period” pursuant to clause (iv) of this Section.

“Benchmark” means, initially, SOFR and the Term SOFR Reference Rate; provided that if a Benchmark Transition Event has occurred with respect to the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to this Section.

“Benchmark Replacement” means, with respect to any Benchmark Transition Event, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:

(1) the sum of: (A) Daily Simple SOFR and (B) the SOFR Adjustment; or

(2) the sum of (A) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower, giving due consideration to (x) any selection or recommendation of a replacement

benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (y) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for U.S. dollar-denominated syndicated credit facilities at such time and (B) the related Benchmark Replacement Adjustment;

provided that if the Benchmark Replacement as determined pursuant to the foregoing would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents; and provided further, that any Benchmark Replacement shall be administratively feasible as determined by the Administrative Agent in its sole discretion.

“Benchmark Replacement Adjustment” means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower, giving due consideration to (A) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (B) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated syndicated credit facilities at such time.

“Benchmark Replacement Date” means a date and time determined by the Administrative Agent, which date shall be no later than the earliest to occur of the following events with respect to the then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of “Benchmark Transition Event,” the later of (A) the date of the public statement or publication of information referenced therein and (B) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate or is based on a term rate, all Available Tenors of such Benchmark (or such component thereof); or

(2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the date determined by the Administrative Agent, which date shall promptly follow the date of the public statement or publication of information referenced therein;

For the avoidance of doubt, if such Benchmark is a term rate or is based on a term rate, the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Event” means, the occurrence of one or more of the following events, with respect to the then-current Benchmark:

(1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate or is based on a term rate, all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by a Governmental Authority having jurisdiction over the Administrative Agent, the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate or is based on a term rate, all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate or is based on a term rate, any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) or a Governmental Authority having jurisdiction over the Administrative Agent announcing that such Benchmark (or such component thereof) or, if such Benchmark is a term rate or is based on a term rate, all Available Tenors of such

Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

For the avoidance of doubt, if such Benchmark is a term rate or is based on a term rate, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Unavailability Period” means the period (if any) (x) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with this Section 2.18 titled “Benchmark Replacement Setting” and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with this Section 2.18 titled “Benchmark Replacement Setting.”

“Floor” means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to the Term SOFR Rate or, if no floor is specified, zero.

“Relevant Governmental Body” means the Board of Governors of the Federal Reserve System and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System and/or the Federal Reserve Bank of New York, or any successor thereto.

“Unadjusted Benchmark Replacement” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

2.19 Defaulting Lender. Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Lender is a Defaulting Lender:

(a) fees shall cease to accrue on the unfunded portion of the Revolving Commitment of such Defaulting Lender pursuant to Section 2.3;

(b) the Revolving Commitment and Revolving Extensions of Credit of such Defaulting Lender shall not be included in determining whether all Lenders or the Required Lenders have taken or may take any action hereunder (including any consent to any amendment, modification, waiver or supplement pursuant to Section 10.1); provided, that this clause (b) shall not apply to the vote of a Defaulting Lender in the case of an amendment, modification, waiver or supplement requiring the consent of such Lender or each Lender affected thereby;

(c) if any Swingline Exposure exists at the time such Lender becomes a Defaulting Lender, then:

(i) the Swingline Exposure (other than any portion thereof with respect to which such Defaulting Lender shall have funded its participation as contemplated by Section 2.20(c)) of such Defaulting Lender shall be reallocated among the non-Defaulting Lenders in accordance with their respective Revolving Percentages but only to the extent the sum of all non-Defaulting Lenders' Revolving Extensions of Credit do not exceed the total of all non-Defaulting Lenders' Revolving Commitments; and

(ii) if the reallocation described in clause (i) above cannot, or can only partially, be effected, the Borrower shall within one (1) Business Day following written notice by the Administrative Agent prepay the portion of such Defaulting Lender's Swingline Exposure (other than any portion thereof referred to in the parenthetical in such clause (i)) that has not been reallocated as set forth in such clause;

(d) so long as such Lender is a Defaulting Lender, the Swing Line Lender shall not be required to fund any Swing Line Loan unless it is satisfied that the related exposure and such Defaulting Lender's then outstanding Swingline Exposure will be fully covered by the Revolving Commitments of the non-Defaulting Lenders, and participating interests in any such funded Swing Line Loan will be allocated among the non-Defaulting Lenders in a manner consistent with clause (c)(i) above (and such Defaulting Lender shall not participate therein); and

(e) in the event that the Administrative Agent, the Borrower and the Swing Line Lender agree in writing that a Defaulting Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender, then the Swingline Exposure of the Lenders shall be readjusted to reflect the inclusion of such Lender's Revolving Commitment and on such date such Lender shall purchase at par such of the Revolving Loans and participations in Swing Line Loans of the other Lenders as the Administrative Agent shall determine may be necessary in order for such Lender to hold such Revolving Loans and participations in Swing Line Loans in accordance with its Revolving Percentage, whereupon such Lender shall cease to be a Defaulting Lender.

2.20 Swing Line Loans.

(a) Subject to the terms and conditions set forth herein, the Swing Line Lender may, in its sole discretion, make Swing Line Loans to the Borrower from time to time during the Revolving Commitment Period; provided that, after giving effect thereto, (i) the aggregate principal amount of the Swing Line Loans of the Swing Line Lender will not exceed its Swingline Commitment, (ii) the Swingline Exposure will not exceed the Swingline Sublimit, (iii) no Lender's Revolving Extensions of Credit will exceed its Revolving Commitment and (iv) the Total Revolving Extensions of Credit will not exceed the Total Revolving Commitments. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrower may borrow, prepay and reborrow Swing Line Loans. For the avoidance of doubt, any reference in this Agreement to the Swing Line Lender's "Swingline Commitment", the obligation of the Swing Line Lender to make a Swing Line Loan being subject to the satisfaction of certain conditions or to the Swing Line Lender not being required to fund any Swing Line Loan absent the occurrence

of certain events (or words of similar import) shall not be deemed to create any obligation of the Swing Line Lender to make or fund any Swing Line Loan other than in its sole discretion.

(b) To request a Swing Line Loan from the Swing Line Lender, the Borrower shall notify the Administrative Agent and the Swing Line Lender of such request by telephone or in writing not later than 1:00 P.M., New York City time, on the day of the proposed Swing Line Loan. Each such telephonic and written Swingline Borrowing Request shall be irrevocable and shall be made (or, if telephonic, confirmed promptly) by hand delivery or fax to the Administrative Agent and the Swing Line Lender of an executed written Swingline Borrowing Request. Each such telephonic and written Swingline Borrowing Request shall specify the requested date (which shall be a Business Day) and the amount of the requested Swing Line Loan and the location and number of the account of the Borrower to which funds are to be disbursed. Promptly following the receipt of a Swingline Borrowing Request in accordance with this Section, the Administrative Agent shall advise the Swing Line Lender of the details thereof. If the Swing Line Lender shall have determined, in its sole discretion, to make the Swing Line Loan so requested of it, then the Swing Line Lender shall make such Swing Line Loan available to the Borrower by means of a wire transfer to the account specified in such Swingline Borrowing Request by 4:00 P.M., New York City time, on the requested date of such Swing Line Loan. Each Swing Line Loan shall be in an aggregate amount that is an integral multiple of \$50,000 and not less than \$100,000. The Borrower shall repay to the Swing Line Lender the aggregate principal amount of all Swing Line Loans outstanding on the Revolving Commitment Termination Date or, if any Cash Management Agreement is in effect, on such other date (but in no event later than the Revolving Commitment Termination Date) as provided in Section 2.20(d).

(c) The Swing Line Lender may by written notice given to the Administrative Agent not later than 11:00 A.M., New York City time, on any Business Day require the Lenders to acquire participations on such Business Day in all or a portion of the outstanding Swing Line Loans. Such notice shall specify the aggregate amount of the Swing Line Loans in which the Lenders will be required to participate. Promptly upon receipt of such notice, the Administrative Agent will give notice thereof to each Lender, specifying in such notice such Lender's Revolving Percentage of such Swing Line Loan or Loans. Each Lender hereby absolutely and unconditionally agrees to pay, promptly upon receipt of notice as provided above, to the Administrative Agent, for the account of the Swing Line Lender, such Lender's Revolving Percentage of such Swing Line Loan or Loans. Each Lender acknowledges and agrees that, in making any Swing Line Loan, the Swing Line Lender shall be entitled to rely, and shall not incur any liability for relying, upon the representation and warranty of the Borrower deemed made pursuant to Section 5.2; unless, at least two (2) Business Days prior to the time such Swing Line Loan is made, the Required Lenders shall have notified the Swing Line Lender (with a copy to the Administrative Agent) in writing that, as a result of one or more events or circumstances described in such notice, one or more of the conditions precedent set forth in Section 5.2 would not be satisfied if such Swing Line Loan were then made (it being understood and agreed that, in the event the Swing Line Lender shall have received any such notice, the Swing Line Lender shall not have any obligation to make any Swing Line Loan until and unless it shall be satisfied that the events and circumstances described in such notice shall have been cured or otherwise shall have ceased to exist). Each Lender further acknowledges and agrees that its obligation to acquire participations in Swing Line Loans pursuant to this paragraph is absolute and unconditional and shall not be affected by any circumstance whatsoever, including the occurrence and continuance of a Default or any reduction or termination

of the Revolving Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever. Each Lender shall comply with its obligation under this paragraph by wire transfer of immediately available funds, in the same manner as provided in Section 2.12 with respect to Loans made by such Lender (and Section 2.12 shall apply, mutatis mutandis, to the payment obligations of the Lenders pursuant to this paragraph), and the Administrative Agent shall promptly remit to the Swing Line Lender the amounts so received by it from the Lenders. The Administrative Agent shall notify the Borrower of any participations in any Swing Line Loan acquired pursuant to this paragraph, and thereafter payments in respect of such Swing Line Loan shall be made to the Administrative Agent and not to the Swing Line Lender. Any amounts received by the Swing Line Lender from the Borrower (or other Persons on behalf of the Borrower) in respect of a Swing Line Loan after receipt by the Swing Line Lender of the proceeds of a sale of participations therein shall be promptly remitted to the Administrative Agent; any such amounts received by the Administrative Agent shall be promptly remitted by the Administrative Agent to the Lenders that shall have made their payments pursuant to this paragraph and to the Swing Line Lender, as their interests may appear; provided that any such payment so remitted shall be repaid to the Swing Line Lender or to the Administrative Agent, as applicable, if and to the extent such payment is required to be refunded to the Borrower for any reason. The purchase of participations in a Swing Line Loan pursuant to this paragraph shall not constitute a Loan and shall not relieve the Borrower of its obligations to repay such Swing Line Loan.

(d) In addition to making Swing Line Loans pursuant to the foregoing provisions of this Section 2.20, without the requirement for a specific request from the Borrower pursuant to Section 2.20(b), the Swing Line Lender may make Swing Line Loans to the Borrower in accordance with the provisions of any agreements between the Borrower and the Swing Line Lender relating to the Borrower's deposit, sweep and other accounts at the Swing Line Lender and related arrangements and agreements regarding the management and investment of the Borrower's cash assets as in effect from time to time (the "Cash Management Agreements") to the extent of the daily aggregate net negative balance in the Borrower's accounts which are subject to the provisions of the applicable Cash Management Agreements. Swing Line Loans made pursuant to this Section 2.20(d) in accordance with the provisions of the applicable Cash Management Agreements shall (i) be subject to the limitations as to maximum amount set forth in Section 2.20(a), (ii) not be subject to the limitations as to minimum amount and integral multiples set forth in Section 2.20(a), (iii) be payable by the Borrower, both as to principal and interest, at the times set forth in the applicable Cash Management Agreements (but in no event later than the Revolving Commitment Termination Date), (iv) not be made at any time if the Required Lenders shall have notified the Swing Line Lender (with a copy to the Administrative Agent) in writing that, as a result of one or more events or circumstances described in such notice, one or more of the conditions precedent set forth in Section 5.2 would not be satisfied if such Swing Line Loan were then made (it being understood and agreed that, in the event the Swing Line Lender shall have received any such notice, the Swing Line Lender shall not have any obligation to make any Swing Line Loan until and unless it shall be satisfied that the events and circumstances described in such notice shall have been cured or otherwise shall have ceased to exist), (v) if not repaid by the Borrower in accordance with the provisions of the applicable Cash Management Agreements, be subject to each Lender's obligation to purchase participating interests therein pursuant to Section 2.20(c), and (vi) except as provided in the foregoing clauses (i) through (v), be subject to all of the terms and conditions of this Section 2.20. The Swing Line Lender shall report in writing

to the Administrative Agent on the Business Day following the date any Swing Line Loan is made pursuant to this Section 2.20(d), the date and principal amount of such Swing Line Loan, the interest rate applicable thereto and such other information as the Administrative Agent shall reasonably request as to such Swing Line Loan.

(e) Each Swing Line Loan shall bear interest, for any day, (i) at the rate per annum that is mutually agreed to by the Borrower and the Swing Line Lender at the time such Swing Line Loan is made or (ii) if there are Cash Management Agreements in place, at the rate or rates specified in such Cash Management Agreements (or as otherwise agreed by the Borrower and such Swing Line Lender in writing) plus the applicable margin (determined in accordance with such Cash Management Agreements); provided that if the Swing Line Lender shall have provided any notice pursuant to Section 2.20(c), then from and after the date of such notice (and until the Lenders shall hold no participations in the applicable Swing Line Loans) each Swing Line Loan subject to such notice shall bear interest at a rate per annum equal to the ABR plus the Applicable Margin with respect to ABR Loans. Interest shall be payable in arrears on each Interest Payment Date; provided that if any Cash Management Agreement is in effect, accrued interest on each applicable Swing Line Loan shall be payable as provided in Section 2.20(d).

(f) The Borrower shall notify the Administrative Agent and the Swing Line Lender by telephone (confirmed by hand delivery or fax) or in writing of any prepayment of Swing Line Loans hereunder not later than 12:00 P.M., New York City time, on the date of prepayment (or such later time as may be agreed to by the Swing Line Lender and the Administrative Agent in writing). Each such notice shall be irrevocable and shall specify the prepayment date, the Swing Line Loans to be prepaid, and the principal amount of each such Swing Line Loan or portion thereof to be prepaid; provided, that, such notice may be conditioned upon the occurrence of one or more events specified therein, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent and the Swing Line Lender on or prior to the specified effective date) if such condition is not, or is not expected to be, satisfied. Each partial prepayment of any Swing Line Loan shall be in an amount that would be permitted in the case of an advance of a Swing Line Loan as provided in Section 2.20(a) (or, if less, the outstanding principal amount of the Swing Line Loans). Prepayments shall be accompanied by accrued interest. For the avoidance of doubt, Swing Line Loans may not be continued or converted.

2.21 Conforming Changes Relating to the Term SOFR Rate(a) . With respect to the Term SOFR Rate, the Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document; provided that, the Administrative Agent shall provide written notice to the Borrower and the Lenders of each such amendment implementing such Conforming Changes promptly after such amendment becomes effective.

SECTION 3. [Reserved]

SECTION 4. REPRESENTATIONS AND WARRANTIES

To induce the Administrative Agent and the Lenders to enter into this Agreement and to make the Loans, the Borrower hereby represents and warrants to the Administrative Agent and each Lender on each Borrowing Date that:

4.1 Financial Condition. The audited balance sheet and statements of income and cash flows, on a consolidated basis, of the Borrower as at the end of the 2018 and 2019 fiscal years (the “Financials”), reported on by, and accompanied by, an unqualified report from Deloitte & Touche LLP or other independent certified public accountants reasonably acceptable to the Administrative Agent, present fairly in all material respects the financial condition of the Borrower and the results of its operations and cash flows for each fiscal year then ended. All such Financials, including the related schedules and notes thereto, have been prepared in accordance with GAAP applied consistently throughout the periods involved (except as approved by the aforementioned firm of accountants and disclosed therein).

4.2 No Change. Since December 31, 2019, there has been no development or event that has had or could reasonably be expected to have a Material Adverse Effect.

4.3 Existence; Compliance with Law. Each Group Member (a) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (b) has the power and authority, and the legal right, to own and operate its property, to lease the property it operates as lessee and to conduct the business in which it is currently engaged, (c) is duly qualified as a foreign corporation or other organization and in good standing under the laws of each jurisdiction where its ownership, lease or operation of property or the conduct of its business requires such qualification and (d) is in compliance with all Requirements of Law, except in the case of clauses (b), (c) and (d) to the extent failure to comply therewith could not, in the aggregate, reasonably be expected to have a Material Adverse Effect.

4.4 Power; Authorization; Enforceable Obligations. Each Loan Party has the power and authority, and the legal right, to make, deliver and perform the Loan Documents to which it is a party and, in the case of the Borrower, to obtain extensions of credit hereunder. Each Loan Party has taken all necessary organizational action to authorize the execution, delivery and performance of the Loan Documents to which it is a party and, in the case of the Borrower, to authorize the extensions of credit on the terms and conditions of this Agreement. No consent or authorization of, filing with, notice to or other act by or in respect of, any Governmental Authority or any other Person is required to be obtained by any Loan Party in connection with the extensions of credit hereunder or with the execution, delivery or performance by such Loan Party or the validity or enforceability against such Loan Party of this Agreement or any of the Loan Documents, except consents, authorizations, filings and notices (i) described in Schedule 4.4, which consents, authorizations, filings and notices have been obtained or made and are in full force and effect, (ii) referred to in Section 4.18, and (iii) as may be necessary in connection with the exercise of foreclosure remedies including the sale of Collateral. Each Loan Document has been duly executed and delivered on behalf of each Loan Party thereto. This Agreement constitutes, and each other Loan Document upon execution will constitute, a legal, valid and binding obligation of each Loan Party thereto, enforceable against each such Loan Party in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of

creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

4.5 No Legal Bar. The execution, delivery and performance by the Loan Parties of this Agreement and the other Loan Documents, the borrowings hereunder and the use of the proceeds thereof by the Loan Parties will not violate any Requirement of Law applicable to any Loan Party or any Contractual Obligation of any Loan Party and will not result in, or require, the creation or imposition of any Lien on any of their respective properties or revenues pursuant to any Requirement of Law or any such Contractual Obligation (other than the Liens created by the Security Documents). No Requirement of Law or Contractual Obligation applicable to any Loan Party could reasonably be expected to have a Material Adverse Effect.

4.6 Litigation. No litigation, investigation or proceeding of or before any arbitrator or Governmental Authority is pending or, to the knowledge of the Borrower, threatened by or against any Group Member or against any of their respective properties or revenues that could reasonably be expected to have a Material Adverse Effect.

4.7 No Default. No Default or Event of Default has occurred and is continuing.

4.8 Ownership of Property; Liens. Each Group Member has title in fee simple to, or a valid leasehold interest in, or a valid easement or right of way with respect to, all its material real property, and good title to, or a valid leasehold interest in, all its other material property except as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, and none of such property of the Borrower is subject to any Lien except as permitted by Section 7.2.

4.9 [Reserved].

4.10 Taxes. Each Group Member has filed or caused to be filed all federal, state and other material Tax returns that are required to be filed and has paid all Taxes shown to be due and payable on said returns or on any assessments made against it or any of its property and all other Taxes, fees or other charges imposed on it or any of its property by any Governmental Authority (other than (a) any such Taxes, fees or other charges the amount or validity of which are currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided on the books of the relevant Group Member or (b) to the extent that the failure to do so could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect); no Tax Lien has been filed, and, to the knowledge of the Borrower, no claim is being asserted, with respect to any such Tax, fee or other charge which could, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

4.11 Federal Regulations. Neither the Borrower nor any Subsidiary is engaged or will engage, principally or as one of its important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulation U of the Board), or extending credit for the purpose of purchasing or carrying margin stock. No part of the proceeds of the Loans will be used, directly or indirectly, to purchase or carry margin stock, to extend credit for others to purchase or carry margin stock or for any purpose that entails, and no other action will be taken

by the Borrower and the Subsidiaries that would result in, a violation of Regulations T, U and X of the Board.

4.12 [Reserved].

4.13 ERISA. Except as could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect: (i) each Group Member and each of their respective ERISA Affiliates is in compliance with the applicable provisions and requirements of ERISA and the Code with respect to each Plan; (ii) no ERISA Event has occurred and neither the Borrower nor any ERISA Affiliate is aware of any fact, event or circumstance that could reasonably be expected to constitute or result in an ERISA Event; and (iii) the present value of all accumulated benefit obligations under all Plans and the benefit obligations of retiree welfare benefit arrangements (in each case based on the assumptions used for purposes of Accounting Standards Codification Topic 715) did not, as of the date of the most recent financial statements reflecting such amounts, exceed by more than an immaterial amount the fair market value of the assets of such Plan or arrangement. The Borrower is not holding and will not hold “plan assets” as such term is defined in Section 3(42) of ERISA.

4.14 Investment Company Act. No Loan Party is an “investment company”, or a company “controlled” by an “investment company”, within the meaning of the Investment Company Act of 1940, as amended.

4.15 Subsidiaries. As of the Closing Date, Schedule 4.15 sets forth (a) each Subsidiary’s legal name and jurisdiction of organization and (b) for each Subsidiary, whether such Subsidiary is a Significant Subsidiary. There are no outstanding subscriptions, options, warrants, calls, rights or other agreements or commitments of any nature relating to any Capital Stock of the Borrower.

4.16 Environmental Matters. Except as, in the aggregate, could not reasonably be expected to have a Material Adverse Effect:

(a) the facilities and properties owned, leased or operated by any Group Member (the “Properties”) do not contain, and have not previously contained, any Materials of Environmental Concern in amounts or concentrations or under circumstances that constitute or constituted a violation of any Environmental Law;

(b) no Group Member has received any written notice of violation, alleged violation, non-compliance, liability or potential liability with respect to Environmental Laws with regard to any of the Properties or the business operated by any Group Member (the “Business”), and to the knowledge of the Borrower no notice is threatened;

(c) Materials of Environmental Concern have not been transported or disposed of from the Properties in violation of any Environmental Law, nor have any Materials of Environmental Concern been generated, treated, stored or disposed of at, on or under any of the Properties in violation of any applicable Environmental Law;

(d) no judicial proceeding or governmental or administrative action is pending or, to the knowledge of the Borrower, threatened, under any Environmental Law to which any

Group Member is, or to the knowledge of the Borrower, will be named as a party with respect to the Properties or the Business, nor are there any consent decrees or other decrees, consent orders or other judgments or agreements in any administrative or judicial forum outstanding under any Environmental Law with respect to the Properties or the Business;

(e) there has been no release or threat of release or arranging of disposal of Materials of Environmental Concern at or from the Properties, or arising from or related to the operations of any Group Member in connection with the Properties or otherwise in connection with the Business, in violation of or in amounts or in a manner that could give rise to liability under Environmental Laws;

(f) the Business, Properties and all operations at the Properties are in compliance, and have in the last five (5) years been in compliance, with all applicable Environmental Laws; and

(g) no Group Member has assumed any liability of any other Person under Environmental Laws.

4.17 Accuracy of Information, etc. The written reports, financial statements, certificates and other written information (other than financial projections and other forward-looking information and information of a general economic or industry-specific nature) furnished by or on behalf of the Borrower or any Subsidiary to the Administrative Agent or any Lender in connection with this Agreement or any other Loan Document is and will be, when furnished and taken as a whole, complete and correct in all material respects and does not and will not, when furnished and taken as a whole, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein not materially misleading in light of the circumstances under which such statements are made (in each case after giving effect to all supplements and updates provided thereto). The financial projections and other forward-looking information that have been furnished by or on behalf of the Borrower or any Subsidiary to the Administrative Agent or any Lender in connection with this Agreement or any other Loan Document have been prepared in good faith based upon assumptions that are believed by the Borrower to be reasonable at the time such financial projections or other forward-looking information are furnished to the Administrative Agent or any Lender, it being understood and agreed that financial projections and other forward-looking information are as to future events and are not to be viewed as facts, are subject to significant uncertainties and contingencies, many of which are out of the Borrower's or the Subsidiaries' control, that no assurance can be given that any particular projections will be realized, that the financial projections or other forward-looking information is not a guarantee of financial performance and that actual results during the period or periods covered by such projections may differ significantly from the projected results and such differences may be material.

4.18 Security Documents. The Security Agreement is effective to create in favor of the Collateral Agent, for the benefit of the Lenders, a legal, valid and enforceable security interest in the Collateral described therein and proceeds thereof. In the case of the Pledged Stock described in the Security Agreement, in addition to filing the financing statements specified on Schedule 4.18 in the appropriate form in the offices specified on Schedule 4.18, when the stock certificates representing such Pledged Stock are delivered to the Collateral Agent, in each case

duly endorsed or accompanied by duly executed instruments of assignment or transfer in blank, the Security Agreement shall constitute a fully perfected Lien on, and security interest in, all right, title and interest of the Borrower in such Collateral and the proceeds thereof, as security for the Obligations (as defined in the Security Agreement), in each case prior and superior in right to any other Person (except non-consensual Liens arising by operation of any Requirement of Law) to the extent the creation, perfection and priority thereof is governed by the Uniform Commercial Code as from time to time in effect in the State of New York. In the case of the other Collateral described in the Security Agreement, when financing statements and other filings specified on Schedule 4.18 in appropriate form are filed in the offices specified on Schedule 4.18, the Security Agreement shall constitute a fully perfected Lien on, and security interest in, all right, title and interest of the Borrower in such Collateral and the proceeds thereof, as security for the Obligations (as defined in the Security Agreement), in each case prior and superior in right to any other Person (except Liens permitted by Section 7.2) to the extent any such security interest may be perfected by the filing of a financing statement.

4.19 Solvency. Each Loan Party is, and after giving effect to the Loans and the incurrence of all Indebtedness and obligations being incurred in connection herewith will be and will continue to be, Solvent.

4.20 [Reserved].

4.21 Patriot Act; Anti-Corruption Laws; Sanctions.

(a) No Loan Party and none of its Affiliates (other than Excluded Affiliates) and, to the knowledge of the Loan Parties, none of its Excluded Affiliates is in violation in any material respect of any Requirements of Law relating to terrorism or money laundering, trade sanctions programs and embargoes, import/export licensing, bribery, and any regulation, order, or directive promulgated, issued or enforced pursuant to such Requirements of Law, all as amended, supplemented or replaced from time to time ("Anti-Terrorism Laws"), including Anti-Corruption Laws, International Trade Laws, Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 (the "Executive Order"), the Bank Secrecy Act, 31 U.S.C. §5311 *et seq.*, the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107-56, the International Emergency Economic Powers Act, 50 U.S.C. 1701, *et seq.*, the Trading with the Enemy Act, 50 U.S.C. App. 1, *et seq.*, 18 U.S.C. § 2332d, and 18 U.S.C. § 2339B and the laws administered by the United States Treasury Department's Office of Foreign Asset Control, the U.K. Proceeds of Crime Act 2002, the Money Laundering Regulations 2017, as amended and the Terrorist Asset-Freezing etc. Act 2010 and any regulation, order or directive promulgated, issued or enforced pursuant to any such law (as any of the foregoing may from time to time be amended, renewed, extended, or replaced).

(b) No Loan Party and no Affiliate (other than an Excluded Affiliate) or broker or other agent of any Loan Party acting or benefiting in any capacity in connection with the Revolving Extensions of Credit and, to the knowledge of the Loan Parties, no Excluded Affiliate is any of the following:

(i) a Sanctioned Person or a person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;

(ii) a person owned or controlled by, or acting for or on behalf of, any person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;

(iii) a person with which any Lender is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law;

(iv) to the knowledge of the Loan Parties, a person that commits, threatens or conspires to commit or supports “terrorism” as defined in the Executive Order; or

(v) a person that is named as a “specially designated national and blocked person” on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control (“OFAC”) at its official website or any replacement website or other replacement official publication of such list.

(c) No Loan Party, and, to the knowledge of the Loan Parties, no broker or other agent of any Loan Party acting in any capacity in connection with the Loans (i) conducts any business or engages in making or receiving any contribution of funds, goods or services to or for the benefit of any person described in paragraph (b) above, (ii) deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order, or (iii) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

(d) The Borrower has implemented and maintains in effect policies and procedures reasonably designed to ensure compliance by the Borrower, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and the Borrower and its Subsidiaries, and to the knowledge of the Borrower, their respective officers, employees, directors and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects and are not knowingly engaged in any activity that would reasonably be expected to result in the Borrower being designated as a Sanctioned Person. None of (a) the Borrower, any Subsidiary or to the knowledge of the Borrower or such Subsidiary any of their respective directors, officers or employees, or (b) to the knowledge of the Borrower, any agent of the Borrower or any Subsidiary that will act in any capacity in connection with or benefit from the credit facility established hereby, is a Sanctioned Person. No Loan, use of proceeds or other transaction contemplated by this Agreement will violate Anti-Corruption Laws or applicable Sanctions.

(e) No Collateral is Blocked Property.

4.22 Pari Passu Obligations. The Loans rank pari passu in right of payment with all other senior Indebtedness of the Borrower and at least pari passu as against the assets of the Borrower with all other secured Indebtedness of the Borrower.

4.23 Regulation. No Group Member is subject to regulation under federal or state law as a public utility except that (a) each of Peoples and Peoples Gas is subject to regulation under Pennsylvania law and by the Pennsylvania Public Utility Commission, (b) Peoples KY and Delta

are subject to regulation by the Kentucky Public Service Commission, (c) Peoples WV is subject to regulation by the Public Service Commission of West Virginia and (d) other Subsidiaries may be subject to regulation as public utilities under other federal or state laws disclosed by the Borrower to the Administrative Agent in writing from time to time pursuant to Section 6.7(d). The Borrower and its Subsidiaries have complied and are in compliance with (i) all applicable state utility laws, regulations and orders, and (ii) any other federal or state laws, regulations and orders applicable to them as public utilities or gas utilities, except in each case for instances of noncompliance that, individually and in the aggregate, have not had, and are not reasonably likely to have, a Material Adverse Effect.

4.24 Affected Financial Institutions. No Loan Party is an Affected Financial Institution.

4.25 Beneficial Ownership Certification. If a Beneficial Ownership Certification is required to be delivered pursuant to Section 5.1(g), then, as of the Closing Date, to the best of the Borrower's knowledge, the information set forth in such Beneficial Ownership Certification is true and correct in all respects. If a Beneficial Ownership Certification is required to be delivered pursuant to Section 6.2(h), then, as of the date of the delivery thereof, to the best of the Borrower's knowledge, the information set forth in such Beneficial Ownership Certification is true and correct in all respects.

SECTION 5. CONDITIONS PRECEDENT

5.1 Conditions to Initial Extension of Credit. The effectiveness of this Agreement and the agreement of each Lender to make extensions of credit on the Closing Date is subject to the satisfaction or waiver, prior to or on the Closing Date, of the following conditions precedent:

(a) Executed Agreements. The Administrative Agent shall have received executed copies of (i) the Security Agreement, (ii) the Intercreditor Agreement, (iii) the Joinder to Intercreditor Agreement and (iv) Notes, if any, requested by the Lenders two days prior to the Closing Date.

(b) Fees. The Lenders, Administrative Agent and Lead Arranger shall have received from the Borrower all fees required to be paid, and all expenses for which invoices have been received at least two Business Days prior to the Closing Date (including the reasonable fees and expenses of legal counsel), on or before the Closing Date. All such amounts will be paid on or prior to the Closing Date.

(c) Governmental and Third Party Approvals. All governmental and third party approvals necessary in connection with the financing contemplated hereby and the continuing operations of the Borrower and its Subsidiaries shall have been obtained and be in full force and effect.

(d) Financial Statements. The Lenders and the Administrative Agent shall have received the Financials referenced in Section 4.1.

(e) Officer's Certificate; Certified Certificate of Incorporation; Good Standing Certificates. The Administrative Agent shall have received (i) a certificate of the Borrower, dated

the Closing Date, substantially in the form of Exhibit B, with appropriate insertions and attachments, including the certificate of formation of the Borrower certified by the relevant authority of the jurisdiction of organization of the Borrower and (ii) a long form good standing certificate for each of the Borrower and each Significant Subsidiary from its jurisdiction of organization.

(f) Legal Opinion. The Administrative Agent shall have received the following executed legal opinions, each in form and substance reasonably satisfactory to the Administrative Agent:

(i) the executed legal opinion of Simpson Thacher & Bartlett LLP, counsel to the Borrower, substantially in the form of Exhibit D-1; and

(ii) the executed legal opinion of Post & Schell, P.C., local counsel in Pennsylvania, substantially in the form of Exhibit D-2.

(g) Other Documentation. The Administrative Agent and each Lender shall have received, to the extent the Borrower qualifies as a “legal entity customer” under the Beneficial Ownership Regulation, an executed Beneficial Ownership Certification, and such other documentation and other information reasonably requested to comply with Anti-Terrorism and Anti-Corruption Laws (including any “know your customer” and anti-money laundering documentation).

(h) Compliance Certificate. The Administrative Agent shall have received a Compliance Certificate, dated as of the Closing Date, demonstrating compliance, on a pro forma basis, with each of the financial covenants set forth in Section 7.1.

(i) Lien Searches. The Administrative Agent shall have received state-level lien searches with respect to the Borrower in its jurisdiction of organization and with results reasonably acceptable to the Administrative Agent.

(j) First Priority Security Interest. All documents and instruments, including Uniform Commercial Code financing statements, required by law or reasonably requested by the Collateral Agent to be filed, registered or recorded to create the Liens intended to be created by the Security Documents and to perfect such Liens to the extent required by, and with the priority required by, the Security Documents, shall have been executed or authorized, as applicable, and be in proper form for filing.

(k) Pledged Items. To the extent not previously delivered, the Collateral Agent shall have received (i) the certificates or other instruments representing the issued and outstanding Capital Stock of each Subsidiary directly owned by the Borrower or any other Loan Party pledged pursuant to the Security Agreement, together with stock powers or other instruments of transfer with respect thereto endorsed in blank and (ii) each promissory note pledged and required to be delivered to the Collateral Agent pursuant to the Security Agreement, together with note powers or other instruments of transfer with respect thereto endorsed in blank, in each case, subject to the terms of the Intercreditor Agreement.

(l) Insurance. The Administrative Agent shall have received insurance certificates satisfying the requirements of Section 4.2 of the Security Agreement and evidencing that all necessary insurance is in place or will be in effect by the Closing Date, so long as such insurance is reasonably available in the commercial insurance market and typically maintained by similarly situated companies in the same industry.

(m) Representations and Warranties. Each of the representations and warranties made by any Loan Party in or pursuant to the Loan Documents shall be true and correct in all material respects (it being understood that the materiality qualifier shall not be applicable with respect to any clause of any representation or warranty which itself contains a materiality qualification) on and as of such date as if made on and as of such date (except representations and warranties which relate solely to an earlier date or time, which representations and warranties shall be true and correct in all material respects (or all respects, as applicable) on and as of the specific dates or times referred to therein).

(n) No Default. No Default or Event of Default shall have occurred and be continuing.

For the purpose of determining compliance with the conditions specified in this Section 5.1, each Lender that has signed this Agreement shall be deemed to have accepted, and to be satisfied with, each document or other matter required under this Section 5.1 unless the Administrative Agent shall have received written notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

5.2 Conditions to Each Extension of Credit. The agreement of each Lender to make any extension of credit in respect of Loans, other than conversions and continuations of Loans, requested to be made by it on any date (including its initial extension of credit) is subject to the satisfaction of the following conditions precedent:

(a) Representations and Warranties. Each of the representations and warranties made by any Loan Party in or pursuant to the Loan Documents shall be true and correct in all material respects (it being understood that the materiality qualifier shall not be applicable with respect to any clause of any representation or warranty which itself contains a materiality qualification) on and as of such date as if made on and as of such date (except representations and warranties which relate solely to an earlier date or time, which representations and warranties shall be true and correct in all material respects (or all respects, as applicable) on and as of the specific dates or times referred to therein).

(b) No Default. No Default or Event of Default shall have occurred and be continuing on such date or immediately after giving effect to the extensions of credit requested to be made on such date.

Each borrowing by the Borrower hereunder shall constitute a representation and warranty by the Borrower as of the date of such extension of credit that the conditions contained in this Section 5.2 have been satisfied.

SECTION 6. AFFIRMATIVE COVENANTS

The Borrower hereby agrees that, until all Obligations have been paid in full (other than contingent indemnification obligations that are not yet due and payable) and the Revolving Commitments have been terminated, the Borrower shall and shall cause each of its Subsidiaries to:

6.1 Financial Statements. Furnish to the Administrative Agent and each Lender:

(a) as soon as available, but in any event within 120 days after the end of each fiscal year of the Borrower, its audited consolidated balance sheet and related consolidated statements of net income, comprehensive income, equity and cash flows as of the end of and for such fiscal year, setting forth in each case in comparative form the figures for the prior fiscal year, all audited by and accompanied by the opinion of PricewaterhouseCoopers LLP or another independent registered public accounting firm of recognized national standing (without a “going concern” or like qualification, exception or emphasis (other than any qualification, exception or emphasis with respect to or resulting from an upcoming scheduled final maturity of any Indebtedness or associated with a financial covenant) and without any qualification, exception or emphasis as to the scope of such audit) to the effect that such financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Borrower and its consolidated Subsidiaries on a consolidated basis as of the end of and for such year in accordance with GAAP; and

(b) as soon as available, but in any event not later than 60 days after the end of each of the first three quarterly periods of each fiscal year of the Borrower (commencing with the fiscal quarter ending September 30, 2020), its unaudited consolidated balance sheet as of the end of such fiscal quarter, the related unaudited consolidated statements of net income, comprehensive income and equity for such fiscal quarter and the then elapsed portion of the fiscal year and the related statements of cash flows for the then elapsed portion of the fiscal year, in each case setting forth in comparative form the figures for (or, in the case of the balance sheet, as of the end of) the corresponding period or periods of the prior fiscal year, all certified by a Responsible Officer of the Borrower as presenting fairly, in all material respects, the financial position, results of operations and cash flows of the Borrower and its consolidated Subsidiaries on a consolidated basis as of the end of and for such fiscal quarter and such portion of the fiscal year in accordance with GAAP, subject to normal year-end audit adjustments and the absence of certain footnotes.

All such financial statements shall be complete and correct in all material respects and shall be prepared in reasonable detail and in accordance with GAAP (in the case of quarterly financial statements, subject to normal year-end audit adjustments and the absence of footnotes) applied (except as approved by such accountants or officer, as the case may be, and disclosed in reasonable detail therein) consistently throughout the periods reflected therein and with prior periods.

Each Lender acknowledges that all information, including requests for waivers and amendments, furnished by the Borrower or the Administrative Agent pursuant to or in connection with, or in the course of administering, this Agreement will be syndicate-level information, which may contain MNPI. Each Lender represents to the Borrower and the Administrative Agent that (i) it has developed compliance procedures regarding the use of MNPI and that it will handle MNPI in accordance with such procedures and applicable law, including

federal, state and foreign securities laws, and (ii) it has identified in its administrative questionnaire a credit contact who may receive information that may contain MNPI in accordance with its compliance procedures and applicable law, including United States (federal or state) and foreign securities laws.

The Borrower and each Lender acknowledge that, if information furnished by or on behalf of the Borrower pursuant to or in connection with this Agreement is being distributed by the Administrative Agent through Debt Domain, IntraLinks, SyndTrak or a similar electronic transmission system (the “Platform”), (i) the Administrative Agent may post any information that the Borrower has indicated as containing MNPI solely on that portion of the Platform designated for Private Side Lender Representatives and (ii) if the Borrower has not indicated whether any information furnished by it pursuant to or in connection with this Agreement contains MNPI, the Administrative Agent reserves the right to post such information solely on that portion of the Platform designated for Private Side Lender Representatives. The Administrative Agent shall be entitled to rely on any designation by the Borrower that information is suitable to be made available to Public Side Lender Representatives without liability or responsibility for the independent verification thereof.

The Borrower hereby authorizes the Administrative Agent to distribute this Agreement and the Loan Documents to all Lenders, including their Public Side Lender Representatives, and represents and warrants that none of the information contained in the Loan Documents constitutes or contains MNPI. The Borrower acknowledges its understanding that Lenders, including their Public Side Lender Representatives, may be trading in securities of the Borrower or its Affiliates while in possession of the Loan Documents.

6.2 Certificates; Other Information. Furnish to the Administrative Agent and each Lender (or, in the case of clause (i) below, to the relevant Lender):

(a) concurrently with the delivery of the financial statements referred to in Section 6.1(a), (i) a certificate of a Responsible Officer stating that, to the best of each such Responsible Officer’s knowledge, each Loan Party during such period has observed or performed all of its covenants and other agreements, and satisfied every condition contained in this Agreement and the other Loan Documents to which it is a party to be observed, performed or satisfied by it, and that such Responsible Officer has obtained no knowledge of any Default or Event of Default except as specified in such certificate and (ii) in the case of annual financial statements, a Compliance Certificate containing reasonably detailed information and calculations necessary for determining compliance with each of the financial covenants set forth in Section 7.1 as of the last day of the fiscal year of the Borrower;

(b) concurrently with the delivery of the financial statements referred to in Section 6.1(b) (commencing with the fiscal quarter ending September 30, 2020), (i) a certificate of a Responsible Officer stating that, to the best of each such Responsible Officer’s knowledge, each Loan Party during such period has observed or performed all of its covenants and other agreements, and satisfied every condition contained in this Agreement and the other Loan Documents to which it is a party to be observed, performed or satisfied by it, and that such Responsible Officer has obtained no knowledge of any Default or Event of Default except as specified in such certificate and (ii) in the case of quarterly financial statements, a Compliance

Certificate containing reasonably detailed information and calculations necessary for determining compliance with each of the financial covenants set forth in Section 7.1 as of the last day of such fiscal period of the Borrower;

(c) on or prior to February 15 of each fiscal year, a budgeted balance sheet, income statement and statement of cash flow of the Borrower and its Subsidiaries for the current fiscal year;

(d) within five (5) days after the same are sent, copies of all financial statements and reports that any Group Member sends to the holders of any class of its debt securities or, to the extent applicable, its public equity securities and, to the extent applicable, within five (5) days after the same are filed, copies of all financial statements and reports that any Group Member may make to, or file with, the SEC;

(e) [reserved];

(f) promptly after receipt thereof, any writing from a Rating Agency that such Rating Agency (i) will take public action with respect to the rating of the Senior Notes or (ii) will no longer, or intends to no longer, rate the Senior Notes;

(g) no later than five (5) Business Days after the effectiveness thereof, copies of any amendment, supplement, waiver or other modification to the Senior Notes Documentation;

(h) promptly after any request therefor, such information and documentation reasonably requested by the Administrative Agent or any Lender for purposes of compliance with applicable “know your customer” requirements under the Patriot Act, the Beneficial Ownership Regulation or other applicable Anti-Money Laundering Laws; and

(i) promptly upon request, such additional financial and other information which is reasonably available to the Borrower or its Subsidiaries as any Lender may from time to time reasonably request.

6.3 Payment of Taxes. Pay, discharge or otherwise satisfy before they become delinquent or in default, as the case may be, all Taxes, except where (a) the amount or validity thereof is currently being contested in good faith by appropriate proceedings and reserves in conformity with GAAP with respect thereto have been provided on the books of the relevant Group Member or (b) the failure to make payment could not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

6.4 Maintenance of Existence; Compliance. (a)(i) Preserve, renew and keep in full force and effect its organizational existence and (ii) take all reasonable action to maintain all rights, privileges and franchises necessary or desirable in the normal conduct of its business, except, in each case, as otherwise permitted by Section 7.3, and except, other than in the case of clause (i) above with respect to the Borrower or any Significant Subsidiary, to the extent that failure to do so could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect and (b) comply with all Requirements of Law except to the extent that failure to comply therewith could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

6.5 Maintenance of Property; Insurance. (a) Keep all property useful and necessary in its business in good working order and condition, ordinary wear and tear and casualty and condemnation excepted, except in each case where the failure to take any such actions, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect and (b) maintain with financially sound and reputable insurance companies insurance on all its property in at least such amounts, with such deductibles and against at least such risks as are usually insured against in the same general area by companies engaged in the same or a similar business.

6.6 Inspection of Property; Books and Records; Discussions. (a) Keep proper books of records and account in which full, true and correct entries in conformity with GAAP and all Requirements of Law shall be made of all material dealings and transactions in relation to its business and activities and (b) permit representatives of the Administrative Agent, and any agent designated by the Administrative Agent, to visit and inspect any of its properties and examine and make abstracts from any of its books and records at any reasonable time and as often as may reasonably be desired and to discuss the business, operations, properties and financial and other condition of the Group Members with officers and employees of the Group Members and with their independent certified public accountants; provided that, the Administrative Agent may not exercise such rights more often than once during any calendar year (it being understood that any expenses incurred by the Administrative Agent in connection therewith shall be subject to reimbursement by the Borrower in accordance with Section 10.5); provided, further, that when an Event of Default exists, the Administrative Agent (or any of its agents) may do any of the foregoing (at the expense of the Borrower) at any time during normal business hours and upon reasonable advance notice. Notwithstanding anything to the contrary in this Section, neither the Borrower nor any Subsidiary shall be required to disclose, permit the inspection, examination of, or discussion of, any document, information or other matter that (i) constitutes non-financial trade secrets or non-financial proprietary information, (ii) in respect of which disclosure to the Administrative Agent (or its agents) is prohibited by applicable law or any binding confidentiality agreement between the Borrower or any Subsidiary and a Person that is not the Borrower or any Subsidiary not entered into in contemplation of preventing such disclosure, inspection, examination or discussion or (iii) is subject to attorney-client or similar privilege or constitutes attorney work-product.

6.7 Notices. Promptly after obtaining actual knowledge thereof give notice to the Administrative Agent and each Lender of:

- (a) the occurrence of any continuing Default;
- (b) any litigation, investigations or proceedings that may, if adversely decided, reasonably be expected to have a Material Adverse Effect;
- (c) the occurrence of any ERISA Event that, alone or together with any other ERISA Events that have occurred, could reasonably be expected to result in a Material Adverse Effect;
- (d) any Group Member becoming subject to regulation under federal or state law as a public utility; and

(e) any development or event that has had or could reasonably be expected to have a Material Adverse Effect.

Each notice pursuant to this Section 6.7 (other than Section 6.7(d)) shall be accompanied by a statement of a Responsible Officer setting forth details of the occurrence referred to therein and stating what action the relevant Group Member proposes to take with respect thereto.

6.8 Environmental Laws. Except as could not, in the aggregate, reasonably be expected to have a Material Adverse Effect:

(a) Comply in all material respects with, and ensure compliance in all material respects by all tenants and subtenants, if any, with, all applicable Environmental Laws, and obtain and comply in all material respects with and maintain, and ensure that all tenants and subtenants obtain and comply in all material respects with and maintain, any and all licenses, approvals, notifications, registrations or permits required by applicable Environmental Laws.

(b) Conduct and complete all investigations, studies, sampling and testing, and all remedial, removal and other actions required under Environmental Laws and, except to the extent being reasonably contested in good faith by appropriate proceedings, reasonably promptly comply in all material respects with all lawful orders and directives of all Governmental Authorities regarding Environmental Laws.

6.9 Use of Proceeds. Ensure that proceeds of Loans shall be used for (i) the purchase of natural gas inventory and/or (ii) other working capital needs and other general corporate purposes of the Borrower and its Subsidiaries.

6.10 Further Assurances. Make, execute and deliver all such additional and further acts, things, deeds and instruments as the Administrative Agent or the Lenders (through the Administrative Agent) may reasonably require to document and consummate the transactions contemplated hereby and to vest completely in and insure the Administrative Agent and the Lenders their respective rights under this Agreement and the other Loan Documents.

6.11 [Reserved].

6.12 Intercompany Loans. Make funds available to Peoples, Peoples Gas or any Subsidiary that is a regulated local gas distribution company in the form of intercompany loans from the Borrower and not capital contributions from the Borrower to the extent (a) not in violation of any Requirement of Law (including any Pennsylvania Public Utility Commission order or condition applicable to Peoples and Peoples Gas or other public utilities commission order or condition applicable to such other Subsidiary) and (b) deemed in good faith by the Borrower as constituting an appropriate capital structure given regulatory requirements and conditions.

6.13 First Priority Security Interest. Take all reasonable steps necessary or reasonably requested of it by the Administrative Agent to maintain a first priority (except with respect to Liens permitted by Section 7.2) security interest in the Collateral evidenced by the Lien in favor of the Collateral Agent on behalf of the Lenders and the other Senior Lenders (as such term is defined in the Security Agreement).

6.14 Direct Ownership. Maintain sole direct ownership by the Borrower of Peoples, Peoples Gas and any other Significant Subsidiary, and promptly deliver or cause to be delivered any certificates representing the Capital Stock of each Significant Subsidiary to the Collateral Agent, duly endorsed or accompanied by duly executed instruments of assignment or transfer in blank, and take such other action as may be necessary or desirable to cause all of the Capital Stock of each Significant Subsidiary to constitute Pledged Stock subject to a first priority security interest in favor of the Collateral Agent on behalf of the Lenders and the other Senior Lenders (as such term is defined in the Security Agreement).

6.15 Sanctions; Anti-Terrorism Laws; Anti-Corruption Laws. Ensure that (i) none of the Borrower, any Subsidiary nor any Affiliate (other than an Excluded Affiliate) of the Borrower or any Subsidiary or any of its or their respective directors, officers, employees, agents or affiliates acting on its or their behalf in connection with this Agreement will become a Sanctioned Person, (ii) none of the Borrower, any Subsidiary nor any Affiliate (other than an Excluded Affiliate) of the Borrower or any Subsidiary, either in its own right or through any third party, or any of its or their respective directors, officers, employees, agents or affiliates acting on its or their behalf in connection with this Agreement will (A) have any of its assets in a country subject to a sanctions program maintained under any Anti-Terrorism Law or in the possession, custody or control of a Sanctioned Person in violation of any Anti-Terrorism Law; (B) do business in or with, or derive any of its income from investments in or transactions with, any country subject to a sanctions program maintained under any Anti-Terrorism Law or Sanctioned Person in violation of any Anti-Terrorism Law; (C) engage in any dealings or transactions prohibited by any Anti-Terrorism Law or (D) directly or indirectly use, provide or make available the Revolving Extensions of Credit (x) to fund any operations in, finance any investments or activities in, or, make any payments to, a country subject to a sanctions program maintained under any Anti-Terrorism Law or to or for the benefit of a Sanctioned Person in violation of any Anti-Terrorism Law, Anti-Money Laundering Law or International Trade Law, (ii) to fund or facilitate any activities or business of, or in any Sanctioned Jurisdiction, (iii) in any manner that could result in a violation by any Person (including the Administrative Agent, any lead arranger, any Lender, underwriter, advisor, investor or otherwise) of any Anti-Terrorism Law, Anti-Money Laundering Law or International Trade Law or (iv) in violation of any applicable law, including any applicable Anti-Corruption Law, Anti-Money Laundering Law or International Trade Law, (iii) the funds used to repay the Obligations will not be Blocked Property or be derived from any unlawful activity, (iv) the Borrower, each Subsidiary and each Affiliate (other than an Excluded Affiliate) of the Borrower or any Subsidiary shall comply in all material respects with all Anti-Terrorism Laws, (v) the Borrower shall promptly notify the Administrative Agent in writing upon the occurrence of a Reportable Compliance Event and (vi) the Borrower shall and shall cause each of its Subsidiaries to maintain in effect and enforce policies and procedures reasonably designed to ensure compliance by the Borrower, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

SECTION 7. NEGATIVE COVENANTS

The Borrower hereby agrees that, until all Obligations have been paid in full (other than contingent indemnification obligations that are not yet due and payable) and the Revolving

Commitments have been terminated, the Borrower shall not or permit its Subsidiaries to, directly or indirectly:

7.1 Financial Covenants.

(a) Permit, at any time, the ratio of (i) Consolidated Debt to (ii) Consolidated Capitalization to exceed 0.60 to 1.00.

(b) Permit, at any time, the ratio of (i) Consolidated EBITDA for the four consecutive fiscal quarters ending on, or most recently ended prior to, such time, to (ii) Consolidated Interest Expense for such period to be less than 2.00 to 1.00.

(c) Permit, at any time, the then outstanding aggregate principal amount of Subsidiary Debt to exceed an amount equal to \$100,000,000.

7.2 Liens. Create, incur, assume or suffer to exist any Lien upon any property of the Borrower (other than property of Subsidiaries of the Borrower), whether now owned or hereafter acquired, except:

(a) Liens for Taxes, assessments or governmental charges not yet due or that are being contested in good faith by appropriate proceedings, provided that adequate reserves with respect thereto are maintained on the books of the Borrower or its Subsidiaries, as the case may be, in conformity with GAAP;

(b) landlords', carriers', warehousemen's, mechanics', materialmen's, repairmen's or other like Liens arising in the ordinary course of business that are not overdue for a period of more than 30 days or that are being contested in good faith by appropriate proceedings;

(c) pledges or deposits in connection with workers' compensation, unemployment insurance and other social security legislation;

(d) deposits to secure the performance of bids, trade contracts (other than for borrowed money), leases (other than Finance Lease Obligations), insurance, statutory obligations (other than any such obligation imposed pursuant to Section 430(k) of the Code or Sections 303(k) or 4068 of ERISA), surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business;

(e) easements, rights-of-way, zoning and building restrictions and other restrictions and similar encumbrances incurred in the ordinary course of business that, in the aggregate, are not substantial in amount and that do not in any case materially detract from the value of the property subject thereto or materially interfere with the ordinary conduct of the business of the Borrower;

(f) Liens securing Indebtedness of the Borrower incurred pursuant to clauses (i) and (ii) of the definition of Specified Indebtedness;

(g) [reserved];

(h) Liens created pursuant to the Security Documents and securing the Obligations;

(i) any interest or title of a lessor under any operating lease entered into by the Borrower in the ordinary course of its business and covering only the assets so leased;

(j) Liens incurred in connection with overdraft protection arrangements and other related cash management programs (including any Cash Management Agreements);

(k) Liens existing on the date of this Agreement and set forth on Schedule 7.2; and

(l) Liens incurred in connection with the collection or disposition of delinquent accounts receivable in the ordinary course of business.

7.3 Fundamental Changes. Enter into any merger, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or Dispose of all or substantially all of its property or business; except that, if at the time thereof and immediately after giving effect thereto no Event of Default shall have occurred and be continuing:

(a) any Subsidiary may merge, consolidate or amalgamate into the Borrower in a transaction in which the Borrower is the surviving entity;

(b) any Subsidiary may merge, consolidate or amalgamate into any other Subsidiary in a transaction in which the surviving entity is a wholly-owned Subsidiary;

(c) any Subsidiary may merge, consolidate or amalgamate with any other Person so long as the surviving or continuing entity is the Subsidiary with respect to which the Borrower shall, immediately following such transaction or series of transactions, have at least the same degree of ownership and control with respect to such Subsidiary as it did prior to such transaction;

(d) any Subsidiary may Dispose of all or substantially all of its property or business to (i) the Borrower, (ii) any wholly-owned Subsidiary or (iii) any other person to the extent permitted by Section 7.4(d); and

(e) any Subsidiary may liquidate, wind up or dissolve, so long as all assets and other property, if any, of such Subsidiary are distributed to (i) the Borrower, (ii) any wholly-owned Subsidiary or (iii) any other person to the extent permitted by Section 7.4(d).

7.4 Disposition of Property. Dispose of any of its property, whether now owned or hereafter acquired, or, in the case of any Subsidiary, issue or sell any shares of such Subsidiary's Capital Stock to any Person, except:

(a) the Disposition of obsolete, surplus or worn out property in the ordinary course of business;

(b) the sale of inventory in the ordinary course of business;

(c) the sale of Cash Equivalents;

(d) the Disposition of other property having a fair market value not to exceed five percent (5%) of the Consolidated Total Assets in the aggregate for any fiscal year of the Borrower, calculated as of the commencement of such fiscal year; provided that, after giving effect thereto, no Default or Event of Default exists; and

(e) the Disposition of property of any Subsidiary to the Borrower or any wholly-owned Subsidiary.

7.5 Restricted Payments. Declare or pay any dividend (other than dividends payable solely in common stock of the Person making such dividend) on, or make any payment on account of, or set apart assets for a sinking or other analogous fund for, the purchase, redemption, defeasance, retirement or other acquisition of, any Capital Stock of any Group Member, whether now or hereafter outstanding, or make any other distribution in respect thereof, either directly or indirectly, whether in cash or property or in obligations of any Group Member (collectively, "Restricted Payments"), except that:

(a) each of the Borrower's Subsidiaries may make Restricted Payments to the Borrower or any wholly-owned Subsidiary;

(b) the Borrower may make Restricted Payments to LDC Holdings or any direct or indirect owner of the Borrower for any taxable period (or portion thereof) in which the Borrower and/or any of its Subsidiaries is a member of a consolidated, combined, unitary or similar U.S. federal, state, local and/or foreign income or similar tax group whose common parent is a direct or indirect parent of the Borrower (a "Tax Group"), or in which the Borrower is disregarded from an indirect parent entity that is a C corporation for U.S. federal income tax purposes, to pay such U.S. federal, state, local and/or foreign Taxes of such Tax Group that are attributable to the taxable income, revenue, receipts, gross receipts, gross profits, capital or margin of the Borrower and/or its applicable Subsidiaries; and

(c) the Borrower may make Restricted Payments to the Essential Group so long as no Default or Event of Default shall have occurred and be continuing, and both immediately before and immediately after giving effect thereto, the Borrower shall be in compliance with the financial covenant set forth in Section 7.1(b) and in pro forma compliance with the financial covenants set forth in Section 7.1(a) and Section 7.1(c).

7.6 Transactions with Affiliates. Enter into any transaction, including any purchase, sale, lease or exchange of property, the rendering of any service or the payment of any management, advisory or similar fees, with any Affiliate (other than transactions among the Borrower and its Subsidiaries not involving any other Affiliate of the Borrower), other than (a) any such transaction that is (i) not prohibited by this Agreement, (ii) in the ordinary course of business of the relevant Group Member, and (iii) upon fair and reasonable terms no less favorable to the relevant Group Member than it would obtain in a comparable arm's length transaction with a Person that is not an Affiliate and (b) any other transaction (if part of a series of related transactions, together with such related transactions) involving consideration or value

of less than \$3,000,000. Notwithstanding the foregoing, any Group Member may reimburse any other Group Member on a cost of services basis for the cost of services provided.

7.7 Indebtedness. Permit the incurrence of any Indebtedness unless (a) immediately after giving effect to any such Indebtedness, the ratio of Consolidated Debt to Consolidated Capitalization shall not exceed 0.60 to 1.00, and (b) at the time of such incurrence, no Default or Event of Default then exists or would arise therefrom.

7.8 Swap Agreements. Enter into any Swap Agreement, except non-speculative (a) Swap Agreements entered into to hedge or mitigate risks to which the Borrower or any of its Subsidiaries has actual exposure (other than those in respect of Capital Stock) and (b) Swap Agreements entered into in order to effectively cap, collar or exchange interest rates (from fixed to floating rates, from one floating rate to another floating rate or otherwise) to which the Borrower or any of its Subsidiaries has actual exposure with respect to any interest-bearing liability or investment of the Borrower or any such Subsidiary.

7.9 Changes in Fiscal Periods. Permit the fiscal year of any Group Member to end on a day other than December 31 or change any Group Member's method of determining fiscal quarters.

7.10 Clauses Restricting Distributions. Enter into or suffer to exist or become effective any consensual encumbrance or restriction on the ability of Peoples, Peoples Gas or any other Significant Subsidiary to make Restricted Payments in respect of any of its Capital Stock to the Borrower, except for such encumbrances or restrictions (a) as may be required by the Pennsylvania Public Utility Commission or other Governmental Authority, (b) existing under or by reason of any restrictions existing under the Loan Documents or the Note Purchase Agreement or (c) existing under or by reason of customary restrictions existing under loan documentation for Indebtedness permitted under clauses (i), (ii) or (vi) of the definition of Specified Indebtedness.

7.11 Amendments to Indebtedness Documents. Amend, supplement or otherwise modify (pursuant to a waiver or otherwise) the terms and conditions of any Indebtedness permitted under clauses (i), (ii) or (vi) of the definition of Specified Indebtedness in any respect, when taken as a whole, materially adverse to the Lenders without the prior written consent of the Required Lenders.

7.12 New Subsidiaries. Form, acquire or otherwise own any Subsidiaries, other than Subsidiaries that engage in the regulated utility business or other activity or ancillary business related thereto.

7.13 Lines of Business. Engage in any business if, as a result, the general nature of the business in which the Borrower and its Subsidiaries, taken as a whole, would then be engaged would be substantially changed from the regulated utility business and any other activity or ancillary business related thereto; provided that such ancillary business shall not include gas processing, exploration and development.

7.14 [Reserved].

7.15 Use of Proceeds. Request any Loan, and the Borrower shall not use, and shall not procure that its Subsidiaries and its or their respective directors, officers, employees and agents shall not use, the proceeds of any Loan (a) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (b) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Jurisdiction, to the extent such activities, business or transaction would be prohibited by Sanctions if conducted by a corporation incorporated in the United States, or (c) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

7.16 Sanctions and other Anti-Terrorism Laws. Not (a) repay the Obligations with Blocked Property or funds derived from any unlawful activity; or (b) permit any Collateral to become Blocked Property.

SECTION 8. EVENTS OF DEFAULT

If any of the following events shall occur and be continuing:

(a) the Borrower shall fail to pay any principal of any Loan when due in accordance with the terms hereof; or the Borrower shall fail to pay any interest on any Loan, fees or any other amounts payable hereunder or under any other Loan Document, within five (5) days after any such interest, fees or other amounts become due in accordance with the terms hereof; or

(b) any representation or warranty made or deemed made by any Loan Party herein or in any other Loan Document or that is contained in any certificate, document or financial or other statement furnished by it at any time under or in connection with this Agreement or any such other Loan Document shall prove to have been inaccurate in any material respect (and in the case of the representations made in Section 4.21, in any respect) on or as of the date made or deemed made; or

(c) any Loan Party shall default in the observance or performance of any agreement contained in clause (i) or (ii) of Section 6.4(a), Section 6.7(a), Section 6.15 or Section 7 of this Agreement or Sections 4.4 and 4.6(b) of the Security Agreement; or

(d) any Loan Party shall default in the observance or performance of any other agreement contained in this Agreement or any other Loan Document (other than as provided in paragraphs (a) through (c) of this Section), and such default shall continue unremedied for a period of thirty (30) days after notice to the Borrower from the Administrative Agent or the Required Lenders; or

(e) the Borrower or its Subsidiaries shall (i) default in making any payment (in respect of principal or interest) of any material Indebtedness (including the Senior Notes and any Guarantee Obligation, but excluding the Loans) when and as the same shall become due and payable after giving effect to any notice requirements and grace periods applicable thereto; or (ii) default in the observance or performance of any other agreement or condition relating to any such Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause, or to permit the holder or beneficiary of such Indebtedness (or a trustee or

agent on behalf of such holder or beneficiary) to cause, with the giving of notice if required, such Indebtedness to become due prior to its stated maturity or (in the case of any such Indebtedness constituting a Guarantee Obligation) to become payable; provided, that a default, event or condition described in clause (i) or (ii) of this paragraph (e) shall not at any time constitute an Event of Default unless, at such time, one or more defaults, events or conditions of the type described in clauses (i) or (ii) of this paragraph (e) shall have occurred and be continuing with respect to Indebtedness the outstanding principal amount of which exceeds in the aggregate \$50,000,000; or

(f) (i) any Group Member shall commence any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding up, liquidation, dissolution, composition or other relief with respect to it or its debts, or (B) seeking appointment of a receiver, trustee, custodian, conservator or other similar official for it or for all or any substantial part of its assets; or (ii) there shall be commenced against any Group Member any case, proceeding or other action of a nature referred to in clause (i) above that (A) results in the entry of an order for relief or any such adjudication or appointment or (B) remains undismissed or undischarged for a period of sixty (60) days; or (iii) there shall be commenced against any Group Member any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets that results in the entry of an order for any such relief that shall not have been vacated, discharged, or stayed or bonded pending appeal within sixty (60) days from the entry thereof; or (iv) any Group Member shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii), or (iii) above; or (v) or any Group Member shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due; or (vi) any Group Member shall make a general assignment for the benefit of its creditors; or

(g) one or more ERISA Events shall have occurred that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect; or

(h) one or more judgments or decrees (excluding regulatory orders payable through adjustments to rates or through periodic payments or refunds to customers) shall be entered against any Group Member involving in the aggregate a liability (not paid or fully covered by insurance as to which the relevant insurance company has acknowledged coverage) of \$50,000,000 or more, and all such judgments or decrees shall not have been vacated, discharged, stayed or bonded pending appeal within sixty (60) days from the entry thereof; or

(i) any of the Loan Documents shall cease, for any reason, to be in full force and effect, or any Loan Party or any Affiliate of any Loan Party shall so assert, or any Lien created by any of the Security Documents shall cease to be enforceable and of the same effect and priority purported to be created thereby; or

(j) an event or series of events by which (i) Essential shall cease to directly or indirectly own and control at least 51% of the economic and voting interests in the Borrower, or

(ii) the Borrower shall cease to directly own and control 100% of the economic and voting interests in Peoples, Peoples Gas, and any other Significant Subsidiary; or

(k) LDC Holdings shall (i) conduct, transact or otherwise engage in, or commit to conduct, transact or otherwise engage in, any business or operations other than those incidental to its ownership of the Capital Stock of the Borrower, (ii) incur, create, assume or suffer to exist any Indebtedness or other liabilities or financial obligations, except (x) nonconsensual obligations imposed by operation of law and (y) obligations with respect to its Capital Stock, or (iii) own, lease, manage or otherwise operate any properties or assets (including cash (other than cash received in connection with dividends or distributions made by the Borrower in accordance with Section 7.5 pending application in the manner contemplated by said Section) and cash equivalents) other than the ownership of shares of Capital Stock of the Borrower;

then, and in any such event, (A) if such event is an Event of Default specified in clause (i) or (ii) of paragraph (f) above with respect to the Borrower, automatically the Revolving Commitments shall immediately terminate and the Loans (with accrued interest thereon) and all other amounts owing under this Agreement and the other Loan Documents shall immediately become due and payable, and (B) if such event is any other Event of Default, either or both of the following actions may be taken: (i) with the consent of the Required Lenders, the Administrative Agent may, or upon the request of the Required Lenders, the Administrative Agent shall, by notice to the Borrower declare the Revolving Commitments to be terminated forthwith, whereupon the Revolving Commitments shall immediately terminate; and (ii) with the consent of the Required Lenders, the Administrative Agent may, or upon the request of the Required Lenders, the Administrative Agent shall, by notice to the Borrower, declare the Loans (with accrued interest thereon) and all other amounts owing under this Agreement and the other Loan Documents to be due and payable forthwith, whereupon the same shall immediately become due and payable. Except as expressly provided above in this Section, presentment, demand, protest and all other notices of any kind are hereby expressly waived by the Borrower.

SECTION 9. THE AGENTS

9.1 Appointment. Each Lender hereby irrevocably designates and appoints PNC Bank, National Association, as the administrative agent of such Lender under this Agreement and the other Loan Documents (including the Intercreditor Agreement), and each such Lender irrevocably authorizes the Administrative Agent, in such capacity, to take such action on its behalf under the provisions of this Agreement and the other Loan Documents and to exercise such powers and perform such duties as are expressly delegated to the Administrative Agent by the terms of this Agreement (which includes executing and delivering the Joinder to Intercreditor Agreement and carrying out its obligations under the Intercreditor Agreement on behalf of the Lenders) and the other Loan Documents, together with such other powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary elsewhere in this Agreement, the Administrative Agent shall not have any duties or responsibilities, except those expressly set forth herein, or any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Loan Document or otherwise exist against the Administrative Agent. It is understood and agreed that the use of the term “agent” herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or

other implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom and is intended to create or reflect only an administrative relationship between contracting parties.

9.2 Delegation of Duties. The Administrative Agent may execute any of its duties under this Agreement and the other Loan Documents by or through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. The Administrative Agent shall not be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

9.3 Exculpatory Provisions.

(a) The Administrative Agent shall not have any duties or obligations except those expressly specified herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Administrative Agent:

(i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default or Event of Default has occurred and is continuing;

(ii) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents); provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; and

(iii) shall not, except as expressly specified herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

(b) The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 10.1 and 8, or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. The Administrative Agent shall be deemed not to have knowledge of any Default or Event of Default unless and until notice describing such Default or Event of Default is given to the Administrative Agent in writing by the Borrower or a Lender.

(c) The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions specified herein or therein or the occurrence of any Default or Event of Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, or (v) the satisfaction of any condition specified in Section 5 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

9.4 Reliance by Administrative Agent; Delegation of Duties. (a) The Administrative Agent shall be entitled to rely, and shall be fully protected in relying, upon any instrument, writing, resolution, notice, consent, certificate, affidavit, letter, email message, statement, order or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including counsel to the Borrower), independent accountants and other experts selected by the Administrative Agent. The Administrative Agent may deem and treat the payee of any Note as the owner thereof for all purposes unless a written notice of assignment, negotiation or transfer thereof shall have been filed with the Administrative Agent. The Administrative Agent shall be fully justified in failing or refusing to take any action under this Agreement or any other Loan Document unless it shall first receive such advice or concurrence of the Required Lenders (or, if so specified by this Agreement, all Lenders) as it deems appropriate or it shall first be indemnified to its satisfaction by the Lenders against any and all liability and expense that may be incurred by it by reason of taking or continuing to take any such action. The Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement and the other Loan Documents in accordance with a request of the Required Lenders (or, if so specified by this Agreement, all Lenders), and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders and all future holders of the Loans. In determining compliance with any condition hereunder to the making of a Loan that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from Lender prior to the making of such Loan.

(a) The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective related parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the related parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the facilities hereunder as well as activities as Administrative Agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and nonappealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

9.5 Notice of Default. The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default unless the Administrative Agent has received notice from a Lender or the Borrower referring to this Agreement, describing such Default or Event of Default and stating that such notice is a “notice of default”. In the event that the Administrative Agent receives such a notice, the Administrative Agent shall give notice thereof to the Lenders and the other Agents. The Administrative Agent shall take such action with respect to such Default or Event of Default as shall be reasonably directed by the Required Lenders (or, if so specified by this Agreement, all Lenders); provided that unless and until the Administrative Agent shall have received such directions, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable in the best interests of the Lenders.

9.6 Non-Reliance on Agents and Other Lenders. Each Lender expressly acknowledges that neither the Agents nor any of their respective officers, directors, employees, agents, advisors, attorneys-in-fact or affiliates have made any representations or warranties to it and that no act by any Agent hereafter taken, including any review of the affairs of a Loan Party or any affiliate of a Loan Party, shall be deemed to constitute any representation or warranty by any Agent to any Lender. Each Lender represents to the Agents that it has, independently and without reliance upon any Agent or any Lender, and based on such documents and information as it has deemed appropriate, made its own appraisal of an investigation into the business, operations, property, financial and other condition and creditworthiness of the Loan Parties and their affiliates and made its own decision to make its Loans hereunder and enter into this Agreement. Each Lender also represents that it will, independently and without reliance upon any Agent or any Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Loan Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and creditworthiness of the Loan Parties and their affiliates. Except for notices, reports and other documents expressly required to be furnished to the Lenders by the Administrative Agent hereunder, the Administrative Agent shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the business, operations, property, condition (financial or otherwise), prospects or creditworthiness of any Loan Party or any affiliate of a Loan Party that may come into the possession of the Administrative Agent or any of its officers, directors, employees, agents, advisors, attorneys-in-fact or affiliates.

9.7 Indemnification. The Lenders agree to indemnify each Agent, the Swing Line Lender and their respective officers, directors, employees, affiliates, agents, advisors and controlling persons (each, an “Agent Indemnitee”) (to the extent not reimbursed by the Borrower and without limiting the obligation of the Borrower to do so), ratably according to their respective Revolving Percentages in effect on the date on which indemnification is sought under this Section (or, if indemnification is sought after the date upon which the Revolving Commitments shall have terminated and the Loans shall have been paid in full, ratably in accordance with such Revolving Percentages immediately prior to such date), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever that may at any time (whether before or after

the payment of the Loans) be imposed on, incurred by or asserted against such Agent Indemnitee in any way relating to or arising out of, the Revolving Commitments, this Agreement, any of the other Loan Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by such Agent Indemnitee under or in connection with any of the foregoing; provided that no Lender shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements that are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from such Agent Indemnitee's gross negligence or willful misconduct. The agreements in this Section shall survive the payment of the Loans and all other amounts payable hereunder.

9.8 Agent in Its Individual Capacity. Each Agent and its affiliates may make loans to, accept deposits from and generally engage in any kind of business with any Loan Party as though such Agent were not an Agent. With respect to its Loans made or renewed by it, each Agent shall have the same rights and powers under this Agreement and the other Loan Documents as any Lender and may exercise the same as though it were not an Agent, and the terms "Lender" and "Lenders" shall include each Agent in its individual capacity.

9.9 Successor Administrative Agent. The Administrative Agent may resign as Administrative Agent upon 10 days' notice to the Lenders and the Borrower. If the Administrative Agent shall resign as Administrative Agent under this Agreement and the other Loan Documents, then the Required Lenders shall appoint from among the Lenders a successor agent for the Lenders, which successor agent shall (unless an Event of Default under Section 8(a) or Section 8(f) with respect to the Borrower shall have occurred and be continuing) be subject to approval by the Borrower (which approval shall not be unreasonably withheld or delayed), whereupon such successor agent shall succeed to the rights, powers and duties of the Administrative Agent, and the term "Administrative Agent" shall mean such successor agent effective upon such appointment and approval, and the former Administrative Agent's rights, powers and duties as Administrative Agent shall be terminated, without any other or further act or deed on the part of such former Administrative Agent or any of the parties to this Agreement or any holders of the Loans. If no successor agent has accepted appointment as Administrative Agent by the date that is 10 days following a retiring Administrative Agent's notice of resignation, the retiring Administrative Agent's resignation shall nevertheless thereupon become effective, and the Lenders shall assume and perform all of the duties of the Administrative Agent hereunder until such time, if any, as the Required Lenders appoint a successor agent as provided for above. After any retiring Administrative Agent's resignation as Administrative Agent, the provisions of this Section 9 and of Section 10.5 shall continue to inure to its benefit. Any such successor Administrative Agent shall promptly execute and deliver to the Collateral Agent an Administrative Agent Joinder (as such term is defined in the Intercreditor Agreement).

9.10 Lead Arranger. The Lead Arranger shall not have any duties or responsibilities hereunder in its capacity as such.

9.11 Certain ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party

hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, the Lead Arranger and their respective Affiliates and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using “plan assets” (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Revolving Commitments or this Agreement,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Revolving Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a “Qualified Professional Asset Manager” (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Revolving Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Revolving Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Revolving Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, the Lead Arranger and their respective Affiliates and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that none of the Administrative Agent, the Lead Arranger nor any of their respective Affiliates is a fiduciary with respect to the assets of such Lender involved in such Lender’s entrance into, participation in, administration of and performance of the Loans, the Revolving Commitments and this Agreement (including in

connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

9.12 Erroneous Payments.

(a) If the Administrative Agent notifies a Lender, or any Person who has received funds on behalf of a Lender (any such Lender or other recipient, a "Payment Recipient") that the Administrative Agent has determined in its sole discretion (whether or not after receipt of any notice under immediately succeeding clause (b)) that any funds received by such Payment Recipient from the Administrative Agent or any of its Affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Lender or other Payment Recipient on its behalf) (any such funds, whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an "Erroneous Payment") and demands the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Administrative Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of the Administrative Agent, and such Lender shall (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to) promptly, but in no event later than two Business Days thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent in same day funds at the greater of the Overnight Bank Funding Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect. A notice of the Administrative Agent to any Payment Recipient under this clause (a) shall be conclusive, absent manifest error.

(b) Without limiting immediately preceding clause (a), each Lender, or any Person who has received funds on behalf of a Lender, hereby further agrees that if it receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from the Administrative Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates), or (z) that such Lender, or other such recipient, otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part) in each case:

(i) (A) in the case of immediately preceding clauses (x) or (y), an error shall be presumed to have been made (absent written confirmation from the Administrative Agent to the contrary) or (B) an error has been made (in the case of immediately preceding clause (z)), in each case, with respect to such payment, prepayment or repayment; and

(ii) such Lender shall (and shall cause any other recipient that receives funds on its respective behalf to) promptly (and, in all events, within one Business Day of

its knowledge of such error) notify the Administrative Agent of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying the Administrative Agent pursuant to this Section 9.12(b).

(c) Each Lender hereby authorizes the Administrative Agent to set off, net and apply any and all amounts at any time owing to such Lender under any Loan Document, or otherwise payable or distributable by the Administrative Agent to such Lender from any source, against any amount due to the Administrative Agent under immediately preceding clause (a) or under the indemnification provisions of this Agreement.

(d) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Administrative Agent for any reason, after demand therefor by the Administrative Agent in accordance with immediately preceding clause (a), from any Lender that has received such Erroneous Payment (or portion thereof) (and/or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its respective behalf) (such unrecovered amount, an “Erroneous Payment Return Deficiency”), upon the Administrative Agent’s notice to such Lender at any time, (i) such Lender shall be deemed to have assigned its Loans (but not its Revolving Commitments) with respect to which such Erroneous Payment was made (the “Erroneous Payment Impacted Class”) in an amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Administrative Agent may specify) (such assignment of the Loans (but not Revolving Commitments), the “Erroneous Payment Deficiency Assignment”) at par plus any accrued and unpaid interest (with the assignment fee to be waived by the Administrative Agent in such instance), and is hereby (together with the Borrower) deemed to execute and deliver an Assignment and Assumption with respect to such Erroneous Payment Deficiency Assignment, and such Lender shall deliver any Notes evidencing such Loans to the Borrower or the Administrative Agent, (ii) the Administrative Agent as the assignee Lender shall be deemed to acquire the Erroneous Payment Deficiency Assignment, (iii) upon such deemed acquisition, the Administrative Agent as the assignee Lender shall become a Lender hereunder with respect to such Erroneous Payment Deficiency Assignment and the assigning Lender shall cease to be a Lender hereunder with respect to such Erroneous Payment Deficiency Assignment, excluding, for the avoidance of doubt, its obligations under the indemnification provisions of this Agreement and its applicable Revolving Commitments which shall survive as to such assigning Lender and (iv) the Administrative Agent may reflect in the Register its ownership interest in the Loans subject to the Erroneous Payment Deficiency Assignment. The Administrative Agent may, in its discretion, sell any Loans acquired pursuant to an Erroneous Payment Deficiency Assignment and upon receipt of the proceeds of such sale, the Erroneous Payment Return Deficiency owing by the applicable Lender shall be reduced by the net proceeds of the sale of such Loan (or portion thereof), and the Administrative Agent shall retain all other rights, remedies and claims against such Lender (and/or against any recipient that receives funds on its respective behalf). For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Revolving Commitments of any Lender and such Revolving Commitments shall remain available in accordance with the terms of this Agreement. In addition, each party hereto agrees that, except to the extent that the Administrative Agent has sold a Loan (or portion thereof) acquired pursuant to an Erroneous Payment Deficiency Assignment, and irrespective of whether the Administrative Agent may be equitably subrogated, the Administrative Agent shall be contractually subrogated to all the rights and interests of the applicable Lender under the Loan Documents with respect to each Erroneous Payment Return Deficiency (the “Erroneous Payment Subrogation Rights”).

(e) The parties hereto agree that an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrower or any other Loan Party, except, in each case, to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Administrative Agent from the Borrower or any other Loan Party for the purpose of making such Erroneous Payment.

(f) To the extent permitted by applicable law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payment received, including without limitation waiver of any defense based on “discharge for value” or any similar doctrine

(g) Each party’s obligations, agreements and waivers under this Section 9.12 shall survive the resignation or replacement of the Administrative Agent, the termination of the Revolving Commitments and/or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Loan Document.

9.13 No Advisory or Fiduciary Relationship. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower acknowledges and agrees, and acknowledges its Affiliates’ understanding, that: (a) (i) no fiduciary, advisory or agency relationship between the Borrower and its Subsidiaries and any Arranger, any Bookrunner, the Administrative Agent or any Lender is intended to be or has been created in respect of the transactions contemplated hereby or by the other Loan Documents, irrespective of whether any Arranger, any Bookrunner, the Administrative Agent, or any Lender has advised or is advising the Borrower or any Subsidiary on other matters, (ii) the arranging and other services regarding this Agreement provided by any Arranger, any Bookrunner, the Administrative Agent, and the Lenders are arm’s-length commercial transactions between the Borrower and its Affiliates, on the one hand, and the Arrangers, the Bookrunners, the Administrative Agent, and the Lenders, on the other hand, (iii) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent that it has deemed appropriate and (iv) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; and (b) (i) each of the Arrangers, the Bookrunners, the Agent, and the Lenders is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Borrower or any of its Affiliates, or any other Person; (ii) none of the Arrangers, the Bookrunners, the Administrative Agent, and the Lenders has any obligation to the Borrower or any of the Borrower’s Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) the Arrangers, the Bookrunners, the Administrative Agent, and the Lenders and their respective Affiliates may be engaged, for their own accounts or the accounts of customers, in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and none of the Arrangers, the Bookrunners, the Administrative Agent, and the Lenders has any obligation to disclose any of such interests to the Borrower or its Affiliates. To the fullest extent permitted by law, the Borrower hereby waives and releases any

claims that it may have against any of the Arrangers, the Bookrunners, the Administrative Agent, and the Lenders with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

9.14 Administrative Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders and the Administrative Agent under Section 10.5 allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Section 10.5.

9.15 No Reliance on Administrative Agent's Customer Identification Program. Each Lender acknowledges and agrees that neither such Lender, nor any of its Affiliates, participants or assignees, may rely on the Administrative Agent to carry out such Lender's, Affiliate's, participant's or assignee's customer identification program, or other obligations required or imposed under or pursuant to the Patriot Act or the regulations thereunder, including the regulations contained in 31 CFR 103.121 (as hereafter amended or replaced, the "CIP Regulations"), or any other Anti-Money Laundering Law, any Anti-Corruption Law, or any International Trade Law, including any programs involving any of the following items relating to or in connection with any of the Loan Parties, their Affiliates or their agents, the Loan Documents or the transactions hereunder or contemplated hereby: (i) any identity verification procedures, (ii) any recordkeeping, (iii) comparisons with government lists, (iv) customer notices or (v) other procedures required under the CIP Regulations or such other laws.

SECTION 10. MISCELLANEOUS

10.1 Amendments and Waivers. Except as set forth in Section 2.18, neither this Agreement, any other Loan Document, nor any terms hereof or thereof may be amended,

waived, supplemented or modified except in accordance with the provisions of this Section 10.1. The Required Lenders and each Loan Party to the relevant Loan Document may, or, with the written consent of the Required Lenders, the Administrative Agent and each Loan Party to the relevant Loan Document may, from time to time, (a) enter into written amendments, supplements or modifications hereto and to the other Loan Documents for the purpose of adding any provisions to this Agreement or the other Loan Documents or changing in any manner the rights of the Lenders or of the Loan Parties hereunder or thereunder or (b) waive, on such terms and conditions as the Required Lenders or the Administrative Agent, as the case may be, may specify in such instrument, any of the requirements of this Agreement or the other Loan Documents or any Default or Event of Default and its consequences; provided, however, that no such waiver and no such amendment, supplement or modification shall, (i) increase any Lender's Revolving Commitment, forgive the principal amount or extend the final scheduled date of maturity of any Loan, reduce the stated rate of any interest or fee payable hereunder (except (x) in connection with the waiver of applicability of any post-default increase in interest rates (which waiver shall be effective with the consent of the Required Lenders) and (y) that any amendment or modification of defined terms used in the financial covenants in this Agreement shall not constitute a reduction in the rate of interest or fees for purposes of this clause (i)) or extend the scheduled date of any payment thereof, or increase the amount or extend the expiration date of any Lender's Revolving Commitment, in each case without the written consent of each Lender directly affected thereby; (ii) eliminate or reduce the voting rights of any Lender under this Section 10.1 without the written consent of such Lender; (iii) reduce any percentage specified in, or otherwise change, the definition of Required Lenders, consent to the assignment or transfer by the Borrower of any of its rights and obligations under this Agreement and the other Loan Documents, release all or substantially all of the Collateral, release the Borrower from its obligations under the Security Agreement, subordinate, or have the effect of subordinating, the Obligations hereunder to any other Indebtedness for borrowed money or subordinate, or have the effect of subordinating, the Liens securing the Obligations to Liens securing any other Indebtedness for borrowed money (provided that this clause (iii) shall not prohibit the Administrative Agent, in its sole discretion, from subordinating its Lien on a specific piece of property to a purchase money security interest or capital lease in such property that is permitted hereunder), in each case without the written consent of all directly and adversely affected Lenders; (iv) amend, modify or waive any provision of (A) Sections 2.12(a)-(c) (or any other section relating to the pro rata treatment of Lenders) without the written consent of each directly and adversely affected Lender or (B) the other portions of Section 2.12 without the written consent of the Required Lenders; (v) amend, modify or waive any provision of Section 9 or any other provision of any Loan Document that affects the Administrative Agent without the written consent of the Administrative Agent or (vi) amend, modify or waive any provision of any Loan Document that directly and adversely affects the Swing Line Lender without the written consent of the Swing Line Lender. Any such waiver and any such amendment, supplement or modification shall apply equally to each of the Lenders and shall be binding upon the Loan Parties, the Lenders, the Administrative Agent and all future holders of the Loans. In the case of any waiver, the Loan Parties, the Lenders and the Administrative Agent shall be restored to their former position and rights hereunder and under the other Loan Documents, and any Default or Event of Default waived shall be deemed to be cured and not continuing; but no such waiver shall extend to any subsequent or other Default or Event of Default, or impair any right consequent thereon.

Furthermore, notwithstanding the foregoing: (a) the Administrative Agent, with the consent of the Borrower, may amend, modify or supplement any Loan Document without the consent of any Lender or the Required Lenders in order to correct, amend or cure any ambiguity, inconsistency or defect or correct any typographical error or other manifest error in any Loan Document, (b) no consent with respect to any amendment, modification, waiver or supplement of this Agreement or any other Loan Document shall be required of any Defaulting Lender, except as provided in Section 2.19 and (c) in the case of any amendment, modification, waiver or supplement referred to in the proviso of the first paragraph of this Section 10.1, no consent with respect to any amendment, modification, waiver or supplement of this Agreement or any other Loan Document shall be required of any Lender that receives payment in full of the principal of and interest accrued on each Loan made by such Lender, and all other amounts owing to or accrued for the account of such Lender under this Agreement and the other Loan Documents, at the time such amendment, modification, waiver or supplement becomes effective and whose Revolving Commitments terminate by the terms and upon the effectiveness of such amendment, modification, waiver or supplement.

10.2 Notices. (a) All notices, requests and demands to or upon the respective parties hereto to be effective shall be in writing (including by electronic transmission), and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when delivered, or three Business Days after being deposited in the mail, postage prepaid, or, in the case of electronic transmission notice, upon the receiver's acknowledgment such notice has been received, addressed as follows in the case of the Borrower, the Administrative Agent and the Swing Line Lender, and as set forth in an administrative questionnaire delivered to the Administrative Agent in the case of the Lenders, or to such other address as may be hereafter notified by the respective parties hereto:

Borrower:

PNG Companies LLC
375 North Shore Drive, Suite 600
Pittsburgh, PA 15212
Attention: Kim Edvardsson, Vice President, Finance
Email: kim.edvardsson@peoples-gas.com
With a copy to:

Essential Utilities, Inc.
762 W. Lancaster Avenue
Bryn Mawr, PA 19010-3489
Attention: Christopher P. Luning, Executive Vice
President and General Counsel
Email: cpluning@essential.com

With a copy to (which shall not constitute notice):

O'Melveny & Myers LLP
Times Square Tower
New York, NY 10036
Attention: Maria von Schack
Telephone: (212) 236-2183
Email: mvonschack@omm.com

Administrative Agent
and Swing Line Lender:

PNC Bank, National Association
Mail Stop: F4-F074-03-1
1000 Westlakes Drive
Berwyn, PA 19312
Attention: Meredith Jermann
Telephone: (215) 585-5622
Email: meredith.jermann@pnc.com

With a copy to:

Agency Services
PNC Bank, National Association
Mail Stop: P7-PFSC-05-W
500 First Avenue
Pittsburgh, PA 15219
Attention: Agency Services
Telecopy: (412) 768-0423
Telephone: (412) 715-2006

With a copy to (which shall not constitute notice):

Ballard Spahr LLP
1735 Market Street, 51st Floor
Philadelphia, PA 19103
Attention: Richard S. Perelman
Telecopy: (215) 864-8999
Telephone: (215) 864-8118
Email: perelman@ballardspahr.com

provided that any notice, request or demand to or upon the Administrative Agent, Swing Line Lender or the other Lenders shall not be effective until received.

(b) Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender pursuant to Section 2 if such Lender has notified the Administrative Agent that it is incapable of receiving notices under such Section by electronic

communication. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (i), of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii) above, if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(c) Change of Address, etc. Any party hereto may change its address or facsimile number for notices and other communications hereunder by notice to the other parties hereto.

(d) Platform.

(i) The Borrower agrees that the Administrative Agent may, but shall not be obligated to, make the Communications (as defined below) available to the other Lenders by posting the Communications on the Platform.

(ii) The Platform is provided "as is" and "as available." The Agent Parties (as defined below) do not warrant the adequacy of the Platform and expressly disclaim liability for errors or omissions in the Communications. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects, is made by any Agent Party in connection with the Communications or the Platform. In no event shall the Administrative Agent or any of its related parties (collectively, the "Agent Parties") have any liability to the Borrower, any Lender or any other Person or entity for damages of any kind, including, without limitation, direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract or otherwise) arising out of the Borrower's or the Administrative Agent's transmission of communications through the Platform. "Communications" means, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of any Loan Party pursuant to any Loan Document or the transactions contemplated therein which is distributed to the Administrative Agent or any Lender by means of electronic communications pursuant to this Section, including through the Platform.

10.3 No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of the Administrative Agent or any Lender, any right, remedy, power or

privilege hereunder or under the other Loan Documents shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

10.4 Survival of Representations and Warranties. All representations and warranties made hereunder, in the other Loan Documents and in any document, certificate or statement delivered pursuant hereto or in connection herewith shall survive the execution and delivery of this Agreement and the making of the Loans and other extensions of credit hereunder.

10.5 Payment of Expenses.

(a) The Borrower agrees (i) to pay or reimburse the Administrative Agent, the Collateral Agent, the Lead Arranger and their Affiliates for all their reasonable and documented out-of-pocket costs and expenses incurred in connection with, the syndication of the facilities evidenced pursuant to the Loan Documents, the negotiation, preparation, delivery, execution, administration and closing of, and any amendment, waiver, supplement or modification to, this Agreement and the other Loan Documents and any other documents prepared in connection herewith or therewith, and the consummation and administration of the transactions contemplated hereby and thereby, including the reasonable and documented fees, disbursements and other charges of counsel for any of the foregoing (but limited to a single primary counsel and, if necessary, a single local counsel in each relevant material jurisdiction (which may be a single local counsel acting in multiple jurisdictions), in each case, for the Administrative Agent, the Lead Arranger and their respective Affiliates, taken as a whole), and filing and recording fees and expenses, with statements with respect to the foregoing to be submitted to the Borrower prior to the Closing Date (in the case of amounts to be paid on the Closing Date) and from time to time thereafter on a quarterly basis or such other periodic basis as the Administrative Agent shall deem appropriate, (ii) to pay or reimburse each of the Lead Arranger, the Lenders and Agents for all its costs and expenses incurred in connection with the enforcement (including pursuant to the administration of any bankruptcy proceeding relating to the Borrower) or preservation of any rights under this Agreement, the other Loan Documents and any such other documents, including the reasonable fees, disbursements and other charges of counsel, (iii) to pay, indemnify, and hold the Lead Arranger, each Lender and Agent and their respective affiliates and the officers, directors, employees, agents and controlling persons of each of the foregoing harmless from, any and all recording and filing fees that may be payable or determined to be payable in connection with the execution and delivery of, or consummation or administration of any of the transactions contemplated by, or any amendment, supplement or modification of, or any waiver or consent under or in respect of, this Agreement, the other Loan Documents and any such other documents, and (iv) to pay, indemnify, and hold the Lead Arranger, each Lender and Agent and their respective affiliates and the officers, directors, employees, agents, and controlling persons (each, an “Indemnitee”) harmless from and against any and all other liabilities, costs or expenses of any kind or nature whatsoever (regardless of whether such Indemnitee is a party thereto and regardless of the party initiating such matter) that relates to the execution, delivery, enforcement, performance and administration of this Agreement and any of the other Loan Documents, including those relating to the use of proceeds of the Loans or the violation of, noncompliance with or liability under, any Environmental Law applicable to the operations of any Group Member or any of the

Properties and the reasonable fees disbursements and other charges of legal counsel in connection with claims, actions or proceedings by any Indemnitee against any Loan Party under any Loan Document (all the foregoing in this clause (iv), collectively, the “Indemnified Liabilities”); provided that the foregoing indemnity will not, as to any Indemnitee, apply to Indemnified Liabilities to the extent (A) they are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted primarily from (1) the gross negligence or willful misconduct of such Indemnitee or (2) a material breach by such Indemnitee or its Affiliates of their obligations under this Agreement or (B) arising out of or in connection with any proceeding that does not involve an act or omission of the Borrower or any of its Affiliates and that is brought by an Indemnitee against any other Indemnitee (other than against any Agent, the Lead Arranger or another named agent, in each case, acting in its capacity or fulfilling its role as such); provided, further that (x) such legal expenses shall be limited to the fees, disbursements and other charges of a single primary counsel to the Indemnitees, taken as a whole, and, if necessary, a single local counsel to the Indemnitees, taken as a whole, in each relevant material jurisdiction (which may be a single local counsel acting in multiple jurisdictions) (and, in the case of an actual or perceived conflict of interest where the Indemnitee affected by such conflict informs the Borrower of such conflict and thereafter retains its own single counsel (or, if necessary, its own single local counsel in each relevant material jurisdiction (which may be a single local counsel acting in multiple jurisdictions)), of such conflict counsel for such affected Indemnitee and all similarly situated Indemnitees, taken as a whole) and (y) each Indemnitee shall promptly repay to the Borrower all amounts previously paid by the Borrower pursuant to the foregoing provisions to the extent that such Indemnitee is found by a final and nonappealable decision of a court of competent jurisdiction not to be entitled to indemnification hereunder as contemplated by the immediately preceding proviso. For the avoidance of doubt, this Section 10.5 shall not apply to Taxes, except any Taxes that represent Indemnified Liabilities arising from any non-Tax claims.

(b) To the fullest extent permitted by applicable law, none of the parties hereto shall assert, or permit any of its controlled Affiliates to assert, and each party hereto hereby waives, any claim on any theory of liability for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby; provided that nothing in this paragraph (b) shall limit the Borrower’s indemnity and reimbursement obligations set forth in this Section 10.5, including such indemnity and reimbursement obligations with respect to any special, indirect, consequential or punitive damages arising out of, in connection with or as a result of any claim, litigation, investigation or proceeding brought against any Indemnitee by any third party.

(c) All amounts due under this Section 10.5 shall be payable promptly after written demand therefor. The agreements in this Section 10.5 shall survive repayment of the Loans and all other amounts payable hereunder.

10.6 Successors and Assigns; Participations and Assignments.

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that (i) the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by the

Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section.

(b) (i) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may assign to one or more assignees (provided that any assignee shall not be the Borrower or its Affiliates, a natural person or a Defaulting Lender) (each, an “Assignee”) all or a portion of its rights and obligations under this Agreement (including all or a portion of its Revolving Commitment and the Loans at the time owing to it) with the prior written consent of:

(A) the Borrower (such consent not to be unreasonably withheld or delayed), provided that no consent of the Borrower shall be required for an assignment to a Lender, an affiliate of a Lender, an Approved Fund (as defined below) or, if an Event of Default under Section 8(a) or Section 8(f) has occurred and is continuing, any other Person;

(B) the Administrative Agent (such consent not to be unreasonably withheld or delayed); provided that no consent of the Administrative Agent shall be required for an assignment to a Lender, an affiliate of a Lender or an Approved Fund; and

(C) the Swing Line Lender (such consent not to be unreasonably withheld or delayed); provided that no consent of the Swing Line Lender shall be required for an assignment to a Lender, an affiliate of a Lender or an Approved Fund.

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender, an affiliate of a Lender or an Approved Fund or an assignment of the entire remaining amount of the assigning Lender’s Revolving Commitment or Loans, the amount of the Revolving Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than \$5,000,000 unless each of the Borrower and the Administrative Agent otherwise consent, provided that (1) no such consent of the Borrower shall be required if an Event of Default under Section 8(a) or Section 8(f) has occurred and is continuing and (2) such amounts shall be aggregated in respect of each Lender and its affiliates or Approved Funds, if any;

(B) (1) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of \$3,500 and (2) the assigning Lender shall have paid in full any amounts owing by it to the Administrative Agent; and

(C) the Assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an administrative questionnaire in which the Assignee designates one or more credit contacts to whom all syndicate-level information (which may contain MNPI) will be made available and who may receive such information in accordance with the Assignee's compliance procedures and applicable laws, including federal and state securities laws.

For the purposes of this Section 10.6, "Approved Fund" means any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course of its business and that is administered or managed by (a) a Lender, (b) an affiliate of a Lender or (c) an entity or an affiliate of an entity that administers or manages a Lender.

(iii) Subject to acceptance and recording thereof pursuant to paragraph (b)(iv) below, from and after the effective date specified in each Assignment and Assumption the Assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.13, 2.14, 2.15 and 10.5). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 10.6 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (c) of this Section.

(iv) The Administrative Agent, acting for this purpose as an agent of the Borrower, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register (reflecting each Assignment and Assumption) for the recordation of the names and addresses of the Lenders, and the Revolving Commitment of, and principal amount (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection at the Funding Office (or such other office designated by the Administrative Agent) by the Borrower or any Lender at any reasonable time and from time to time upon reasonable prior notice.

(v) Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender and an Assignee, the Assignee's completed administrative questionnaire (unless the Assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section and any written consent to such assignment required by paragraph (b) of this Section, the

Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(c) (i) Any Lender may, without the consent of the Borrower, the Administrative Agent or the Swing Line Lender, sell participations to one or more banks or other entities (a "Participant") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Revolving Commitment and the Loans owing to it); provided that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (C) the Borrower, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver that (I) requires the consent of each Lender directly affected thereby pursuant to clauses (i), (ii) and (iii) of the proviso to the second sentence of Section 10.1 and (II) directly affects such Participant. Subject to paragraph (c)(ii) of this Section, the Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.13, 2.14, 2.15 (subject to the requirements and limitations therein, including the requirements under Sections 2.14(d), (e) and (i) (it being understood that the documentation required under Sections 2.14(d), (e) and (i) shall be delivered to the participating Lender)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 10.7(b) as though it were a Lender, provided such Participant shall be subject to Section 10.7(a) as though it were a Lender.

(ii) A Participant shall not be entitled to receive any greater payment under Section 2.13 or 2.14 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, except to the extent such entitlement to receive a greater payment results from an adoption of or any change in any Requirement of Law or in the interpretation or application thereof or compliance by any Lender with any request or directive (whether or not having the force of law) from any central bank or other Governmental Authority made subsequent to the date hereof that occurs after the Participant acquired the applicable participation. Any Participant that is a Non-U.S. Lender shall not be entitled to the benefits of Section 2.14 unless such Participant complies with Section 2.14(d), (e) and (i). Each Lender that sells a participation shall, acting solely for this purpose as an agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the obligations under this Agreement (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's

interest in the obligations under this Agreement) except to the extent that such disclosure is necessary to establish that such interest is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary.

(d) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or Assignee for such Lender as a party hereto.

(e) The Borrower, upon receipt of written notice from the relevant Lender, agrees to issue Notes to any Lender requiring Notes to facilitate transactions of the type described in paragraph (d) above.

10.7 Adjustments; Set-off.

(a) Except to the extent that this Agreement, any other Loan Document or a court order expressly provides for payments to be allocated to a particular Lender or to the Lenders, if any Lender (a "Benefitted Lender") shall receive any payment of all or part of the Obligations owing to it (other than in connection with an assignment made pursuant to Section 10.6), or receive any collateral in respect thereof (whether voluntarily or involuntarily, by set-off, pursuant to events or proceedings of the nature referred to in Section 8(f), or otherwise), in a greater proportion than any such payment to or collateral received by any other Lender, if any, in respect of the Obligations owing to such other Lender, such Benefitted Lender shall purchase for cash from the other Lenders a participating interest in such portion of the Obligations owing to each such other Lender, or shall provide such other Lenders with the benefits of any such collateral, as shall be necessary to cause such Benefitted Lender to share the excess payment or benefits of such collateral ratably with each of the Lenders; provided, however, that if all or any portion of such excess payment or benefits is thereafter recovered from such Benefitted Lender, such purchase shall be rescinded, and the purchase price and benefits returned, to the extent of such recovery, but without interest.

(b) Subject to the Intercreditor Agreement, in addition to any rights and remedies of the Lenders provided by law, each Lender shall have the right, without notice to the Borrower, any such notice being expressly waived by the Borrower to the extent permitted by applicable law, upon any Obligations becoming due and payable by the Borrower (whether at the stated maturity, by acceleration or otherwise), to apply to the payment of such Obligations, by setoff or otherwise, any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Lender, any affiliate thereof or any of their respective branches or agencies to or for the credit or the account of the Borrower; provided that if any Defaulting Lender shall exercise any such right of setoff, (i) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of this Agreement and, pending

such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent and the Lenders and (ii) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the obligations owing to such Defaulting Lender as to which it exercised such right of set-off. Each Lender agrees promptly to notify the Borrower and the Administrative Agent after any such application made by such Lender, provided that the failure to give such notice shall not affect the validity of such application.

10.8 Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Agreement by email or facsimile transmission shall be effective as delivery of a manually executed counterpart hereof. A set of the copies of this Agreement signed by all the parties shall be lodged with the Borrower and the Administrative Agent.

10.9 Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

10.10 Integration. This Agreement and the other Loan Documents represent the entire agreement of the Borrower, the Administrative Agent and the Lenders with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by the Administrative Agent or any Lender relative to the subject matter hereof not expressly set forth or referred to herein or in the other Loan Documents.

10.11 GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

10.12 Submission To Jurisdiction; Waivers. Each party hereto hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the other Loan Documents to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the exclusive jurisdiction of the courts of the State of New York, the courts of the United States for the Southern District of New York, and appellate courts from any thereof; provided, that nothing contained herein or in any other Loan Document will prevent any Lender or the Administrative Agent from bringing any action to enforce any award or judgment or exercise any right under the Security Documents or against any Collateral or any other property of any Loan Party in any other forum in which jurisdiction can be established;

(b) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or

proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same;

(c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such party at its address set forth in Section 10.2 or at such other address of which the Administrative Agent shall have been notified pursuant thereto; and

(d) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit the right to sue in any other jurisdiction.

10.13 Acknowledgements. The Borrower hereby acknowledges that:

(a) it has been advised by legal, accounting, regulatory and tax advisors in the negotiation, execution and delivery of this Agreement and the other Loan Documents;

(b) neither the Administrative Agent nor any Lender has any fiduciary relationship with or duty to the Borrower and its Subsidiaries arising out of or in connection with this Agreement or any of the other Loan Documents, and the relationship between Administrative Agent and Lenders, on one hand, and the Borrower and its Subsidiaries, on the other hand, in connection herewith or therewith is solely that of debtor and creditor;

(c) no joint venture is created hereby or by the other Loan Documents or otherwise exists by virtue of the transactions contemplated hereby among the Lenders or among the Borrower and its Subsidiaries and the Lenders;

(d) the Credit Parties, on the one hand, and the Loan Parties, on the other hand, have an arm's length business relationship that does not directly or indirectly give rise to, nor do the Loan Parties rely on, any fiduciary duty to the Loan Parties or their affiliates on the part of the Credit Parties;

(e) the Loan Parties are capable of evaluating and understanding, and the Loan Parties understand and accept, the terms, risks and conditions of the transactions contemplated by this Agreement and the other Loan Documents;

(f) the Loan Parties have been advised that the Credit Parties are engaged in a broad range of transactions that may involve interests that differ from the Loan Parties' interests and that the Credit Parties have no obligation to disclose such interests and transactions to the Loan Parties;

(g) each Credit Party has been, is, and will be acting solely as a principal and, except as otherwise expressly agreed in writing by it and the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Loan Parties, any of their affiliates or any other Person; and

(h) none of the Credit Parties has any obligation to the Loan Parties or their affiliates with respect to the transactions contemplated by this Agreement or the other Loan

Documents except those obligations expressly set forth herein or therein or in any other express writing executed and delivered by such Credit Party and the Loan Parties or any such affiliate.

10.14 Releases of Liens.

(a) Notwithstanding anything to the contrary contained herein or in any other Loan Document, the Administrative Agent is hereby irrevocably authorized by each Lender (without requirement of notice to or consent of any Lender except as expressly required by Section 10.1) to take any action requested by the Borrower having the effect of releasing any Collateral (i) to the extent necessary to permit consummation of any transaction not prohibited by any Loan Document or that has been consented to in accordance with Section 10.1 or (ii) under the circumstances described in paragraphs (b) and (c) below.

(b) At such time as all Obligations have been paid in full (other than contingent indemnification obligations that are not yet due and payable) and the Revolving Commitments have been terminated, the Collateral shall automatically be released from the Liens created by the Security Documents to the extent securing the Obligations, and the Security Documents and all obligations (other than those expressly stated to survive such termination) of the Administrative Agent and each Loan Party under the Security Documents shall terminate as to the Obligations, all without delivery of any instrument or performance of any act by any Person. At the request and sole expense of the Borrower following any such termination, the Administrative Agent shall deliver to the Borrower any Collateral held by the Administrative Agent under the Security Documents, and execute and deliver to the Borrower such documents as the Borrower shall reasonably request to evidence such termination.

(c) If any of the Collateral shall be sold, transferred or otherwise disposed of by the Borrower in a transaction permitted by the Loan Documents, then the Administrative Agent, at the request and sole expense of the Borrower, shall execute and deliver to the Borrower all releases or other documents reasonably necessary for the release of the Liens created by the Security Documents on such Collateral to the extent securing the Obligations.

10.15 Confidentiality. Each of the Administrative Agent and each Lender agrees to keep confidential all Information (as defined below); provided that nothing herein shall prevent the Administrative Agent or any Lender from disclosing any such information (a) to the Administrative Agent, any Lender or any affiliate thereof, (b) subject to an agreement to comply with the provisions of this Section, to any actual or prospective Transferee or any direct or indirect counterparty to any Swap Agreement (or any professional advisor to such counterparty), (c) to its employees, directors, agents, attorneys, accountants and other professional advisors or those of any of its affiliates, (d) upon the request or demand of any Governmental Authority, (e) in response to any order of any court or other Governmental Authority or as may otherwise be required pursuant to any Requirement of Law, (f) if requested or required to do so in connection with any litigation or similar proceeding, (g) that has been publicly disclosed, (h) to the National Association of Insurance Commissioners or any similar organization or any nationally recognized rating agency that requires access to information about a Lender's investment portfolio in connection with ratings issued with respect to such Lender, or (i) in connection with the exercise of any remedy hereunder or under any other Loan Document, or (j) if agreed by the Borrower in its sole discretion, to any other Person. "Information" means all

information received from the Borrower relating to the Loan Parties or their businesses, other than any such information that is available to the Administrative Agent or any Lender on a non-confidential basis prior to disclosure by the Borrower and other than information pertaining to this Agreement routinely provided by arrangers to data service providers, including league table providers, that serve the lending industry; provided that in the case of information received from the Borrower after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section 10.15 shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord its own confidential information.

Each Lender acknowledges that information furnished to it pursuant to this Agreement or the other Loan Documents may include material non-public information concerning the Borrower and its Affiliates and their related parties or their respective securities, and confirms that it has developed compliance procedures regarding the use of material non-public information and that it will handle such material non-public information in accordance with those procedures and applicable law, including federal and state securities laws.

All information, including requests for waivers and amendments, furnished by the Borrower or the Administrative Agent pursuant to, or in the course of administering, this Agreement or the other Loan Documents will be syndicate-level information, which may contain material non-public information about the Borrower and its Affiliates and their related parties or their respective securities. Accordingly, each Lender represents to the Borrower and the Administrative Agent that it has identified in its administrative questionnaire a credit contact who may receive information that may contain material non-public information in accordance with its compliance procedures and applicable law, including federal and state securities laws.

10.16 WAIVERS OF JURY TRIAL. THE BORROWER, THE ADMINISTRATIVE AGENT AND THE LENDERS HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

10.17 USA Patriot Act. Each Lender hereby notifies the Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Patriot Act"), it is required to obtain, verify and record information that identifies the Borrower, which information includes the name, address, tax identification number and other information regarding the Borrower that will allow each of the Lenders to identify the Borrower in accordance with the Patriot Act. This notice is given in accordance with the requirements of the Patriot Act and is effective as to each Lender. The Borrower shall provide (a) all documentation and information that each Lender reasonably requests in order to satisfy such Lender's obligations under the Patriot Act and (b) all documentation and information required by bank regulatory authorities under applicable "know your customer" rules and regulations.

10.18 Intercreditor Agreement. Each Lender hereby (a) acknowledges that a copy of the Intercreditor Agreement was delivered, or made available, to such Lender, (b) approves the Intercreditor Agreement, (c) agrees that it will be bound by, and will take no actions contrary to,

the provisions of the Intercreditor Agreement, (d) authorizes and instructs the Administrative Agent to enter into the Intercreditor Agreement as Administrative Agent on behalf of such Lender and (e) agrees that, upon becoming a party hereto, such Lender is deemed to have made the representations and warranties set forth in Section 2.2(a) of the Intercreditor Agreement for the benefit of the other parties thereto.

10.19 Acknowledgment Regarding any Supported QFCs. To the extent that the Loan Documents provide support, through a guarantee or otherwise, for any Swap Agreement or any other agreement or instrument that is a QFC (such support, “QFC Credit Support”, and each such QFC, a “Supported QFC”), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “U.S. Special Resolution Regimes”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

(a) In the event a Covered Entity that is party to a Supported QFC (each, a “Covered Party”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

(b) As used in this Section 10.19, the following terms have the following meanings:

“BHC Act Affiliate” of a party means an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

“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.

“QFC” has the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

10.20 Acknowledgment and Consent to Bail-In of Affected Financial Institutions.

Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

PNG COMPANIES LLC, as Borrower

By:
Name:
Title:

Signature Page to PNG Companies LLC Credit Agreement

PNC BANK, NATIONAL ASSOCIATION, as
Administrative Agent, Swing Line Lender and as a
Lender

By:
Name:
Title:

Signature Page to PNG Companies LLC Credit Agreement

Revolving Commitments

<u>Name of Lender</u>	<u>Revolving Commitment</u>
PNC Bank, National Association	\$150,000,000
The Huntington National Bank	\$75,000,000
Citizens Bank, N.A.	\$75,000,000
Total:	\$300,000,000.00

Schedule 1.1A-1

Consents, Authorizations, Filings and Notices

None.

Schedule 4.4-1

Subsidiaries

Company Name	Jurisdiction of Organization	Significant Subsidiary
1. Peoples Homeworks LLC	Delaware	No
2. PNG Gathering LLC	Delaware	No
3. Peoples Natural Gas Company LLC	Pennsylvania	Yes
4. Peoples Gas KY LLC	Kentucky	No
5. Delta Natural Gas Company, Inc.	Kentucky	No
6. Delta Resources, LLC	Kentucky	No
7. Delgasco, LLC	Kentucky	No
8. Enpro, LLC	Kentucky	No

Schedule 4.15-1

UCC Filing Jurisdictions

Filing	Debtor	Secured Party	Location
UCC-1	Borrower	Collateral Agent	Delaware Secretary of State

Schedule 4.18-1

Existing Liens

None

Schedule 7.2-1

FORM OF
COMPLIANCE CERTIFICATE

This Compliance Certificate is delivered pursuant to Section 6.2 of the Credit Agreement, dated as of November 25, 2020 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the “Credit Agreement”), among PNG Companies LLC, the Lenders party thereto and PNC Bank, National Association, as administrative agent for the Lenders (in such capacity, the “Administrative Agent”). Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

I, the undersigned, hereby certify, in my capacity as [•] [FINANCIAL OFFICER] of the Borrower and not in my individual capacity, to the Administrative Agent as follows:

1. I am a duly elected, qualified and acting Financial Officer of the Borrower.
2. I have reviewed and am familiar with the contents of this Compliance Certificate.
3. I have reviewed the terms of the Credit Agreement and the Loan Documents and have made or caused to be made under my supervision, a review in reasonable detail of the transactions and condition of the Borrower during the accounting period covered by the financial statements attached hereto as Attachment 1 (the “Financial Statements”). As of the date of this certificate, I have obtained no knowledge of the existence of any condition or event which constitutes a Default or Event of Default[, except as set forth below:
_____].
4. Attached hereto as Attachment 2 are the computations showing compliance with each of the financial covenants set forth in Section 7.1 of the Credit Agreement as of the last day of the accounting period covered by the Financial Statements.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, I have executed this Certificate this ____ day of _____,
20__.

PNG COMPANIES LLC

By:
Name:
Title:

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[Attach Financial Statements]

The information described herein is as of _____, _____, and pertains to the period
from _____, _____ to _____, _____.

[Set forth each Financial Covenant Calculation as of the last day of the accounting period
covered by the Financial Statements]

FORM OF
CLOSING CERTIFICATE

November 25, 2020

Pursuant to Section 5.1(e) of the Credit Agreement, dated as of November 25, 2020 (the "Credit Agreement"; terms defined therein being used herein as therein defined), among PNG Companies LLC (the "Borrower"), the Lenders party thereto, and PNC Bank, National Association, as administrative agent for the Lenders (in such capacity, the "Administrative Agent"), the undersigned, in its capacity as [INSERT TITLE OF OFFICER] of the Borrower and not in its individual capacity, hereby certifies on behalf of the Borrower as follows:

1. The representations and warranties of the Borrower set forth in each of the Loan Documents to which it is a party are true and correct in all material respects (it being understood that the materiality qualifier shall not be applicable with respect to any clause of any representation or warranty which itself contains a materiality qualification) on and as of the date hereof with the same effect as if made on the date hereof, except for representations and warranties expressly stated to relate to a specific earlier date, in which case such representations and warranties were true and correct in all material respects (or all respects, as applicable) as of such earlier date.
2. No Default or Event of Default has occurred and is continuing as of the date hereof.
3. Attached hereto as Annex 1 is a true and complete copy of a Written Consent duly adopted by the Board of Directors of the Borrower on November 25, 2020; such Written Consent has not in any way been amended, modified, revoked or rescinded, has been in full force and effect since its adoption to and including the date hereof and is now in full force and effect.
4. Attached hereto as Annex 2 is a true and complete copy of the Amended and Restated Limited Liability Company Agreement of the Borrower as in effect on the date hereof.
5. Attached hereto as Annex 3 is a true and complete copy of the Certificate of Formation of the Borrower as in effect on the date hereof.
6. Attached hereto as Annex 4 are now duly elected and qualified officers or authorized representatives of the Borrower holding the offices indicated next to their respective names below, and the signatures appearing opposite their respective names below are the true and genuine signatures of such officers, and each of such officers is duly authorized to execute and deliver on behalf of the Borrower each of the Loan Documents to which it is a party and any certificate or other document to be delivered by the Borrower pursuant to the Loan Documents to which it is a party.

IN WITNESS WHEREOF, the undersigned have hereunto set our names as of the date set forth above.

PNG COMPANIES LLC

By:
Name:
Title:

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FORM OF
ASSIGNMENT AND ASSUMPTION

Reference is made to the Credit Agreement, dated as of November 25, 2020 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the “Credit Agreement”), among PNG Companies LLC, the Lenders party thereto, and PNC Bank, National Association, as administrative agent for the Lenders (in such capacity, the “Administrative Agent”). Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

The Assignor identified on Schedule 1 hereto (the “Assignor”) and the Assignee identified on Schedule 1 hereto (the “Assignee”) agree as follows:

1. The Assignor hereby irrevocably sells and assigns to the Assignee without recourse to the Assignor, and the Assignee hereby irrevocably purchases and assumes from the Assignor without recourse to the Assignor, as of the Effective Date (as defined below), the interest described in Schedule 1 hereto (the “Assigned Interest”) in and to the Assignor’s rights and obligations under the Credit Agreement.

2. The Assignor (a) makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Credit Agreement or with respect to the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Agreement, any other Loan Document or any other instrument or document furnished pursuant thereto, other than that the Assignor has not created any adverse claim upon the interest being assigned by it hereunder and that such interest is free and clear of any such adverse claim and (b) makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Borrower, any of its Affiliates or any other obligor or the performance or observance by the Borrower, any of its Affiliates or any other obligor of any of their respective obligations under the Credit Agreement or any other Loan Document or any other instrument or document furnished pursuant hereto or thereto.

3. The Assignee (a) represents and warrants that it is legally authorized to enter into this Assignment and Assumption; (b) confirms that it has received a copy of the Credit Agreement, together with copies of the financial statements delivered pursuant to Section 4.1 thereof and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption; (c) agrees that it will, independently and without reliance upon the Assignor, the Administrative Agent or any Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement, the other Loan Documents or any other instrument or document furnished pursuant hereto or thereto; (d) appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers and discretion under the Credit Agreement, the other Loan Documents or any other instrument or document furnished pursuant hereto or thereto as are delegated to the Administrative Agent by the terms thereof, together with such powers as are incidental thereto; and (e) agrees that it will be bound by the provisions of the Credit Agreement

and will perform in accordance with its terms all the obligations which by the terms of the Credit Agreement are required to be performed by it as a Lender including, if it is organized under the laws of a jurisdiction outside the United States, its obligation pursuant to Section 2.14(d) of the Credit Agreement.

4. The effective date of this Assignment and Assumption shall be the Effective Date of Assignment described in Schedule 1 hereto (the “Effective Date”). Following the execution of this Assignment and Assumption, it will be delivered to the Administrative Agent for acceptance by it and recording by the Administrative Agent pursuant to the Credit Agreement, effective as of the Effective Date (which shall not, unless otherwise agreed to by the Administrative Agent, be earlier than five Business Days after the date of such acceptance and recording by the Administrative Agent).

5. Upon such acceptance and recording, from and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignee whether such amounts have accrued prior to the Effective Date or accrue subsequent to the Effective Date. The Assignor and the Assignee shall make all appropriate adjustments in payments by the Agent for periods prior to the Effective Date or with respect to the making of this assignment directly between themselves.

6. From and after the Effective Date, (a) the Assignee shall be a party to the Credit Agreement and, to the extent provided in this Assignment and Assumption, have the rights and obligations of a Lender thereunder and under the other Loan Documents and shall be bound by the provisions thereof and (b) the Assignor shall, to the extent provided in this Assignment and Assumption, relinquish its rights and be released from its obligations under the Credit Agreement.

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

8. This Assignment and Assumption may be executed by one or more of the parties hereto on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Assignment and Assumption by electronic or facsimile transmission shall be effective as delivery of a manually executed counterpart hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment and Assumption to be executed as of the date first above written by their respective duly authorized officers on Schedule 1 hereto.

Schedule 1
to Assignment and Assumption with respect to
the Credit Agreement, dated as of November 25, 2020,
among
PNG Companies LLC (the "Borrower"),
the Lenders party thereto, and
PNC Bank, National Association, as Administrative Agent

Name of Assignor:

Name of Assignee:

Effective Date of Assignment:

Principal
Amount Assigned

\$ _____

Commitment
Percentage Assigned

____.____%

[Name of Assignee]

[Name of Assignor]

By:
Title:

By:
Title:

Accepted for Recordation in the Register:

Required Consents (if any):

, as
Administrative Agent

PNG Companies LLC

By:
Title:

By:
Title:

, as
Administrative Agent

By:
Title:

, as
Swing Line Lender

By:
Title:

FORM OF LEGAL OPINION OF SIMPSON THACHER & BARTLETT LLP

[On File With Administrative Agent]

D-1-1

FORM OF LEGAL OPINION OF POST & SCHELL P.C.

[On File With Administrative Agent]

D-2-1

FORM OF U.S. TAX CERTIFICATE

(For Non-U.S. Lenders That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement dated as of November 25, 2020 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among PNG Companies LLC (the "Borrower"), the Lenders party thereto, and PNC Bank, National Association, as administrative agent (in such capacity, the "Administrative Agent").

Pursuant to the provisions of Section 2.14 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code and (v) the interest payments in question are not effectively connected with the undersigned's conduct of a U.S. trade or business.

The undersigned has furnished the Administrative Agent and the Borrower with a certificate of its non-United States person status on IRS Form W-8BEN-E (or W-8BEN if applicable). By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF LENDER]

By:

Title:

Name:

Date: _____, 20[]

FORM OF U.S. TAX CERTIFICATE

(For Non-U.S. Lenders That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement dated as of November 25, 2020 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among PNG Companies LLC (the "Borrower"), the Lenders party thereto, and PNC Bank, National Association, as administrative agent (in such capacity, the "Administrative Agent").

Pursuant to the provisions of Section 2.14 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such Loan(s) (as well as any Note(s) evidencing such Loan(s)), (iii) with respect to the extension of credit pursuant to this Credit Agreement, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code and (vi) the interest payments in question are not effectively connected with the undersigned's or its direct or indirect partners/members' conduct of a U.S. trade or business.

The undersigned has furnished the Administrative Agent and the Borrower with IRS Form W-8IMY accompanied by one of the following forms from each of its direct or indirect partners/members claiming the portfolio interest exemption: (i) an IRS Form W-8BEN-E (or W-8BEN if applicable) or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN-E (or W-8BEN if applicable) from each of such direct or indirect partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF LENDER]

By:

Title:

Name:

Date: _____, 20[]

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FORM OF U.S. TAX CERTIFICATE

(For Non-U.S. Participants That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement dated as of November 25, 2020 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among PNG Companies LLC (the "Borrower"), the Lenders party thereto, and PNC Bank, National Association, as administrative agent (in such capacity, the "Administrative Agent").

Pursuant to the provisions of Section 2.14 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code and (v) the interest payments in question are not effectively connected with the undersigned's conduct of a U.S. trade or business.

The undersigned has furnished its participating Lender with a certificate of its non-United States person status on IRS Form W-8BEN-E (or W-8BEN if applicable). By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF LENDER]

By:

Title:

Name:

Date: _____, 20[]

FORM OF U.S. TAX CERTIFICATE

(For Non-U.S. Participants That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Credit Agreement dated as of November 25, 2020 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among PNG Companies LLC (the "Borrower"), the Lenders party thereto, and PNC Bank, National Association, as administrative agent (in such capacity, the "Administrative Agent").

Pursuant to the provisions of Section 2.14 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect to such participation, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code and (vi) the interest payments in question are not effectively connected with the undersigned's or its direct or indirect partners/members' conduct of a U.S. trade or business.

The undersigned has furnished its participating Lender with IRS Form W 8IMY accompanied by one of the following forms from each of its direct or indirect partners/members claiming the portfolio interest exemption: (i) an IRS Form W-8BEN-E (or W-8BEN if applicable) or (ii) an IRS Form W 8IMY accompanied by an IRS Form W-8BEN-E (or W-8BEN if applicable) from each of such direct or indirect partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF LENDER]

By:

Title:

Name:

Date: _____, 20[___]

FORM OF BORROWING REQUEST

PNC Bank, National Association,
as Administrative Agent
for the Lenders referred to below

Agency Services
PNC Bank, National Association
Mail Stop: P7-PFSC-05-W
500 First Avenue
Pittsburgh, PA 15219
Attention: Agency Services
Telecopy: (412) 768-0423
Telephone: (412) 715-2006

[Date]

Dear Ladies and Gentlemen:

Reference is made to the Credit Agreement dated as of November 25, 2020 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the “Credit Agreement”), among PNG Companies LLC, the Lenders party thereto, and PNC Bank, National Association, as administrative agent for the Lenders (in such capacity, the “Administrative Agent”). Terms defined in the Credit Agreement are used herein with the same meanings. The Borrower hereby requests to borrow Revolving Loans under the Credit Agreement, and in that connection the Borrower specifies the following information with respect to such borrowing of Revolving Loans requested hereby:

1. Principal amount of Revolving Loan : _____
2. Date of Revolving Loan (which is a Business Day) : _____
3. Type of Revolving Loan : _____

4. Interest Period : _____

5. Location and number of Borrower's account at Administrative Agent to which proceeds of borrowing are to be disbursed: _____

6. The proceeds of the Revolving Loan will be used:

For purchases of natural gas inventory

For other working capital needs and general corporate purposes

The Borrower hereby represents and warrants as of the date of the making of such Revolving Loan, that the conditions set forth in Section 5.2 of the Credit Agreement have been satisfied or waived.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Borrower has executed and delivered this Borrowing Request as of the date first written above.

Very truly yours,
PNG COMPANIES LLC

By:
Name:
Title:

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FORM OF NOTE

\$ _____
 York

New York, New

[____], 20[__]

FOR VALUE RECEIVED, PNG COMPANIES LLC, a Delaware limited liability company (the “Borrower”), hereby promises to pay to _____ (the “Lender”) and its registered assigns, in lawful money of the United States of America in immediately available funds, at the Funding Office of PNC Bank, National Association, in its capacity as Administrative Agent (in such capacity, the “Administrative Agent”) under the Credit Agreement (as defined below), on the Revolving Commitment Termination Date the principal sum of _____ DOLLARS (\$ _____) or, if less, the then unpaid principal amount of all Revolving Loans made by the Lender pursuant to the Credit Agreement.

The Borrower promises also to pay interest on the unpaid principal amount of each Revolving Loan made by the Lender in like money to the Administrative Agent from the date hereof until paid at the rates and at the times provided in Section 2 of the Credit Agreement.

This Note is one of the Notes issued pursuant to that certain Credit Agreement, dated as of November 25, 2020, among the Borrower, the Lenders and the Administrative Agent, (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the “Credit Agreement”), and is entitled to the benefits and subject to the terms thereof and of the other Loan Documents. This Note is subject to voluntary and mandatory repayment prior to the Revolving Commitment Termination Date, in whole or in part, upon the terms and conditions specified in the Credit Agreement.

All Revolving Loans made by the Lender, the respective types and maturities thereof and all repayments of the principal thereof shall be recorded by the Lender and, if the Lender so elects in connection with any transfer or enforcement hereof, appropriate notations to evidence the foregoing information with respect to each such Revolving Loan then outstanding may be endorsed by the Lender on the schedule attached hereto, or on a continuation of such schedule attached to and made a part hereof; provided that the failure of the Lender to make any such recordation or endorsement shall not limit or otherwise affect the obligations of the Borrower hereunder or under the Credit Agreement.

In case an Event of Default shall occur and be continuing, the principal of and accrued interest on this Note then remaining unpaid may become, or be declared to be, due and payable in the manner and with the effect provided in the Credit Agreement.

The Borrower hereby waives presentment, demand, protest or notice of protest in connection with this Note to the extent permitted under applicable law. The non-exercise by the holder hereof of any of its rights hereunder in any particular instance shall not constitute a waiver thereof in that or any subsequent instance.

This Note is a registered obligation, subject to restrictions on transfer or assignment as provided in Section 10.6 of the Credit Agreement, and transferable only upon notation in the Register, and no assignment hereof shall be effective until recorded therein; provided, however, nothing shall prevent or prohibit the Lender from pledging this Note, including, without limitation, to a Federal Reserve Bank in support of borrowings made by such Lender from such Federal Reserve Bank.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[Remainder of page intentionally left blank.]

THIS NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH AND BE GOVERNED BY THE LAW OF THE STATE OF NEW YORK.

PNG COMPANIES LLC

By:
Name:
Title:

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REVOLVING LOANS AND PAYMENTS OF PRINCIPAL

Date	Amount of Revolving Loan	Type of Revolving Loan	Amount of Principal Repaid	Maturity Date	Notation Made By

FORM OF CONVERSION/CONTINUATION NOTICE

PNC Bank, National Association,
as Administrative Agent
under the Credit Agreement
referred to below

Agency Services
PNC Bank, National Association
Mail Stop: P7-PFSC-05-W
500 First Avenue
Pittsburgh, PA 15219
Attention: Agency Services
Telecopy: (412) 768-0423
Telephone: (412) 715-2006

Date: [•]

The undersigned, PNG Companies LLC (the "Borrower") refers to the Credit Agreement, dated as of November 25, 2020 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Borrower, the Lenders party thereto, and PNC Bank, National Association, as administrative agent for the Lenders (in such capacity, the "Administrative Agent"). Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

The undersigned hereby requests (select one):

- a conversion of a Term SOFR Rate Loan to an ABR Loan,
- a conversion of an ABR Loan to a Term SOFR Rate Loan, or
- a continuation of a Term SOFR Rate Loan

1. on _____ (a Business Day),

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2. [and in the amount of \$_____ to be converted into an ABR Loan.] [in the amount of \$_____ to be converted into or continued as a Term SOFR Rate Loan, and]

3. [with an Interest Period of _____ months.]

4. The original proceeds of the Revolving Loan that are being continued or converted hereby were used for:

The purchase natural gas inventory

Other working capital needs and general corporate purposes.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Borrower has executed and delivered this Conversion/Continuation Notice as of the date first written above.

PNG COMPANIES LLC

By:
Name:
Title:

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CERTIFICATION OF CHIEF EXECUTIVE OFFICER, PURSUANT TO RULE 13A-14(A) UNDER THE SECURITIES AND EXCHANGE ACT OF 1934

I, Christopher H. Franklin, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Essential Utilities, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting, and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Christopher H. Franklin

Christopher H. Franklin
President and Chief Executive Officer
August 6, 2024

CERTIFICATION OF CHIEF FINANCIAL OFFICER, PURSUANT TO RULE 13A-14(A) UNDER THE SECURITIES AND EXCHANGE ACT OF 1934

I, Daniel J. Schuller, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Essential Utilities, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting, and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Daniel J. Schuller

Daniel J. Schuller
Executive Vice President and Chief Financial Officer
August 6, 2024

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO
18 U.S.C. SECTION 1350

In connection with the Quarterly Report on Form 10-Q for the period ended June 30, 2024 of Essential Utilities, Inc. (the "Company") as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Christopher H. Franklin, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. Section 78m or Section 78o(d)); and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Christopher H. Franklin

Christopher H. Franklin
President and Chief Executive Officer
August 6, 2024

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO
18 U.S.C. SECTION 1350

In connection with the Quarterly Report on Form 10-Q for the period ended June 30, 2024 of Essential Utilities, Inc. (the "Company") as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Daniel J. Schuller, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. Section 78m or Section 78o(d)); and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Daniel J. Schuller

Daniel J. Schuller
Executive Vice President and Chief Financial Officer
August 6, 2024
